



Mark III Construction Inc. Brings a Wave of Economic Activity to the North State Region and Beyond

For more than 40 years, Mark III Construction, a family-owned multi-trade subcontractor headquartered in Sacramento, has provided the industrial and commercial construction industries with mechanical, electrical, plumbing, and utilities services. Operating from the same location, the facility has grown rapidly through the years with its commitment to customer service.

Mark III has become a significant contributor to the Sacramento and California economies. Through their investment in employees and operations, the ripple effect of their spending results in additional jobs and expenditures within and beyond the borders of Sacramento County.

The following two analyses show that in addition to their 300 employees, Mark III indirectly creates **182 jobs in Sacramento**, and **234 jobs in California** as a result of employee and company spending. What's more, their newly established manufacturing facility generates nearly one indirect job for each one of the 30 new jobs created with new operations – totaling **51 jobs in Sacramento** and **61 jobs in California**.

Considering these impacts, in total, Mark III's overall operations creates nearly **\$72 million in economic activity in Sacramento** and **over \$87 million in California**. **The new manufacturing facility alone creates over \$9 million in economic activity in Sacramento** and **over \$12 million in California**.

Mark III's economic footprint is illustrated by these numbers and the idea that "a job just isn't a job," but the beginning of a new wave of economic activity that inspires new jobs and investments.

Economic Impact of Mark III’s Business in Sacramento and California

As a major multi-trade construction company headquartered in Northern California, Mark III brings tremendous economic impact to Sacramento as well as the California economies.

The economic impact represents a quantitative calculation that estimates the overall economic effect from a project or enterprise. The impacts from a company operation are not limited to those direct effects that occur from new jobs created from the activity. When new jobs are created, the internal and external spending that occurs creates a “ripple effect” throughout the community, adding additional benefit to the economy. In economic terms this is considered the multiplier effect. Impact analysis typically comprises direct, indirect and induced impacts:

- Direct impacts result from payroll expenditures combined with jobs created.
- Indirect impacts result from suppliers of that company spending money and hiring employees.
- Induced impacts are the combined value of employees of the industry cluster spending money at a household level.

Combined, these three variables equate to the total economic impact of a project or industry cluster.

Mark III is involved in a number of projects throughout the north state and central valley including project infrastructure and multi-trade construction, including: Mechanical, Electrical, Plumbing and Utilities. The company employs roughly 300 employees directly with a payroll of over \$22.5 million.

<i>Study Area / Impact Type</i>	<i>Employment</i>	<i>Output</i>	<i>Labor Income</i>
Sacramento County			
Direct	300	\$ 44,767,389	\$ 22,650,000
Indirect	57	\$ 8,992,106	\$ 3,307,454
Induced	125	\$ 18,159,699	\$ 6,094,958
Total Effect	482	\$ 71,919,194	\$ 32,052,412
California			
Direct	300	\$ 45,772,321	\$ 22,650,000
Indirect	81	\$ 17,107,727	\$ 5,717,389
Induced	153	\$ 24,687,866	\$ 8,446,863
Total Effect	534	\$ 87,567,914	\$ 36,814,252
Data Source: IMPLAN 2016 Coefficients			

In addition to the direct hiring and output of the operations, the ripple effect of the Company’s operations contributes an additional 182 jobs totaling 481, adds \$27.15 million in industry output totaling nearly \$72 million, and adds \$9.4 million to total \$32.1 million in labor income to the economy of Sacramento County. The impact is not just limited to the County; viewing the total economic benefits at the statewide level, combined impacts result in a total of 534 jobs, \$87.57 million in output and \$36.81 million in new payroll.

In summary, this means that for every job supported by Mark III, roughly .61 and .78 of a job is being created in the County and State, respectively, as a result of supplier relationships and employee spending.

Economic Impact of New MEP Manufacturing Facility in Sacramento

The economic impact of Mark III’s new MEP Manufacturing Facility will create 51 jobs and over \$9 million in total output to Sacramento County’s economy, and even more as the “ripple effect” moves beyond the county borders.

The economic impact represents a quantitative calculation that estimates the overall economic effect from a project or new enterprise. The impacts from a new company operation are not limited to those direct effects that occur from new jobs created from the activity. When new jobs are created, the internal and external spending that occurs creates a “ripple effect” throughout the community, adding additional benefit to the economy. In economic terms this is considered the multiplier effect. Impact analysis typically comprises direct, indirect and induced impacts:

- Direct impacts result from payroll expenditures combined with jobs created.
- Indirect impacts result from suppliers of that company spending money and hiring employees.
- Induced impacts are the combined value of employees of the industry cluster spending money at a household level.

Combined, these three variables equate to the total economic impact of a project or industry cluster.

The 24,000 SF MEP Manufacturing Facility will house five trades under one roof – HVAC ducting, electrical, plumbing, process piping, & specialty metals. This new facility will serve as a hub for multi-trade assemblies to create highly efficient, prefabricated spools, parts and assemblies. These products will be shipped to job sites for installation across California for commercial and industrial projects and will directly create 30 new jobs with an estimated \$1.74 million in payroll, and \$5.96 million in direct output.

Study Area / Impact Type	Employment	Output	Labor Income
Sacramento County			
Direct	30	\$ 5,961,729	\$ 1,743,475
Indirect	10	\$ 1,501,360	\$ 583,302
Induced	11	\$ 1,626,448	\$ 545,939
Total Effect	51	\$ 9,089,538	\$ 2,872,717
California			
Direct	30	\$ 6,297,397	\$ 1,668,840
Indirect	15	\$ 3,313,328	\$ 1,140,948
Induced	15	\$ 2,475,911	\$ 847,110
Total Effect	61	\$ 12,086,635	\$ 3,656,899

Data Source: IMPLAN 2016 Coefficients

In addition to the direct hiring and output of the operations, the ripple effect of the new facility will contribute an additional 21 jobs totaling 51, add \$3.12 million in industry output totaling \$9.1 million, and add \$1.13 million to total \$2.9 million in labor income to the economy of Sacramento County. The impact is not just limited to the County; viewing the total economic benefits at the statewide level, combined impacts result in a total of 61 jobs, \$12.1 million in output and \$3.7 million in new payroll.

In summary, this means that for every job created with the establishment of this new facility, roughly an additional job is being created in the County and State as a result of supplier relationships and employee spending.