

# 2022 VALLEY ECONOMIC OUTLOOK

**The Year-End Survey of Arizona's  
Business Owners & Entrepreneurs**

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Southwest Business  
Credit Services



# 2022 Valley Economic Outlook



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## **Udall Shumway PLC and Southwest Business Credit Services are pleased to present The 2022 Valley Economic Outlook Survey**

As 2021 draws to a close, we have been reminded of two consistent truths about the human experience: life is unpredictable, and people are gifted with the ability to innovate, adapt, and respond. The pandemic and its aftermath posed serious challenges for businesses worldwide, and yet so many found a pathway forward, not simply to survive, but to succeed.

In Arizona, as elsewhere, that innovation and ingenuity start locally – within our families, our city and county governments, and our business enterprises, all calling upon their greatest strengths to generate fresh ideas and creative approaches. The Arizona business community weathered the storm of 2021, with new businesses starting, established businesses forging ahead, and out-of-state business choosing the unique economic vitality of the Grand Canyon State.

Within this diverse commercial community, certain questions emerge – what will the Arizona economy in 2022 look like? And what is the best response to potential economic uncertainty?

To help provide those answers, more than three hundred members of the Arizona Business Community responded with their insights and expectations to the Udall Shumway, PLC – Southwest Business Credit Services “2022 Valley Economic Forecast Survey”. The survey respondents are leaders in a variety of Arizona businesses - construction materials suppliers and contractors, lenders and credit managers, legal, medical and engineering professionals, retailers, hoteliers and other service providers. Their views are the leading edge, boots-on-the-ground predictors of Arizona’s 2022 economic performance. The 2022 Forecast Survey participants are the life-force of Maricopa County’s commercial experience. Their opinions do not simply give insight into Arizona’s economy – their expectations will significantly shape it.

Udall Shumway, PLC is a proud co-sponsor of this survey. Based in Mesa in the rapidly growing East Valley, Udall Shumway has served Valley businesses and consumers since 1965, offering litigation, transaction, family law, school law, probate, labor and employment, bankruptcy, construction law, and appellate services. While the name “Udall” is often associated with Arizona’s historic political and judicial landscape, the firm’s partners have their eyes fixed firmly on Arizona’s future by providing innovative legal strategies and thought leadership to clients.

Southwest Business Credit Services (SWBCS) also proudly co-sponsors this survey. SWBCS was formed in 1927 and is a leading supplier of business credit information to more than five hundred southwestern companies. Among its services, SWBCS organizes and administers industry credit groups and provides professional education and certification. SWBCS is a key strategic innovator in the Arizona construction industry, leading the delegation to create Arizona’s Business Credit Month and, since 1999, hosting Arizona’s largest annual construction credit conference.

Udall Shumway and Southwest Business Credit Services wish to thank our extraordinary distribution partners – the East Valley Partnership, the Mesa Chamber of Commerce, and Visit Mesa. These three organizations, each a longstanding Valley business advocate, provide critical voices for advancing Arizona’s amazing economic future. Their assistance in facilitating survey participation among their members was critical to the success of the survey, and we are grateful for their generosity.

As with our previous two economic forecasts for 2020 and 2021, the simplest questions have the clearest answers. How do we plan during times of uncertainty? By combining innovation with a focus on the respective strengths of our individual companies. And where will that effort lead? To an even more durable version of our companies and business community. And just as in 2021, shining through the percentages and bar graphs that predict the 2022 Arizona economy, is the grit and determination of Valley business leaders – like you. One cannot help but take inspiration and feel optimism in the face of such resolve.

Udall Shumway PLC and Southwest Business Credit Services offer the 2022 Valley Economic Forecast to assist you in your financial planning in the coming months. Once again, we are proud to take this journey with you.



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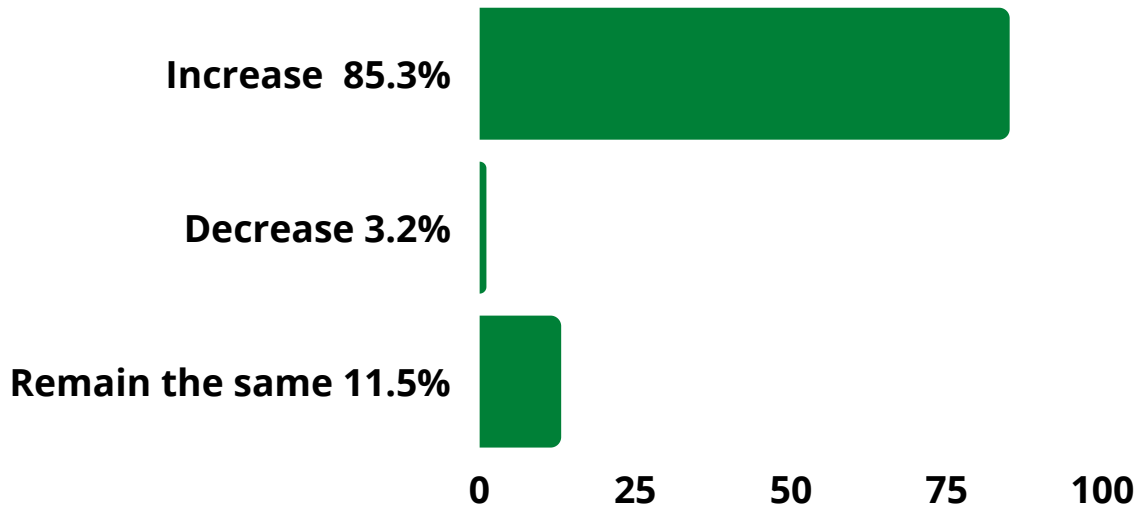
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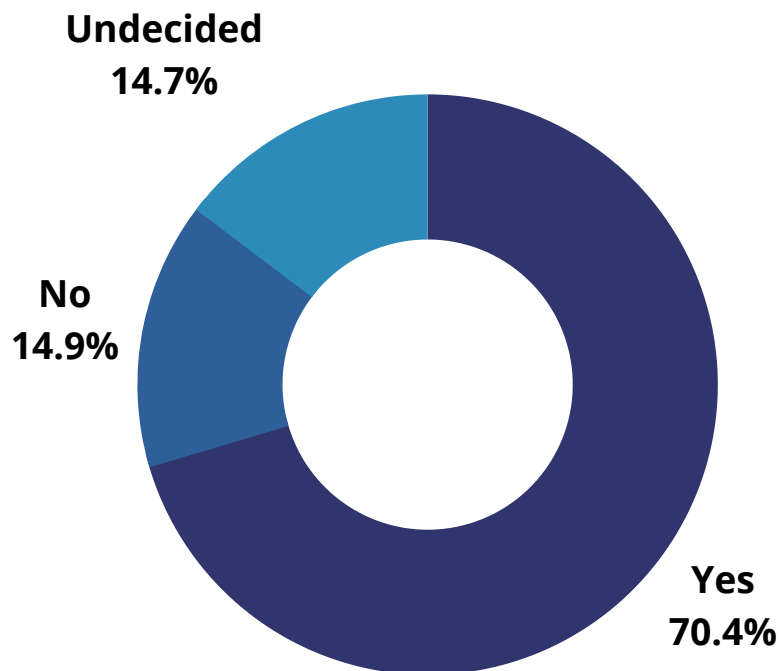


***Section 1. Your expectations for your Arizona company in 2022.***

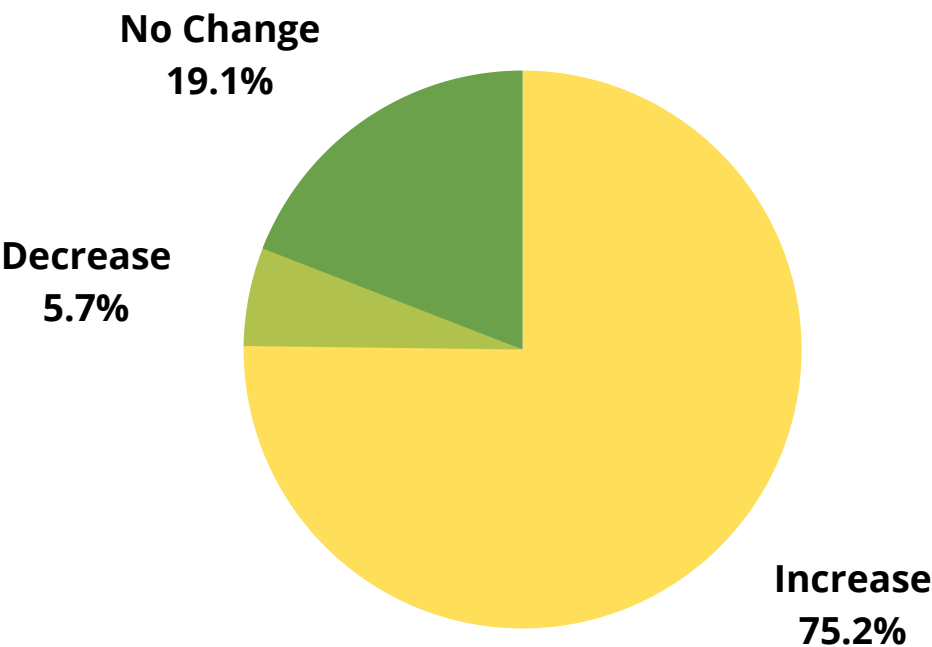
**In 2022, compared to 2021, do you anticipate net revenues for your company will:**



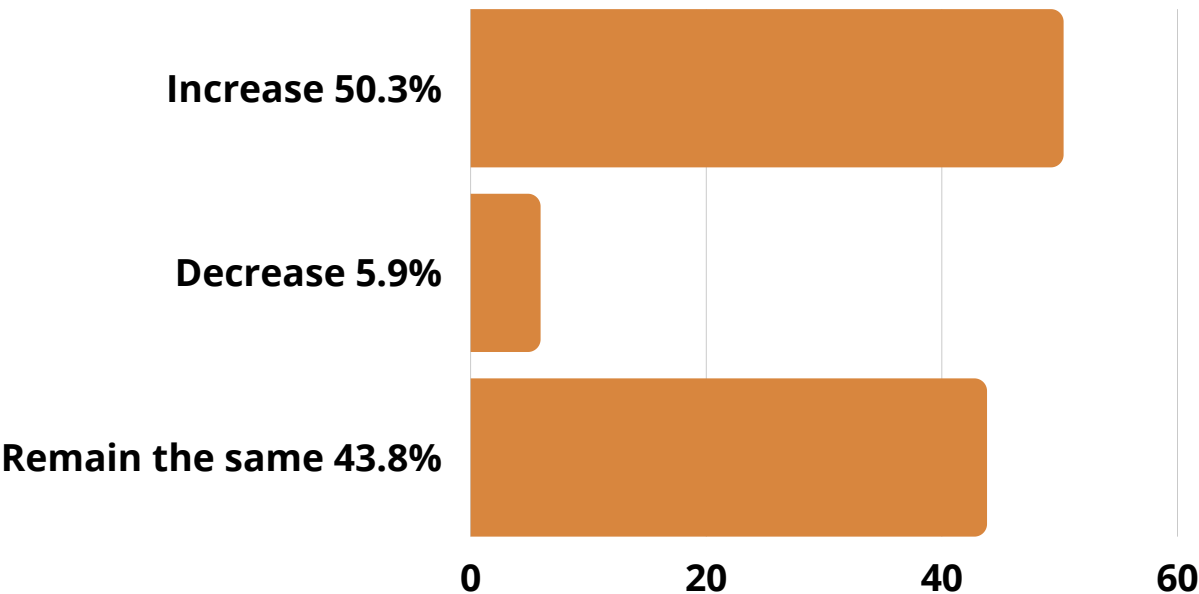
**Does your company plan to purchase new equipment or make other new capital investments in 2022?**



**Do you anticipate an increase or decrease in sales of goods or services supplied by your company on credit in 2022?**

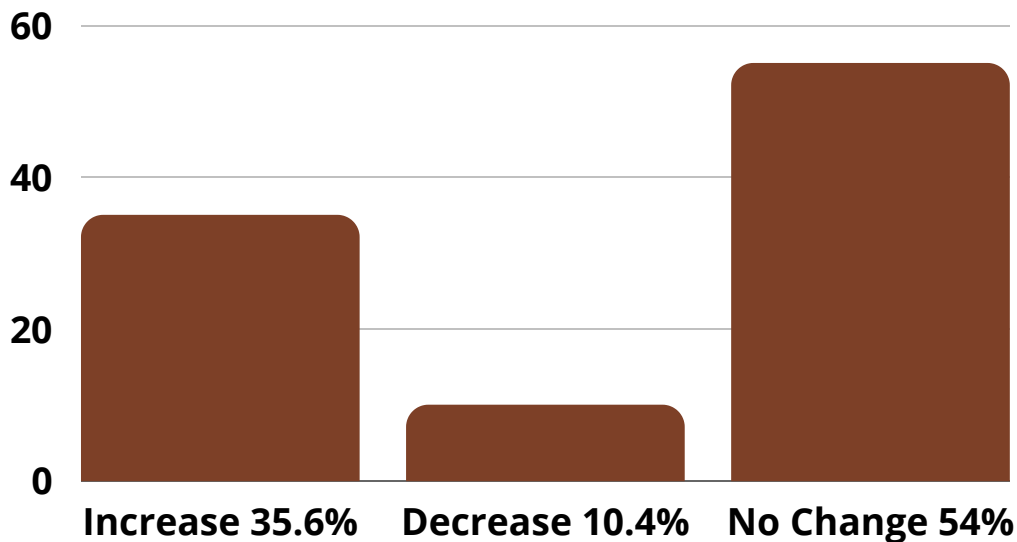


**Do you anticipate that your company's customer account debt levels will increase or decrease in 2022?**

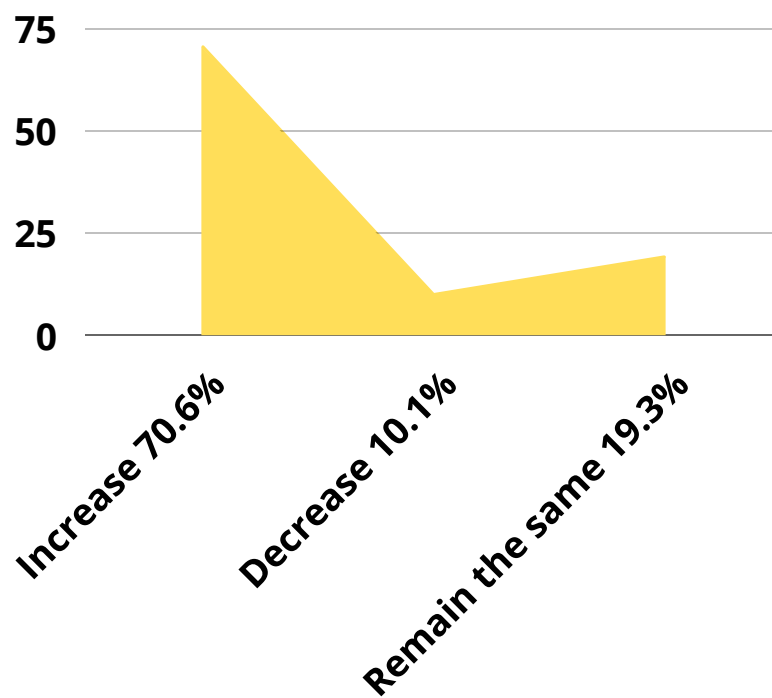




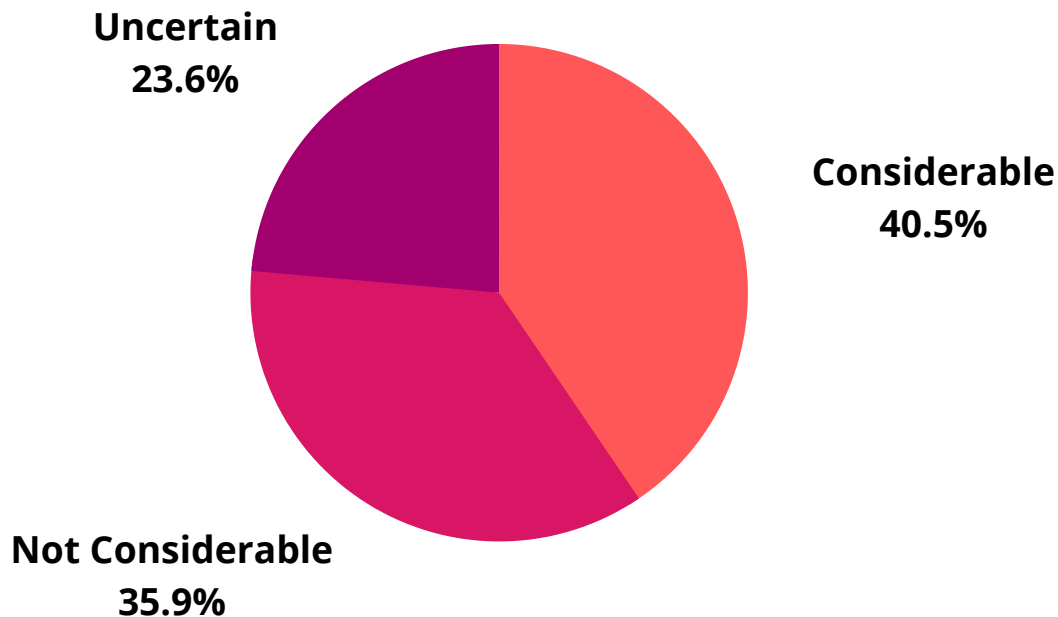
**Do you anticipate an increase or decrease in the number of companies competing locally in your business area in 2022?**



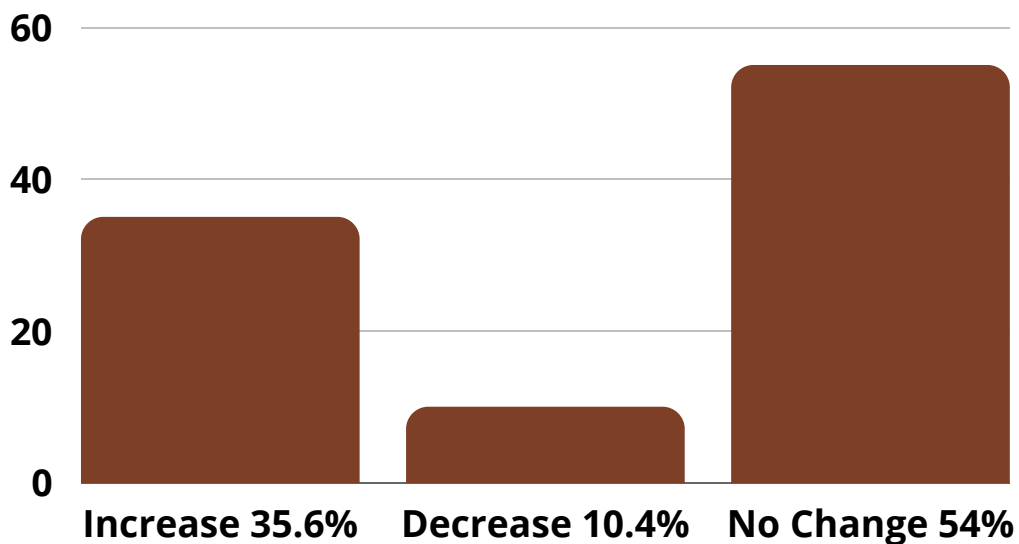
**Do you anticipate that employment hiring at your company will increase or decrease in 2022??**



**Nationwide there is a current shortage of approximately 80,000 truck drivers. What impact do you believe that supply chain issues will have on your business?**



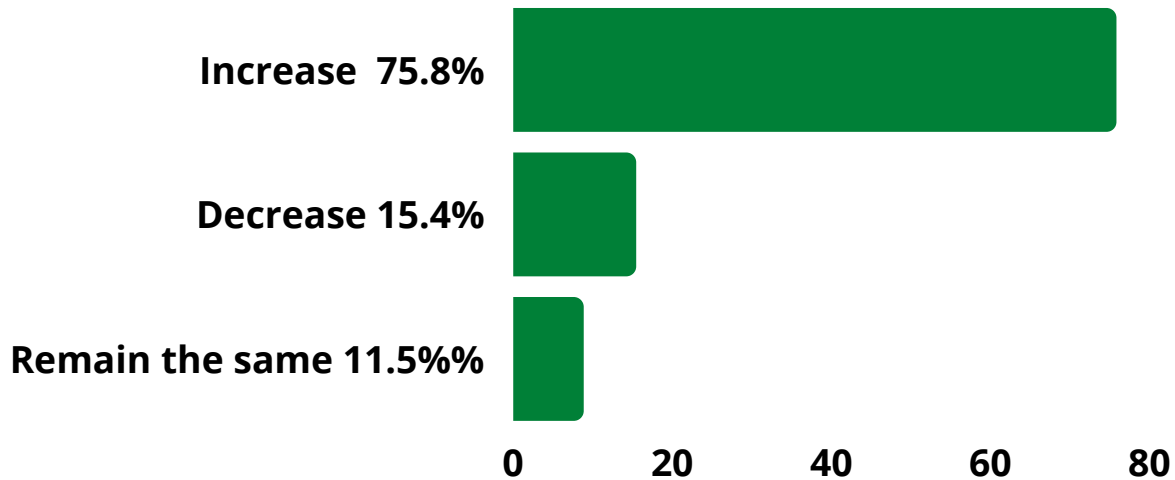
**Do you anticipate that your company will be impacted by inflationary trends in 2022?**



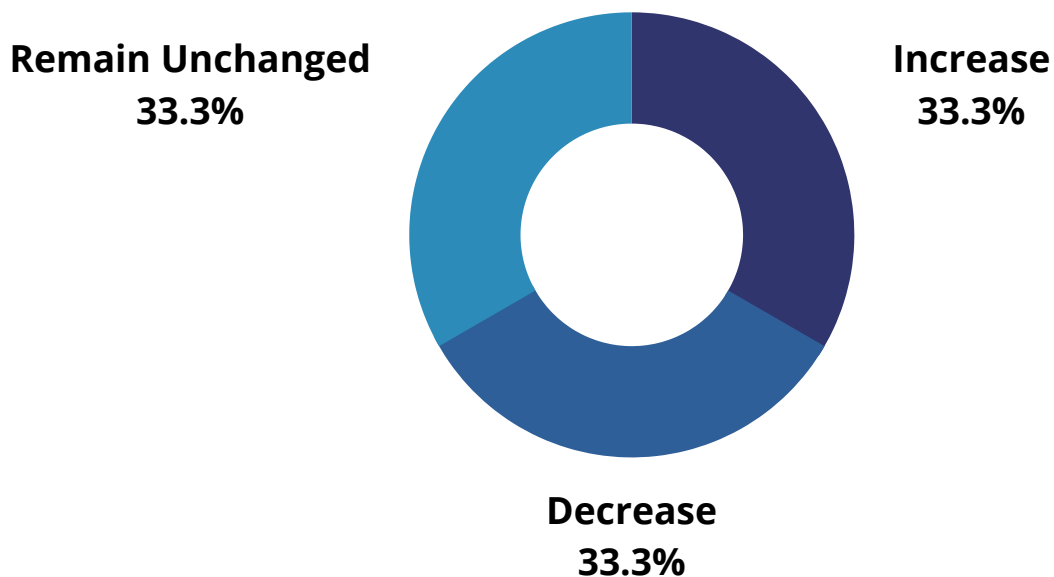


*Section 2. Your expectations for Arizona's economy overall in 2022.*

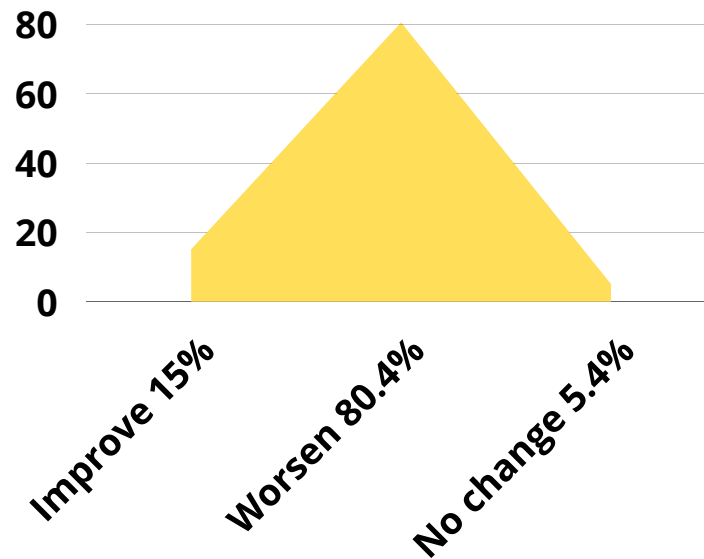
**Do you anticipate that Arizona's economic growth will increase, decrease, or remain stable in 2022?**



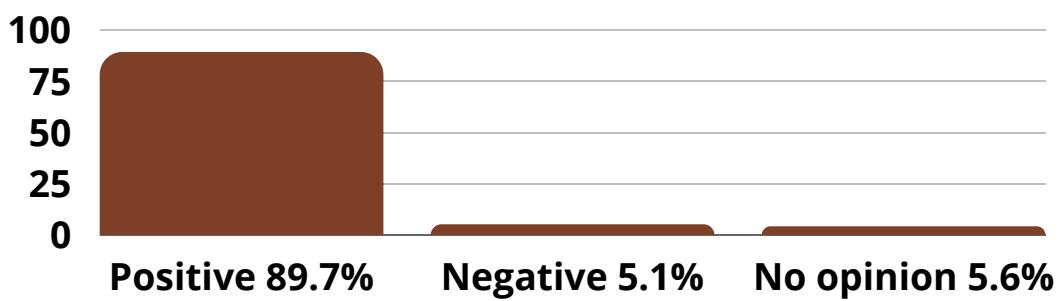
**Do you anticipate that bank lending levels and credit lines for Arizona businesses will increase, decrease, or remain largely unchanged in 2022?**



**Do you anticipate that current supply chain issues will improve, worsen, or remain unchanged for Arizona businesses in 2022?**

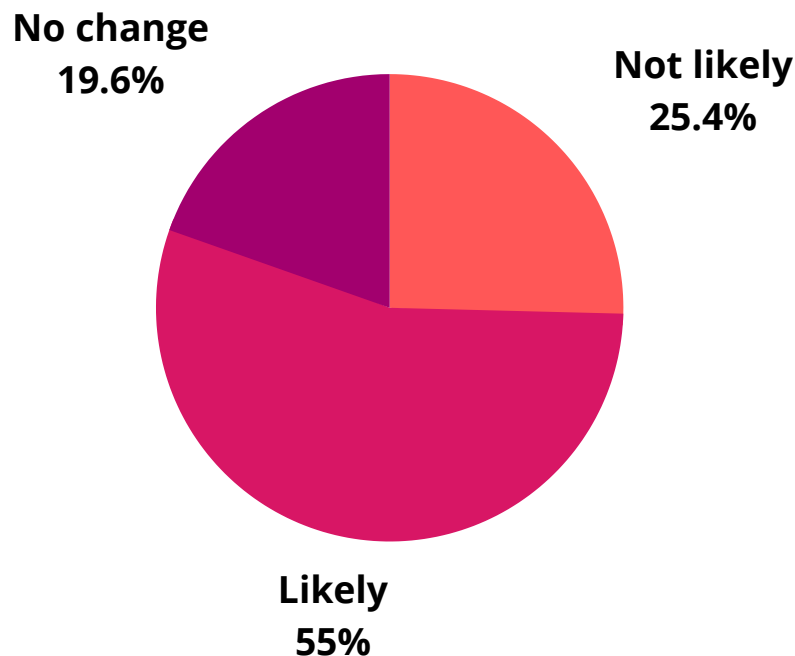


**Recently Arizona has been the destination for large corporations such as the Taiwan Semiconductor Manufacturing Company in the West Valley and Facebook's new facility in Mesa. Do you anticipate that out-of-state businesses relocating or expanding into Arizona will impact revenues for existing Arizona businesses in 2022, and if so, in a positive or negative manner?**

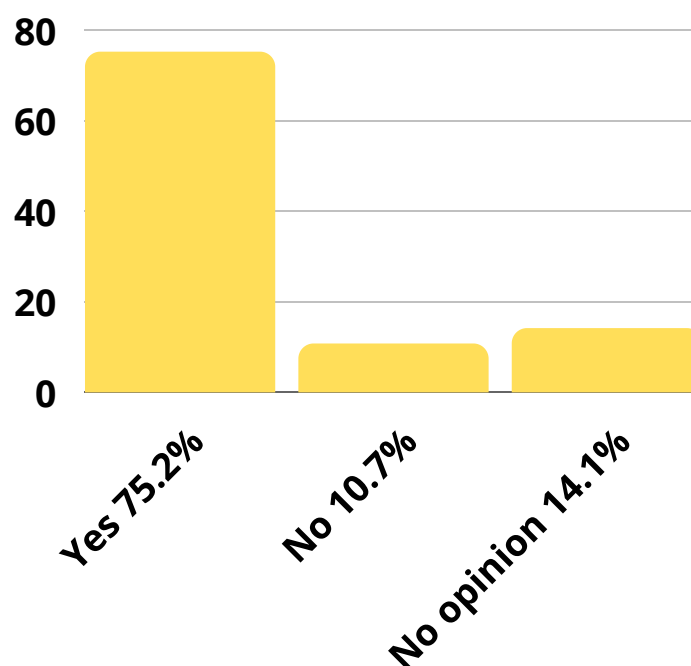




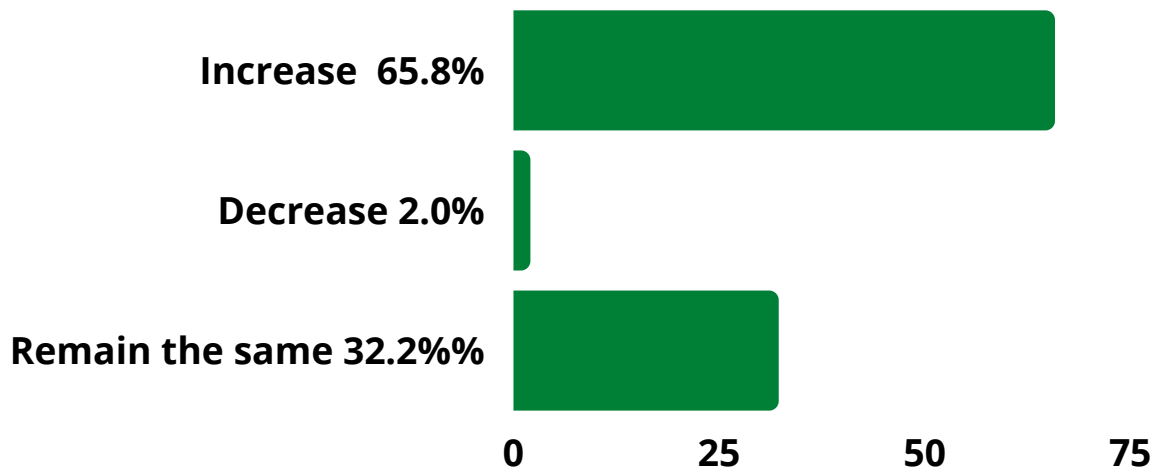
**In 2022, how likely do you view a continuing increase in residential housing prices in Arizona similar to 2021?**



**Lake Mead has been experiencing significant water level reductions for the past two decades. Do you anticipate that access to water will impact revenues for existing Arizona businesses in 2022 ?**

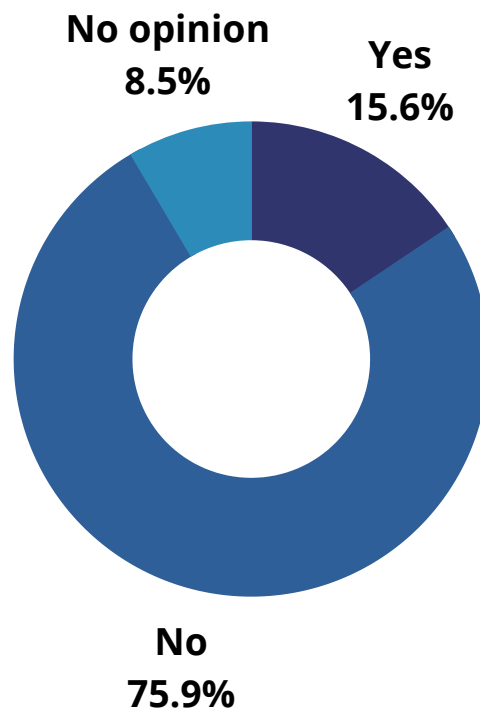


## Do you anticipate that commercial construction and development in 2022 will:



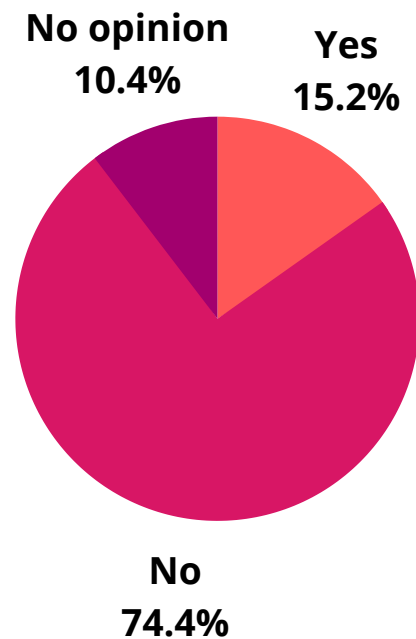
### *Section 3. Your opinion as to what needs to improve in 2022 for Arizona businesses to thrive.*

**Do you believe that Arizona developers are constructing adequate amounts of affordable housing for families in Arizona, and particularly in Maricopa County?**

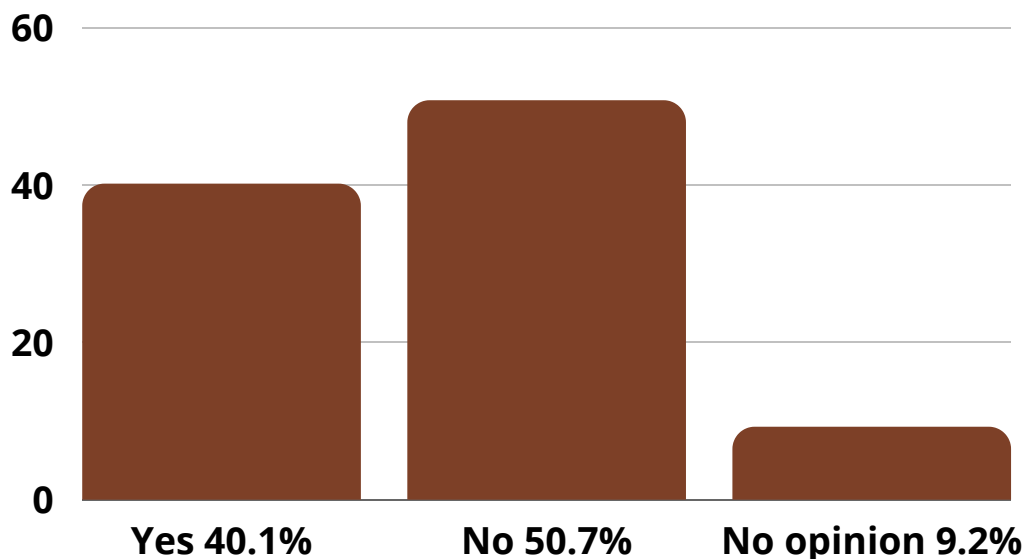




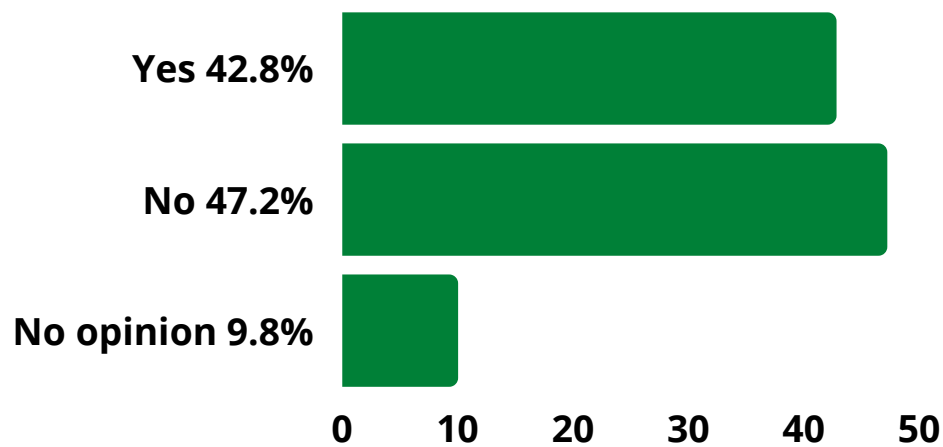
**Do you believe that Arizona's roads, bridges, and railways are sufficient to support the transportation needs of Arizona businesses?**



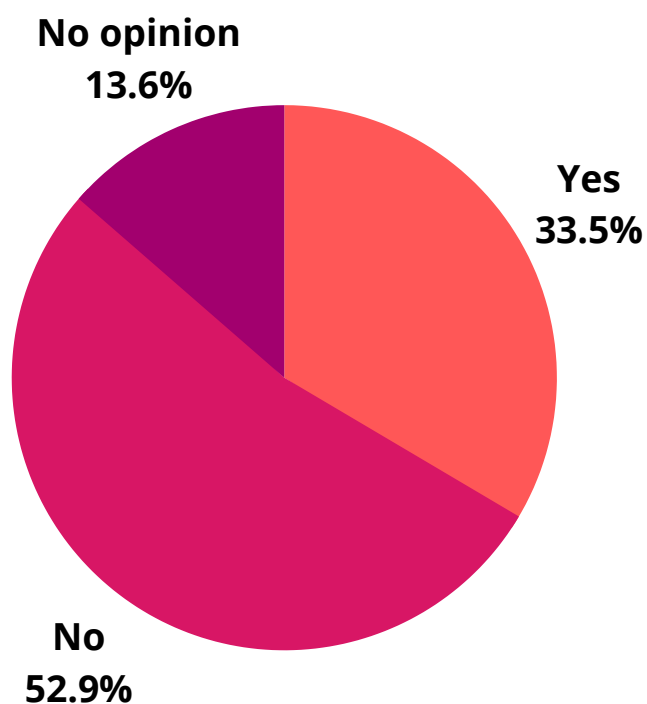
**In your opinion, are Maricopa County's mass transit options, particularly buses and the light rail system, sufficient to meet the transportation needs of commuters, especially employees and students?**



**Do you believe that the Arizona workforce is qualified to meet the needs of high-tech companies moving to or starting up in the Valley?**



**Do you believe that Arizona's K-12, community colleges, and universities are currently producing a workforce that is sufficiently educated and skilled to meet the needs of existing and future employers in Arizona?**







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