



**Business Services Research**

March 17, 2026

# Robert W. Baird & Co. 1Q 2026 Textile Rental Services Survey

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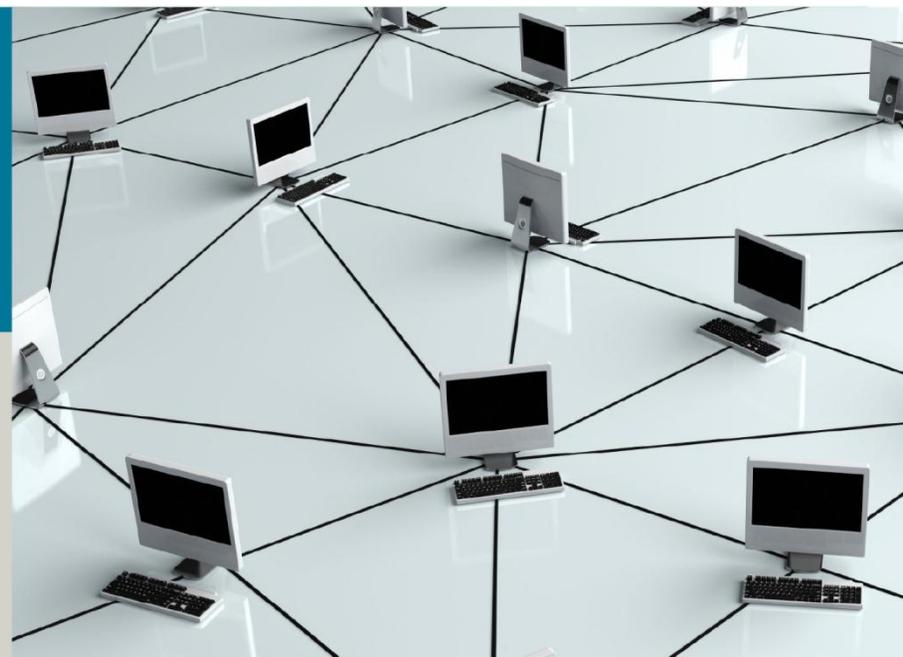
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Please refer to Appendix – Important Disclosures and  
Analyst Certification on pages 20-23



# Overview



- Thank you to the ~500 professionals who received copies of our survey!
- Please take the 60 seconds next quarter to respond to the survey request!
- If you have any questions or comments, please email:  
Senior Analyst Andrew Wittmann ([awittmann@rwbaird.com](mailto:awittmann@rwbaird.com))  
Senior Analyst Justin Hauke ([jhauke@rwbaird.com](mailto:jhauke@rwbaird.com))  
Analyst Rohan Vasudeva ([rvasudeva@rwbaird.com](mailto:rvasudeva@rwbaird.com))

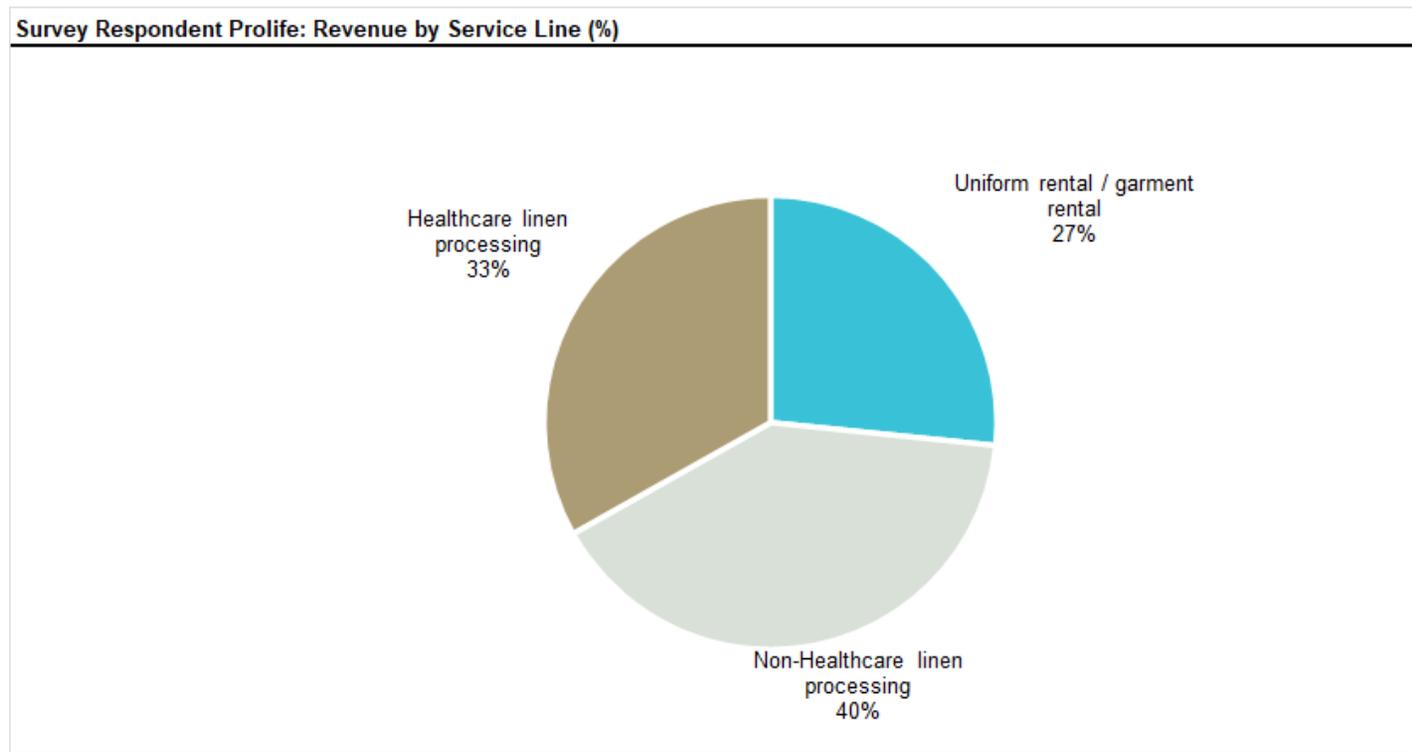
***IMPORTANT: WE HIGHLY RESPECT SURVEY RESPONDENT ANONYMITY***

*All responses are presented in aggregate form*

*We never share or discuss individual responses*

## Survey Participants

- The participants in the Baird textile rental services survey are senior executives at uniform and/or linen rental firms
- Respondents are evenly distributed across the United States, with some operations in Canada and other international locations
- Total response pool consisted of ~500 independent firms (*27 responses*)



Source: Baird Research

# UNIFORM RENTAL TRENDS

# Executive Summary: Uniform Rental

## UNIFORM RENTAL SURVEY SUMMARY

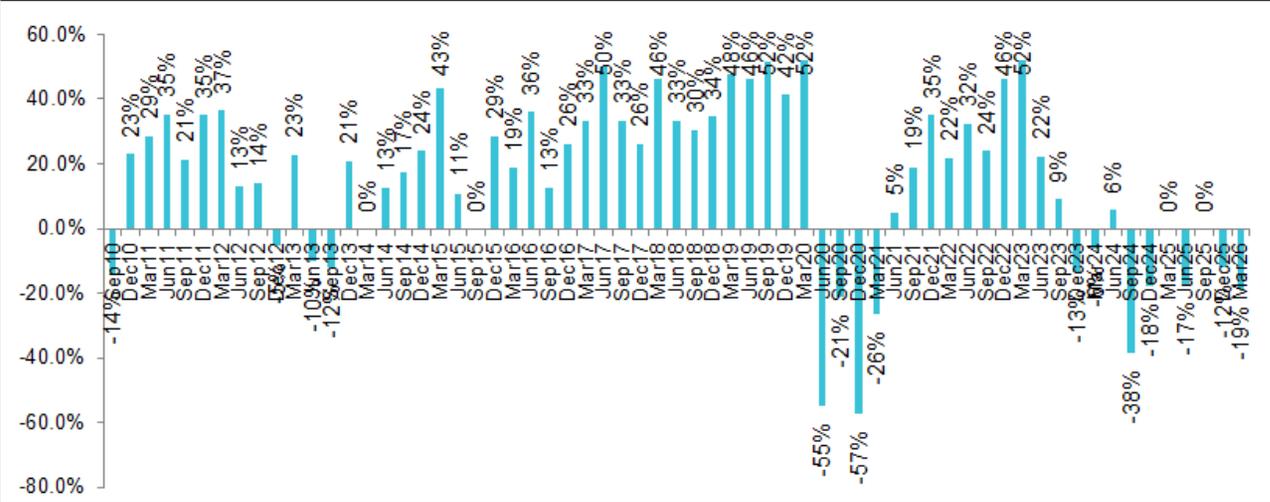
- Our 1Q26 uniform rental industry survey generally validates the sluggish employment market with outlooks stable and generally consistent with recent quarters. Add/stops (employment-driven "wearers") remain slightly negative, offset by better "no-programmer" (new business) trends. Majority of respondents met/exceeded revenue expectations for quarter, and 2026 revenue growth outlook stable with recent quarters (~3%).

## 1Q26 UNIFORM RENTAL SURVEY HIGHLIGHTS

- **Revenue trends stable, in line with expectations.** 62% of respondents reported revenues either above (19%) or meeting (44%) expectations in 1Q26 versus 38% falling short. This is consistent with last several quarters, suggesting stability.
- **Add/Stops remain slightly negative.** Employment-driven expansion at existing accounts (i.e., Add/Stop Diffusion Index) remained modestly negative (46.7) for the second consecutive quarter. This is generally consistent with the weaker employment payrolls data.
- **New business interest offset, still strongly positive.** Our no-programmer diffusion index (a measure of the amount of new business available in the marketplace) held positive (56.7) and improved QOQ (from 52.9), its third consecutive positive print. New business offsetting same-store sales weakness, it seems.
- **Industry pricing modest, not much changed.** The average base price increase increased +1.9% in 1Q26, ticking up from recent lows but in the ~1.5-2.0% range of the past two years. Pricing for new contracts (as opposed to existing annual increases) is always competitive with our diffusion index holding sharply negative at 40.0 (though a bit better from 4Q25 levels).
- **Revenue growth expectations little changed, see LSD/MSD industry growth.** Respondents expect +3.1% rental revenue growth over the next 12 months, essentially unchanged from +3.0-3.5% range of the past several quarters. This is below ~5-6% outlook a few years ago and slightly below the long-term average growth rate of ~4.0%, however.

# Uniform Rental: Revenue Trends Versus Expectations

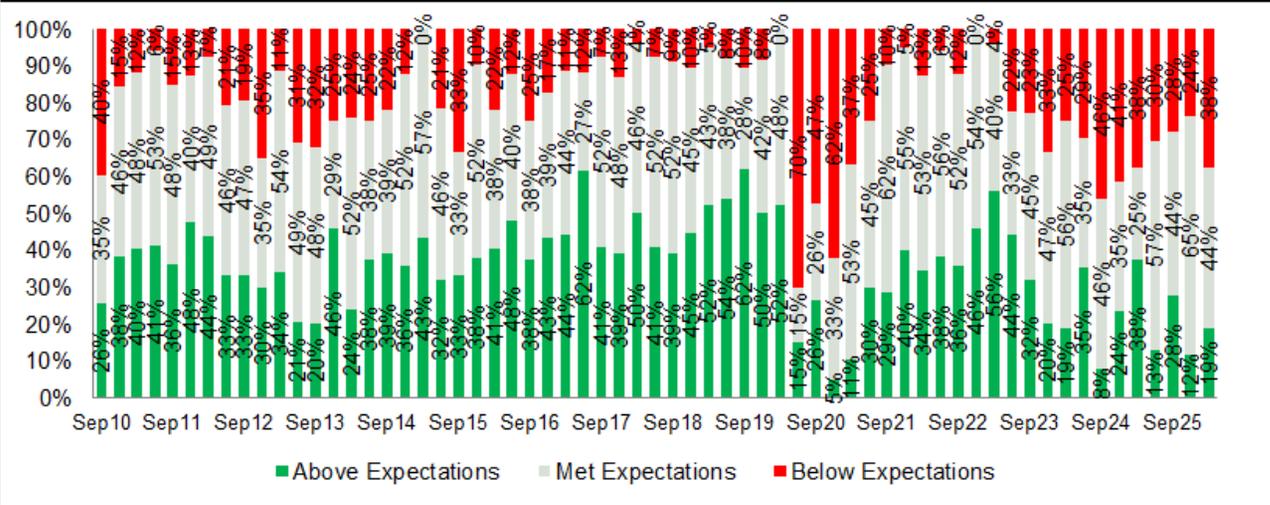
Relative Spread Between Respondents Exceeding Revenue Expectations Versus Falling Below Expectations



Source: Baird Research

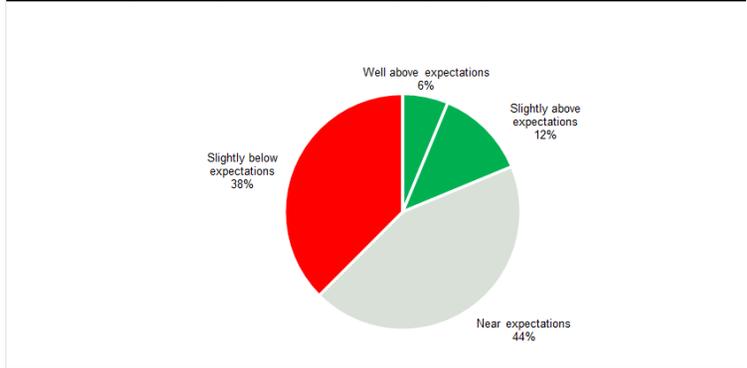
**Rental Revenue Trends.** 62% of respondents reported revenues either above (19%) or meeting (44%) expectations in 1Q26 versus 38% falling short. This is consistent with last several quarters, suggesting stability.

"Which of the following best describes your rental revenue trend during the past 90 days?"



Source: Baird Research

Which of the following best describes your rental revenue trend during the past 90 days?

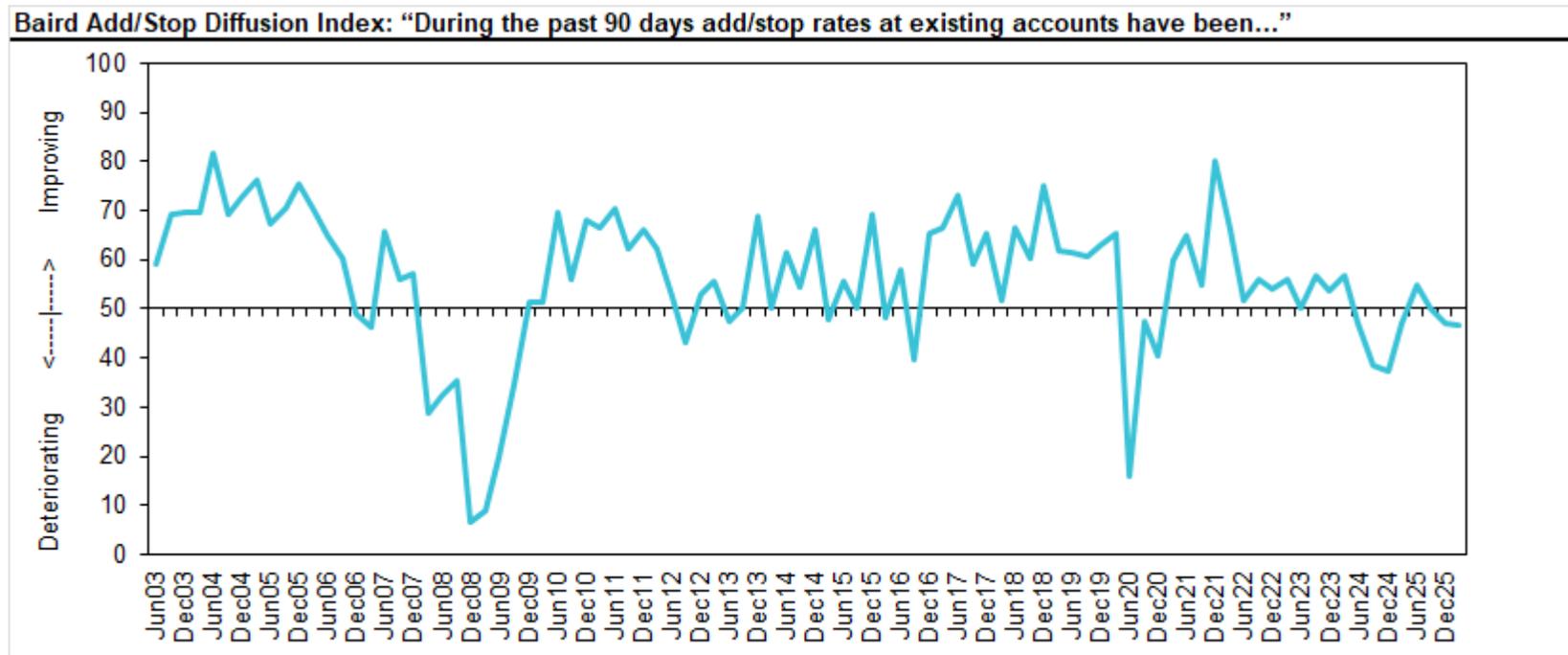


Source: Baird Research

## Uniform Rental: Add/Stop Trends

- **Add/Stops.** Employment-driven expansion at existing accounts (i.e., Add/Stop Diffusion Index) remained modestly negative (46.7) for the second consecutive quarter. This is generally consistent with the weaker employment payrolls data.

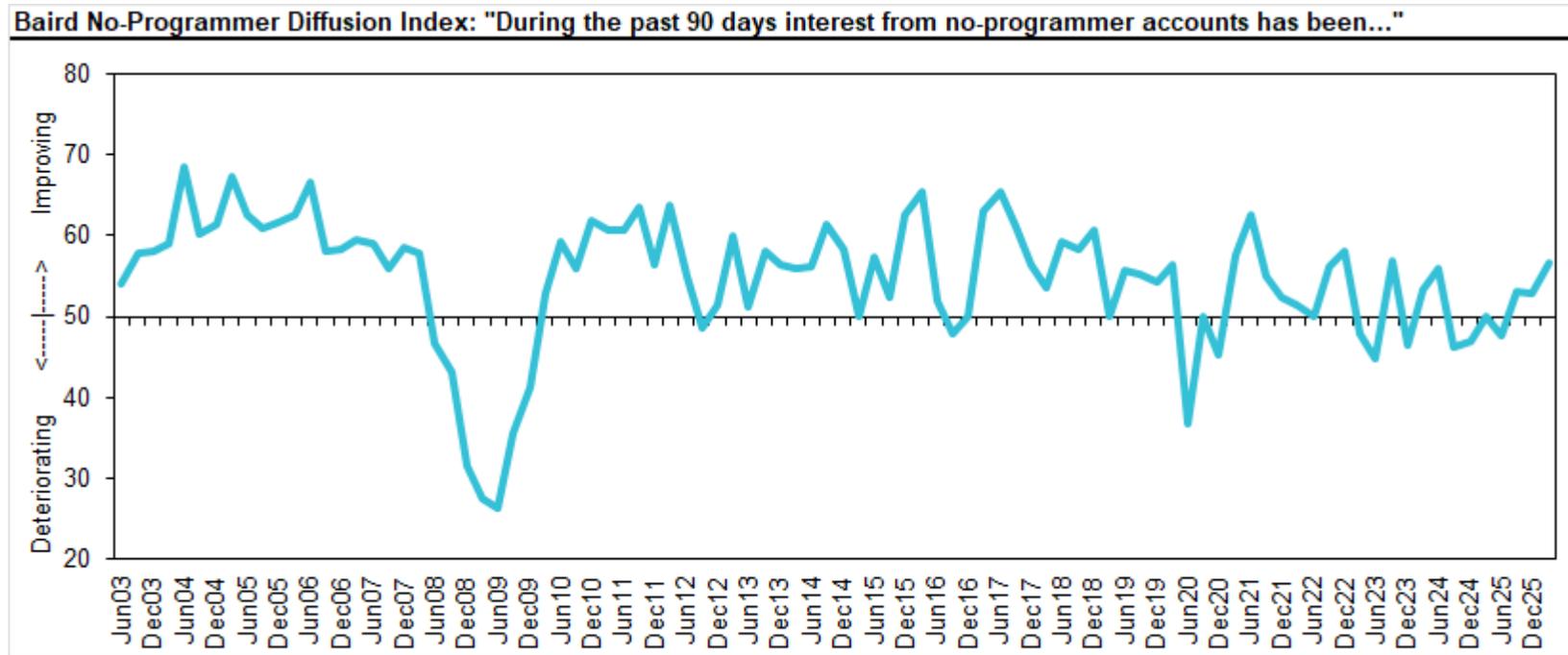
*Note: A diffusion index represents a normalized index (to 50=neutral) that is based on the percentage of respondents citing improvement (100) versus deterioration (0), with 50 representing a "base" level (equal number of positive/negative responses)*



Source: Baird Research

## Uniform Rental: New Business (No-Programmers) Trends

- **No-Programmers.** Our no-programmer diffusion index (a measure of the amount of new business available in the marketplace) held positive (56.7) and improved QOQ (from 52.9), its third consecutive positive print.

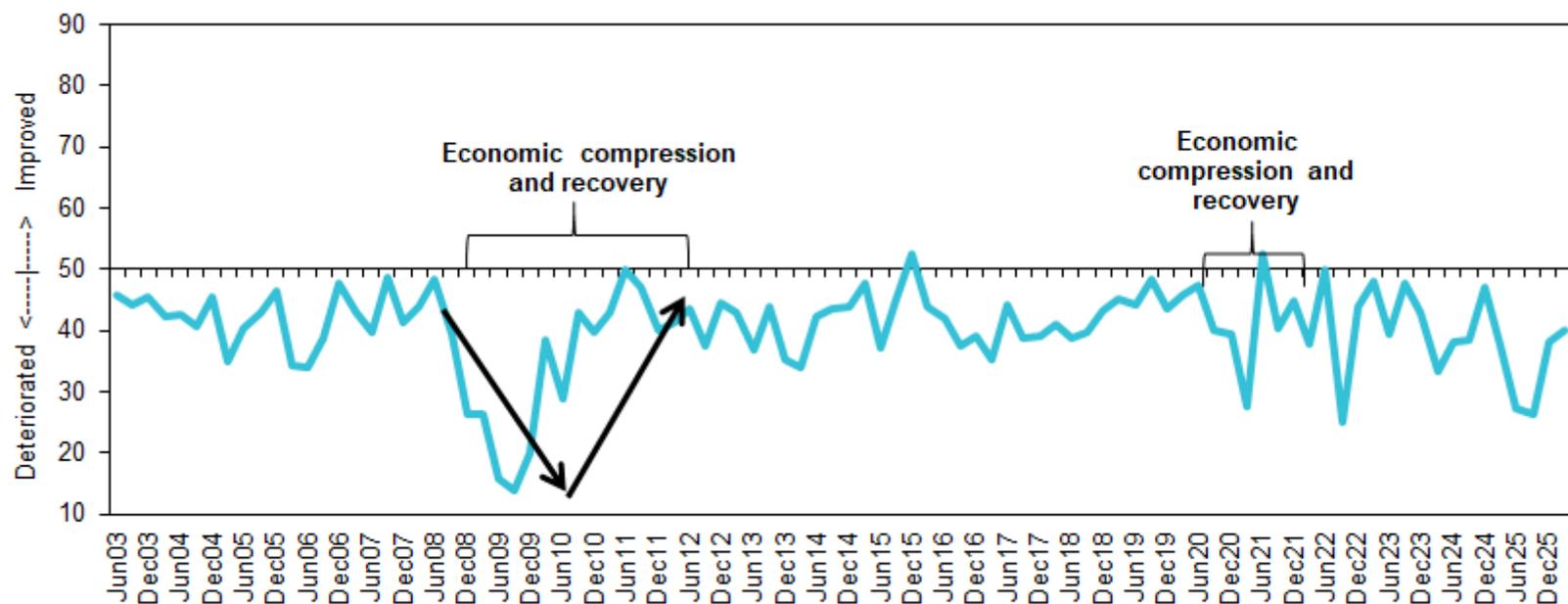


Source: Baird Research

## Uniform Rental: New Account Pricing Trends

- New Account Pricing.** Pricing for new contracts (as opposed to existing annual increases) is always competitive with our diffusion index holding sharply negative at 40.0 (though a bit better from 4Q25 levels).

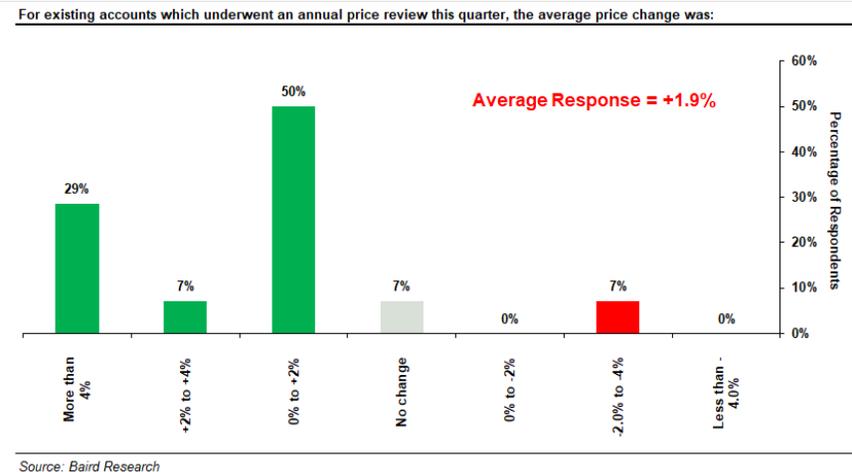
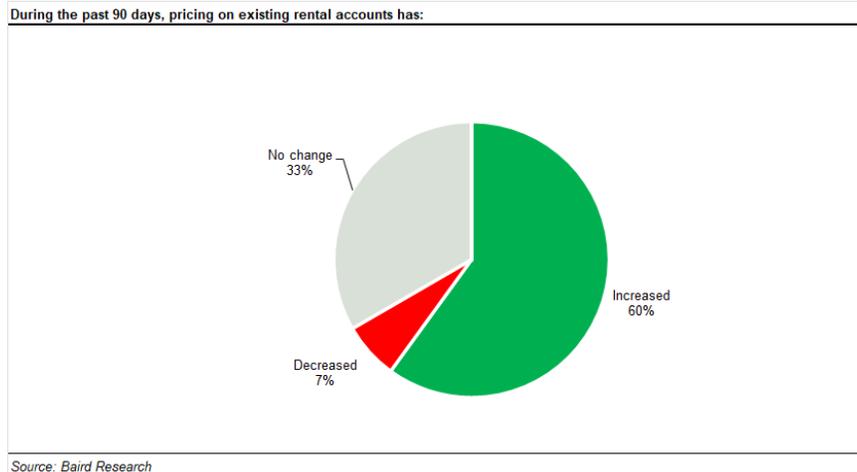
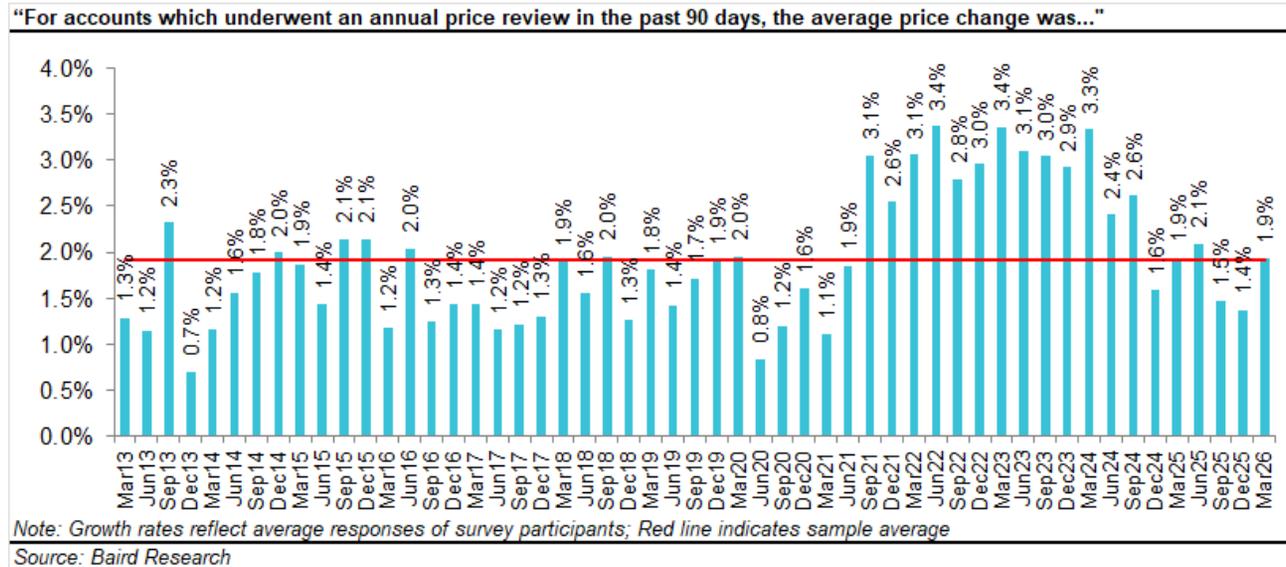
Baird Price Diffusion Index: "During the past 90 days the base price quoted for new accounts has..."



Source: Baird Research

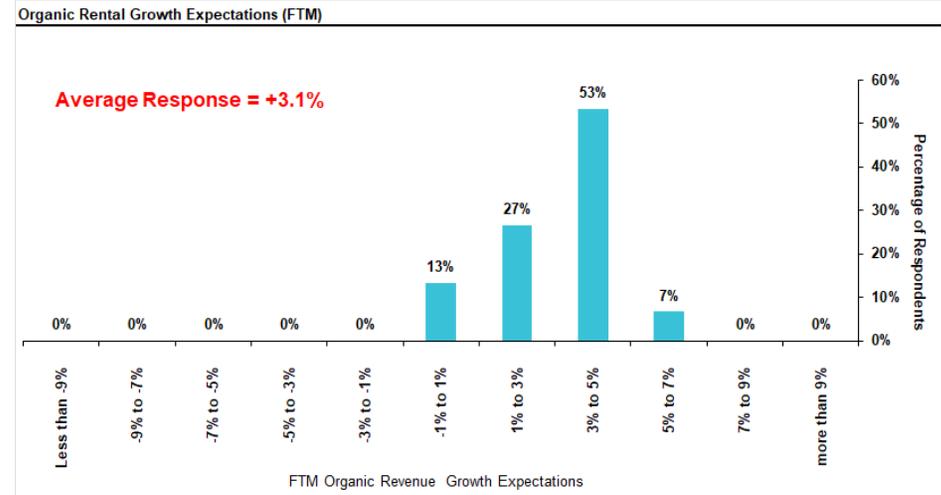
# Uniform Rental: Existing Account Pricing Trends

- **Base (Existing) Account Pricing.** The average base price increase increased +1.9% in 1Q26, ticking up from recent lows but in the ~1.5-2.0% range of the past two years.

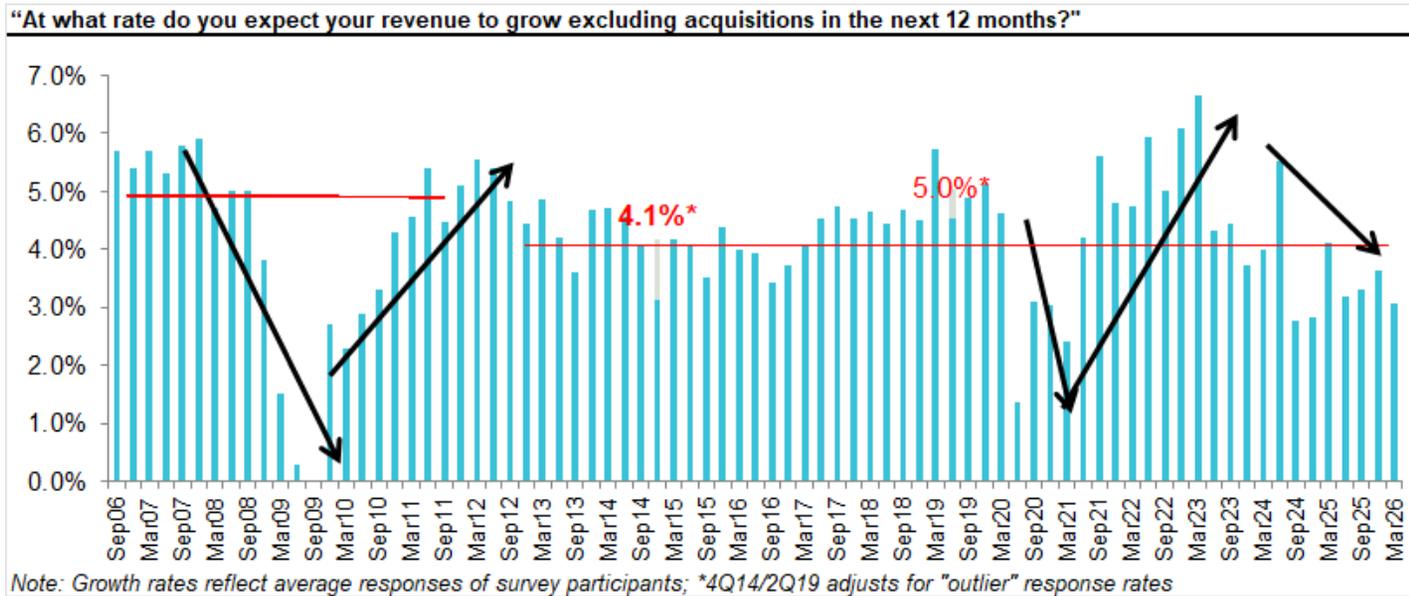


# Uniform Rental: 12-Month Growth Outlook

- **Growth Outlook.** Respondents expect +3.1% rental revenue growth over the next 12 months, essentially unchanged from +3.0-3.5% range of the past several quarters. This is below ~5-6% outlook a few years ago and slightly below the long-term average growth rate of ~4.0%, however.
- Growth rates are estimated based on ranges offered in our survey collection process.



Source: Baird Research



Note: Growth rates reflect average responses of survey participants; \*4Q14/2Q19 adjusts for "outlier" response rates

Source: Baird Research

# LINEN RENTAL TRENDS

# Executive Summary: Linen Rental

## LINEN RENTAL SURVEY SUMMARY

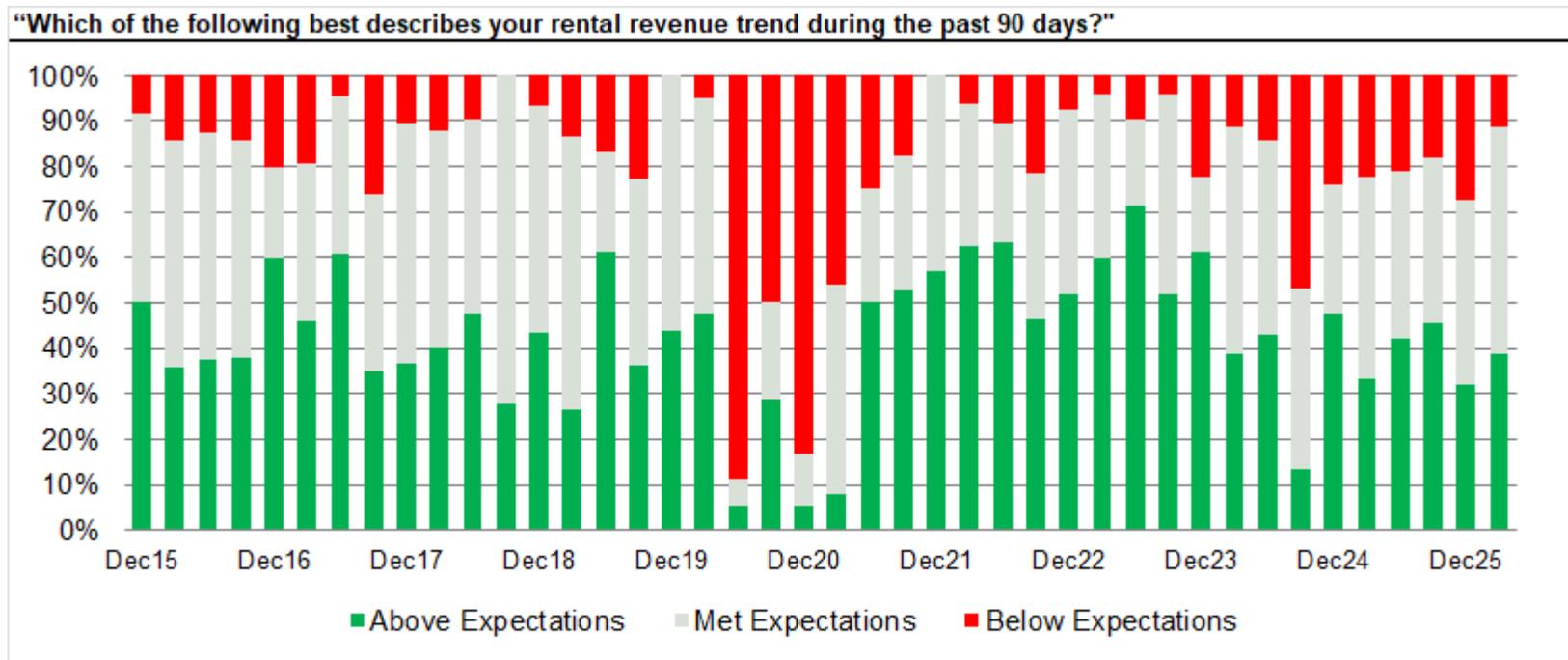
- **Linen rental trends are generally similar to uniform rental, perhaps a touch better.** A higher percentage of respondents cited 1Q26 revenue trends meeting/exceeding expectations and our no-programmer index held positive for the sixth sequential quarter (and strengthened QOQ). Pricing similarly modest and growth expectations for 2026 are similar to (or slightly above) uniform rental outlook at +4.0%.

## 1Q26 LINEN RENTAL SURVEY HIGHLIGHTS

- **Rental Revenue Trends.** 39% of respondents cited rental revenue trends above expectations in 4Q25 versus just 11% below (50% in line). Thus, quarter broadly at/above expectations (89%).
- **New Account Pricing.** 79% reported no change in new account pricing (which is good), with just 16% seeing more aggressive pricing bids and only 5% of respondents seeing easing. Our diffusion index remained negative at 44.7. Like uniforms, this metric has historically been negative.
- **Base Account Pricing.** The average price increase on existing accounts undergoing price review in 1Q26 was +1.9%, similar to last quarter and in uniform rental this quarter. Trends generally unchanged.
- **No-Programmers.** No-programmer interest held positive in 1Q26 at 65.8, its sixth sequential positive reading and well above the 52.3 rate reported last quarter.
- **Growth Outlook.** Forecasted 12-month revenue outlook a bit higher (at +4.0%, versus +3.8% last quarter and ~3.1% for uniform rental). Growth expectations were steadily in the +5-6% range post-COVID recovery, showing steady moderation over the last 24 months. Again, mostly unchanged here.

# Linen Rental: Revenue Trends Versus Expectations

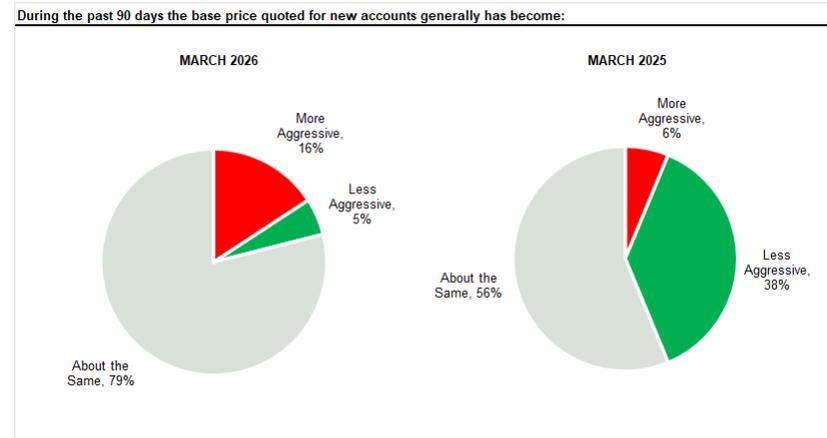
- Rental Revenue Trends.** 39% of respondents cited rental revenue trends above expectations in 4Q25 versus just 11% below (50% in line). Thus, quarter broadly at/above expectations (89%).



Source: Baird Research

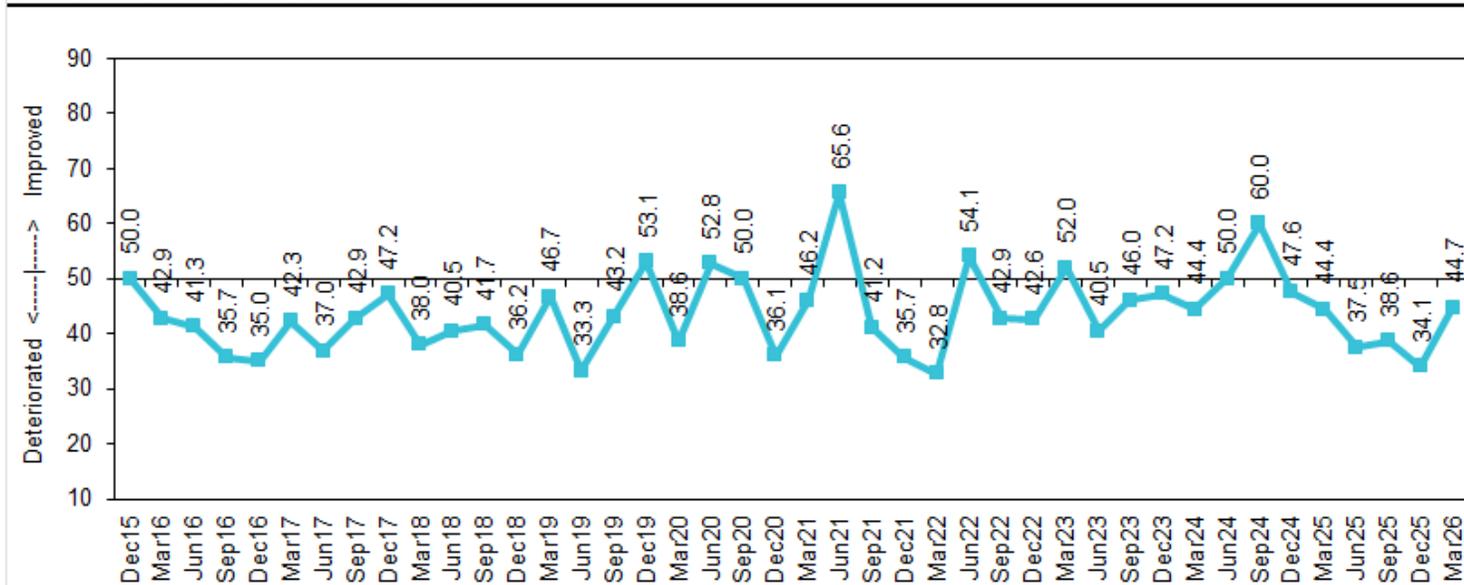
# Linen Rental: New Account Pricing Trends

- New Account Pricing.** 79% reported no change in new account pricing (which is good), with just 16% seeing more aggressive pricing bids and only 5% of respondents seeing easing. Our diffusion index remained negative at 44.7. Like uniforms, this metric has historically been negative. See charts.



Source: Baird Research

Baird Linen Rental Price Diffusion Index

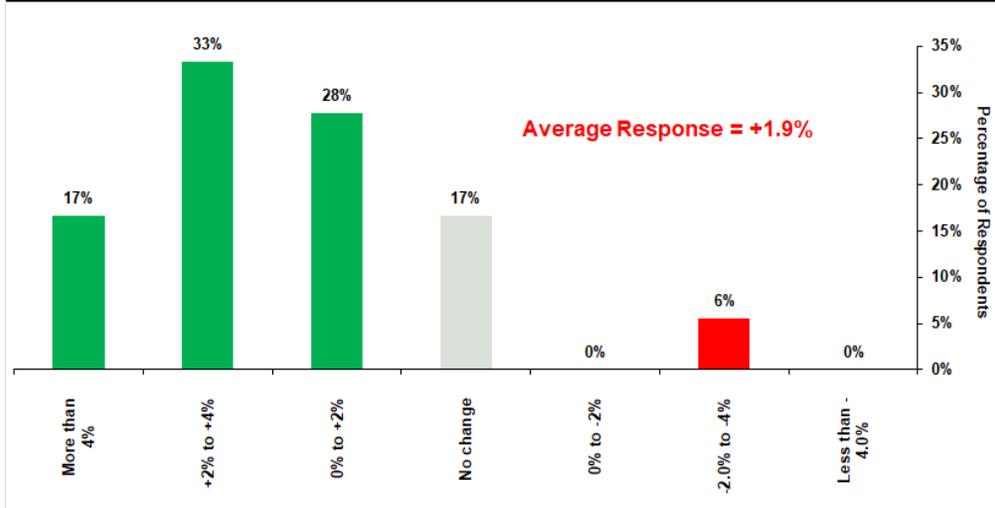


Source: Baird Research

# Linen Rental: Existing Account Pricing Trends

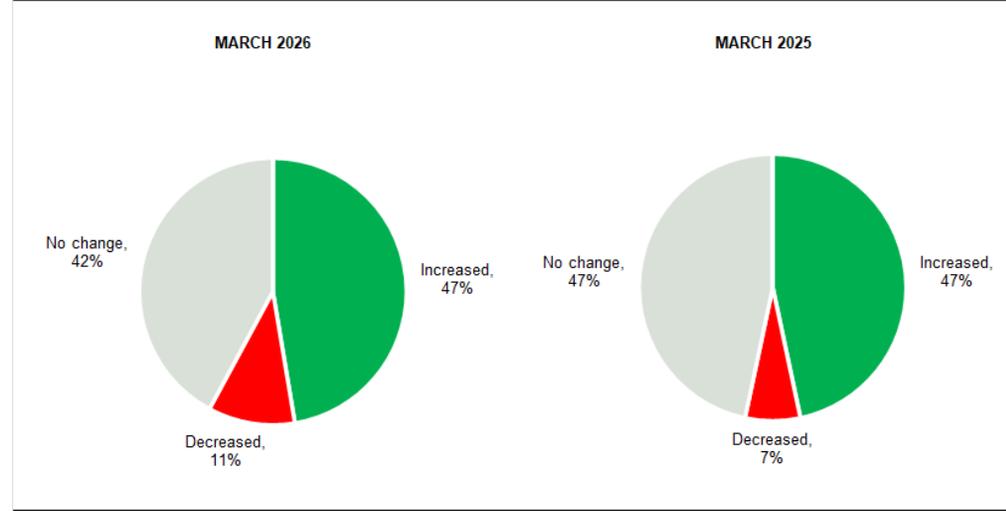
- Base Account Pricing.** The average price increase on existing accounts undergoing price review in 1Q26 was +1.9%, similar to last quarter and in uniform rental this quarter. Trends generally unchanged.

For existing accounts which underwent an annual price review this quarter, the average price change was:



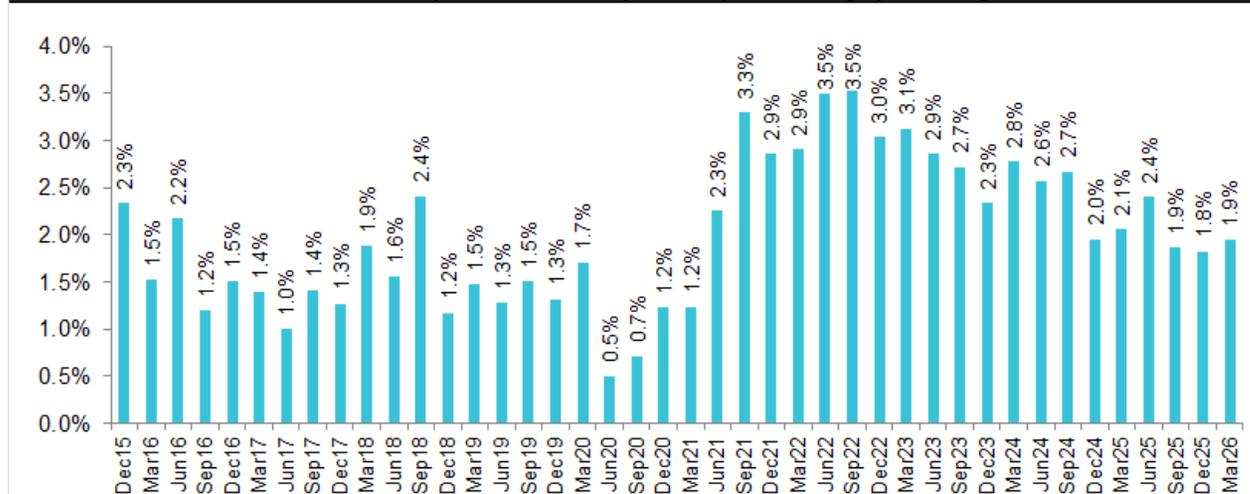
Source: Baird Research

During the past 90 days, pricing on existing rental accounts has:



Source: Baird Research

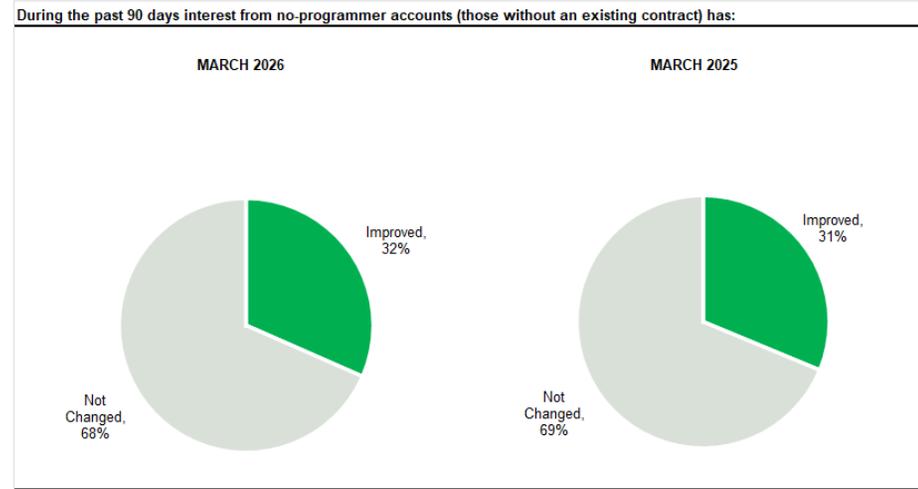
"For accounts which underwent an annual price review in the past 90 days, the average price change was..."



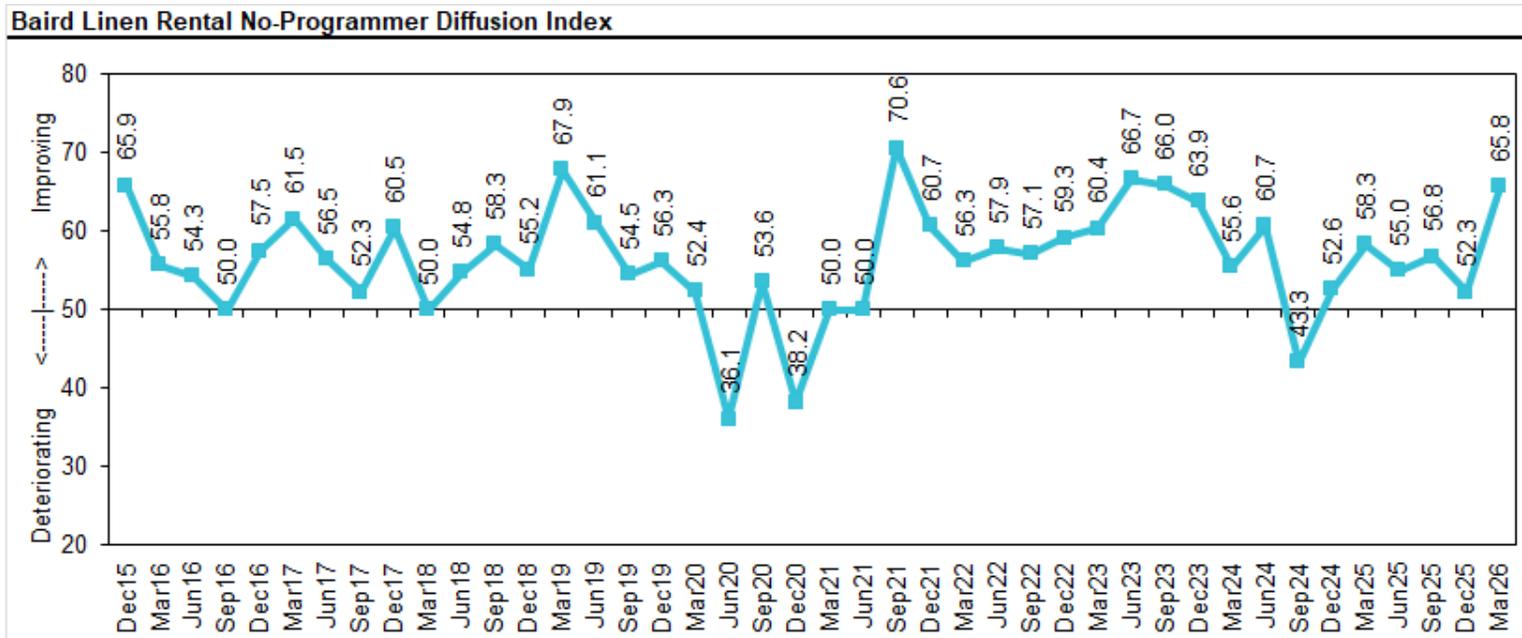
Source: Baird Research

# Linen Rental: New Business (No-Programmers) Trends

- No-Programmers.** No-programmer interest held positive in 1Q26 at 65.8, its sixth sequential positive reading and well above the 52.3 rate reported last quarter. See charts.



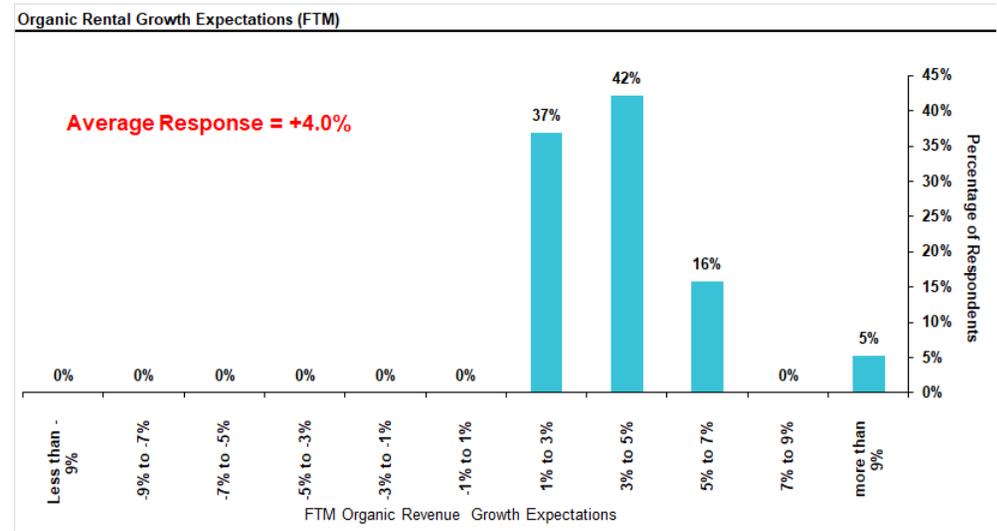
Source: Baird Research



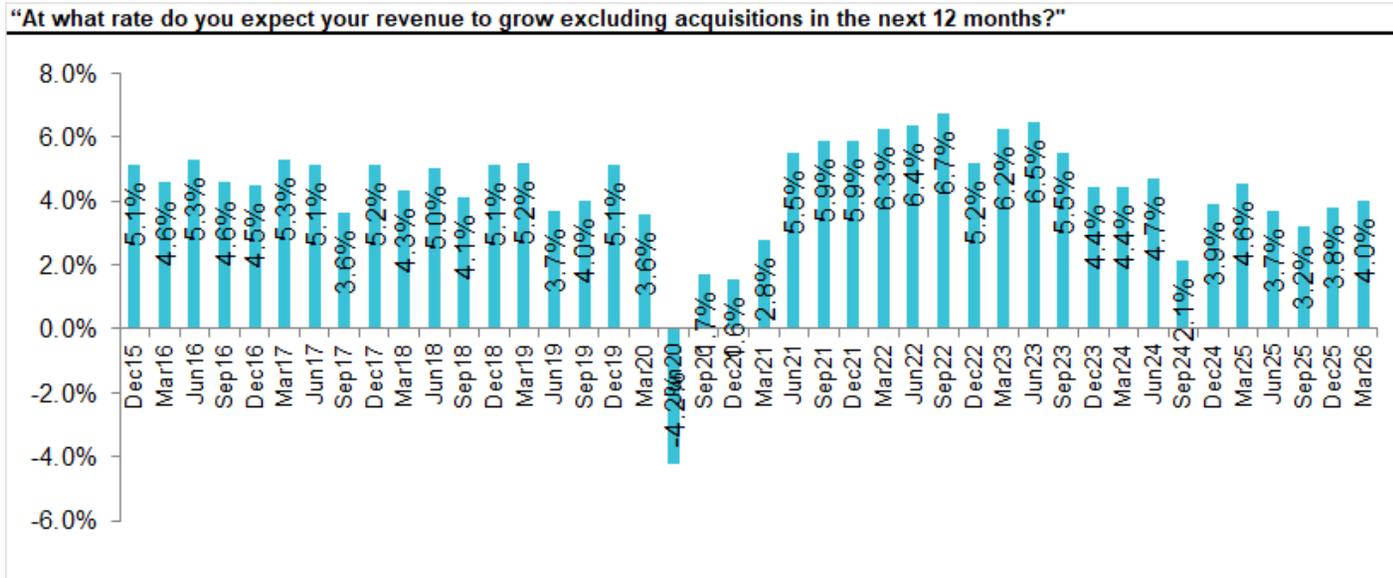
Source: Baird Research

# Linen Rental: 12-Month Growth Outlook

- Growth Outlook.** Forecasted 12-month revenue outlook a bit higher (at +4.0%, versus +3.8% last quarter and ~3.1% for uniform rental). Growth expectations were steadily in the +5-6% range post-COVID recovery, showing steady moderation over the last 24 months. Again, mostly unchanged here. See charts.



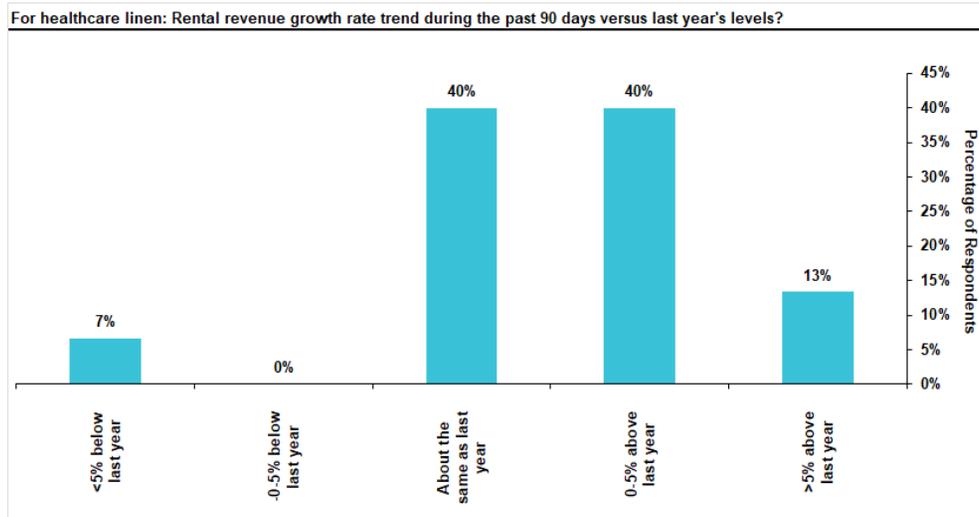
Source: Baird Research



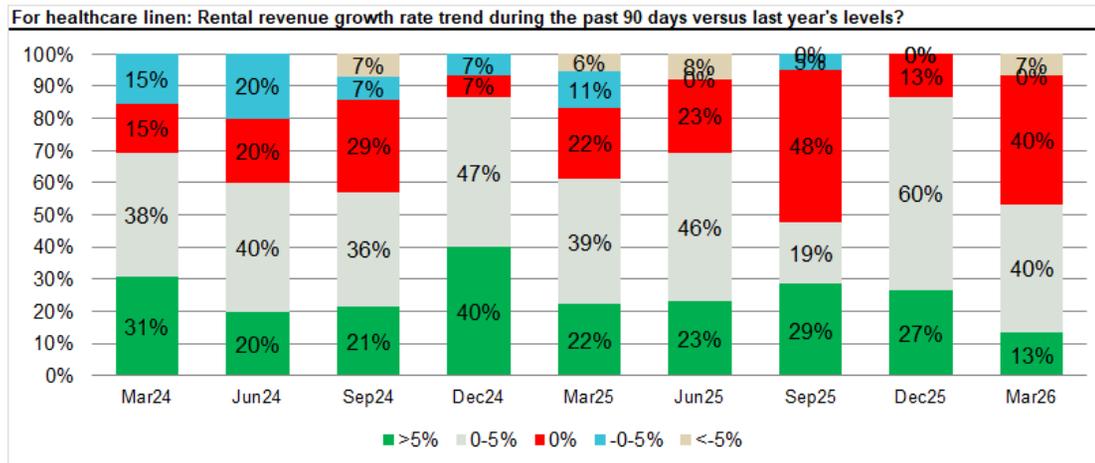
Source: Baird Research

# Healthcare Linen Operations

- FOR YOUR HEALTHCARE LINEN PROCESSING AND OTHER RENTAL SERVICES BUSINESS (if any):** Which of the following best describes your rental revenue growth rate trend during the past 90 days versus last year's levels?



Source: Baird Research



Source: Baird Research

# Appendix – Important Disclosures and Analyst Certification

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