

CBIA's Quarterly Economic Survey Results 1q2009

389 responses, 14% response rate, Margin of error +/-5%

Company Performance

	<u>1q08</u>	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>
1) Current outlook for firm					
Improve significantly	3.2	2.7	3.5	2.1	1.7
Improve somewhat	28.8	26.9	18.8	10.3	18.6
Remain stable	43.9	45.5	41.1	37.3	37.6
Worsen somewhat	21.2	22.6	33.0	34.2	31.9
Worsen significantly	2.9	2.3	3.5	16.1	10.2

Performance Indicators

2-a) Size of firm's workforce

Increase significantly	1.4	0.7	0.0	0.0	0.3
Increase somewhat	24.6	19.9	15.4	10.3	13.2
Remain stable	57.5	65.1	60.6	52.1	51.5
Decrease somewhat	15.4	13.0	22.9	31.4	28.8
Decrease significantly	1.1	3.3	1.1	6.2	6.1

2-b) Wage costs

Increase significantly	1.8	0.7	0.4	1.7	0.7
Increase somewhat	38.7	41.8	34.7	26.3	19.4
Remain stable	52.7	52.2	53.4	48.1	56.5
Decrease somewhat	6.5	5.0	11.6	20.8	19.4
Decrease significantly	0.4	0.3	0.0	3.1	4.1

2-c) Compensation/Benefit costs

Increase significantly	5.4	5.0	2.8	5.9	3.4
Increase somewhat	44.8	39.9	37.7	29.4	19.7
Remain stable	44.4	50.2	51.2	45.3	57.5
Decrease somewhat	4.7	5.0	7.5	16.3	16.7
Decrease significantly	0.7	0.0	0.7	3.1	2.7

Performance Indicators continued1q08 2q08 3q08 4q08 1q09

2-d) Production/Sales

Increase significantly	3.6	2.7	2.5	1.4	1.7
Increase somewhat	38.7	33.1	27.0	15.1	22.7
Remain stable	33.7	39.1	35.6	29.9	33.6
Decrease somewhat	22.2	22.7	31.3	39.9	31.5
Decrease significantly	1.8	2.3	3.6	13.7	10.5

2-e) Productivity

Increase significantly	2.2	1	2.9	1.4	2
Increase somewhat	40.9	33.9	32.1	20.5	28.3
Remain stable	44.1	49.3	47.5	47.9	45.7
Decrease somewhat	11.8	15.1	16.8	24.3	19.8
Decrease significantly	1.1	0.7	0.7	5.8	4.1

3) Of the above factors, which represents the most important factor in terms of your company's performance for the next quarter?

Size of workforce	4.3	3.4	3.6	4.8	4.5
Wage costs	3.6	3.7	3.6	4.1	4.5
Benefit costs	7.9	6.4	4.6	4.5	3.4
Production/Sales	67.3	70	67.1	72.1	76
Productivity	16.9	16.5	21.1	14.5	11.6

Foreign Trade

4) What percentage of your firm's sales are generated from exports?

0%	68.3	67	61.2	68.4	66.6
1-5%	16.9	16.5	18.1	15.5	16
6-15%	6.8	6.4	9.1	10.3	9.6
16-25%	2.2	3.4	4	2.1	1.7
over 25%	5.8	6.7	7.6	3.8	6.1

Economic Expectations1q08 2q08 3q08 4q08 1q09

7-a) The national economy

Improve significantly	0.4	0.3	0.4	0.0	0.7
Improve somewhat	7.9	7.6	6.4	5.2	18.4
Remain stable	21.6	18.3	8.5	4.8	19.5
Worsen somewhat	62.6	61.5	63.7	57.7	51.9
Worsen significantly	7.6	12.3	21.0	32.3	9.6

7-b) The state economy

Improve significantly	0.7	0.0	0.0	0.0	0.3
Improve somewhat	6.8	5.0	3.2	1.7	10.2
Remain stable	35.8	24.3	18.9	6.8	18.3
Worsen somewhat	48.7	61.3	62.9	58.7	55.9
Worsen significantly	7.9	9.3	15.0	32.8	15.3

7-c) Your own industry outlook

Improve significantly	1.8	1.0	0.4	0.3	1.0
Improve somewhat	11.5	13.3	8.9	5.8	14.9
Remain stable	46.8	45.7	34.4	27.7	31.9
Worsen somewhat	34.9	36.7	48.2	46.9	41.0
Worsen significantly	5.0	3.3	8.2	19.2	11.2

Question of the Quarter

	<u>1q08</u>	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>
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8a) Over the last three months, have you experienced an increase in the number of delinquent payments on new or existing orders?

Yes (continue to 8b)	n/a	n/a	n/a	n/a	61.4
No	n/a	n/a	n/a	n/a	38.6

8b) On average, how late have the payments been arriving?

30 days	n/a	n/a	n/a	n/a	26.4
60 days	n/a	n/a	n/a	n/a	38.5
90 days	n/a	n/a	n/a	n/a	24.7
Over 90 days	n/a	n/a	n/a	n/a	10.3

9) Type of business

	<u>1q08</u>	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>
Manufacturing	33.6	35.3	39.4	39.2	37.9
Construction	10.0	13.8	8.0	9.9	9.8
Retail	8.5	8.7	8.0	5.3	9.1
Insurance & Finance	5.2	3.8	4.7	3.5	3.5
Professional & Consumer service	21.8	20.8	20.8	20.5	19.3
Other	21.0	17.6	19.0	21.6	20.4

10) County

Fairfield	22.3	25.2	21.5	21.3	21.7
Hartford	32.8	30.0	31.4	30.4	29.0
Litchfield	6.2	9.3	5.8	5.6	7.3
Middlesex	5.8	6.2	8.4	8.7	8.0
New Haven	24.8	21.0	23.4	24.8	23.4
New London	3.3	3.4	2.6	3.1	3.1
Tolland	3.3	3.4	4.4	2.1	4.5
Windham	1.5	1.4	2.6	3.8	2.8