

CBIA's Quarterly Economic Survey Results 2q2009

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

Company Performance

	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>	<u>2q09</u>
1) Current outlook for firm					
Improve significantly	2.7	3.5	2.1	1.7	3.0
Improve somewhat	26.9	18.8	10.3	18.6	15.2
Remain stable	45.5	41.1	37.3	37.6	48.6
Worsen somewhat	22.6	33.0	34.2	31.9	29.8
Worsen significantly	2.3	3.5	16.1	10.2	3.3

Performance Indicators

2-a) Size of firm's workforce

Increase significantly	0.7	0.0	0.0	0.3	0.0
Increase somewhat	19.9	15.4	10.3	13.2	10.4
Remain stable	65.1	60.6	52.1	51.5	57.7
Decrease somewhat	13.0	22.9	31.4	28.8	29.8
Decrease significantly	3.3	1.1	6.2	6.1	2.1

2-b) Wage costs

Increase significantly	0.7	0.4	1.7	0.7	0.9
Increase somewhat	41.8	34.7	26.3	19.4	18.8
Remain stable	52.2	53.4	48.1	56.5	61.1
Decrease somewhat	5.0	11.6	20.8	19.4	17.9
Decrease significantly	0.3	0.0	3.1	4.1	1.2

2-c) Compensation/Benefit costs

Increase significantly	5.0	2.8	5.9	3.4	2.1
Increase somewhat	39.9	37.7	29.4	19.7	23.4
Remain stable	50.2	51.2	45.3	57.5	60.2
Decrease somewhat	5.0	7.5	16.3	16.7	12.8
Decrease significantly	0.0	0.7	3.1	2.7	1.5

Performance Indicators continued

	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>	<u>2q09</u>
2-d) Production/Sales					
Increase significantly	2.7	2.5	1.4	1.7	2.9
Increase somewhat	33.1	27.0	15.1	22.7	21.8
Remain stable	39.1	35.6	29.9	33.6	38.7
Decrease somewhat	22.7	31.3	39.9	31.5	32.8
Decrease significantly	2.3	3.6	13.7	10.5	4.0

2-e) Productivity

Increase significantly	1	2.9	1.4	2	3.4
Increase somewhat	33.9	32.1	20.5	28.3	20.6
Remain stable	49.3	47.5	47.9	45.7	55.1
Decrease somewhat	15.1	16.8	24.3	19.8	19.1
Decrease significantly	0.7	0.7	5.8	4.1	1.8

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	3.4	3.6	4.8	4.5	1.5
Wage costs	3.7	3.6	4.1	4.5	3.4
Benefit costs	6.4	4.6	4.5	3.4	4.9
Production/Sales	70	67.1	72.1	76	75.5
Productivity	16.5	21.1	14.5	11.6	14.7

Foreign Trade

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

0%	67	61.2	68.4	66.6	64
1-5%	16.5	18.1	15.5	16	19.1
6-15%	6.4	9.1	10.3	9.6	7.4
16-25%	3.4	4	2.1	1.7	3.4
over 25%	6.7	7.6	3.8	6.1	6.2

Economic Expectations

	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>	<u>2q09</u>
7-a) The national economy					
Improve significantly	0.3	0.4	0.0	0.7	0.3
Improve somewhat	7.6	6.4	5.2	18.4	14.7
Remain stable	18.3	8.5	4.8	19.5	35.9
Worsen somewhat	61.5	63.7	57.7	51.9	44.2
Worsen significantly	12.3	21.0	32.3	9.6	4.9

7-b) The state economy

Improve significantly	0.0	0.0	0.0	0.3	0.0
Improve somewhat	5.0	3.2	1.7	10.2	7.7
Remain stable	24.3	18.9	6.8	18.3	26.8
Worsen somewhat	61.3	62.9	58.7	55.9	55.7
Worsen significantly	9.3	15.0	32.8	15.3	9.8

7-c) Your own industry outlook

Improve significantly	1.0	0.4	0.3	1.0	0.3
Improve somewhat	13.3	8.9	5.8	14.9	13.4
Remain stable	45.7	34.4	27.7	31.9	43.3
Worsen somewhat	36.7	48.2	46.9	41.0	37.8
Worsen significantly	3.3	8.2	19.2	11.2	5.2

Question of the Quarter

8a) When do you expect the economy to recover?

	<u>CT</u>	<u>US</u>
2009	5%	6%
2010	44%	49%
2011	30%	27%
2012	13%	10%
After 2013	9%	8%

9) Type of business

	<u>2q08</u>	<u>3q08</u>	<u>4q08</u>	<u>1q09</u>	<u>2q09</u>
Manufacturing	35.3	39.4	39.2	37.9	36.8
Construction	13.8	8.0	9.9	9.8	6.3
Retail	8.7	8.0	5.3	9.1	7.5
Wholesale trade	----	----	----	----	6.0
Information	----	----	----	----	0.6
Finance	----	----	----	----	4.4
Business and Professional Services	----	----	----	----	18.6
Education	----	----	----	----	1.9
Leisure and Hospitality	----	----	----	----	2.2
Government	----	----	----	----	0.3
Other	17.6	19.0	21.6	20.4	15.4

10) County

Fairfield	25.2	21.5	21.3	21.7	22.0
Hartford	30.0	31.4	30.4	29.0	32.5
Litchfield	9.3	5.8	5.6	7.3	6.4
Middlesex	6.2	8.4	8.7	8.0	7.3
New Haven	21.0	23.4	24.8	23.4	22.3
New London	3.4	2.6	3.1	3.1	3.2
Tolland	3.4	4.4	2.1	4.5	3.2
Windham	1.4	2.6	3.8	2.8	3.2

11) Number of employees

1 to 9	----	----	----	----	20.6
10 to 49	----	----	----	----	55.2
50 to 99	----	----	----	----	11.4
100 to 249	----	----	----	----	7.6
250 to 499	----	----	----	----	1.9
500 or more	----	----	----	----	3.2

12) Estimated Annual Sales

Less than \$500,000	----	----	----	----	3.9
\$500,000 to \$999,999	----	----	----	----	13.2
\$1 million to \$2.9 million	----	----	----	----	33.1
\$3 million to \$4.9 million	----	----	----	----	13.5
\$5 million to \$9.9 million	----	----	----	----	12.5
\$10 million to \$24.9 million	----	----	----	----	12.5
Over \$25 million	----	----	----	----	11.3