

# CBIA Quarterly Economic & Credit Survey Results 4Q 2016

173 respondents, margin of error +/- 7.5%. Response rate 10.3 %; in the field 1/12-2/8, 2017

## Company Performance

### 1) Current outlook for firm

	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Improve significantly	3%	3%	6%	6%	6%	3%	5%
Improve somewhat	31%	31%	24%	24%	29%	23%	35%
Remain stable	52%	48%	57%	49%	49%	49%	39%
Worsen somewhat	12%	15%	11%	18%	16%	22%	19%
Worsen significantly	0%	2%	2%	1%	1%	2%	2%

## Performance Indicators

### 2-a) Size of firm's workforce

	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Improve significantly	1%	1%	1%	3%	2%	1%	1%
Improve somewhat	22%	22%	23%	26%	30%	18%	23%
Remain stable	67%	60%	63%	58%	53%	59%	65%
Worsen somewhat	10%	16%	13%	14%	14%	18%	10%
Worsen significantly	0%	0%	1%	0%	1%	5%	1%

## Foreign Trade

### 3) What percentage of your firm's sales are generated by exports?

	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
0%	57%	62%	63%	61%	62%	63%	68%
1-5%	19%	20%	18%	18%	16%	15%	19%
6-15%	16%	9%	12%	14%	15%	9%	6%
16-25%	3%	4%	2%	3%	0%	5%	3%
Over 25%	6%	5%	5%	5%	7%	8%	4%

## Credit/Financing

4) What types of financing has your firm used in the last three months to meet your credit needs?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Bank loan/line of credit	84%	81%	83%	84%	94%	78%	86%
Vendor credit	23%	17%	21%	24%	15%	20%	30%
Private loan	23%	16%	10%	18%	18%	16%	10%
Government-sponsored loan program	10%	5%	6%	2%	9%	6%	2%
Public issuance of stock	0%	0%	2%	0%	0%	0%	0%
Private placement of stock	0%	0%	0%	0%	0%	2%	0%
Leasing	9%	17%	10%	11%	12%	5%	18%
Private placement of debt	0%	2%	2%	2%	0%	0%	2%
Credit cards	22%	24%	19%	20%	12%	17%	11%
Earning of business	10%	11%	27%	24%	21%	8%	10%
Other	6%	5%	6%	0%	6%	9%	4%

5) What type of financing do you need most?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Working capital	31%	31%	28%	26%	25%	39%	48%
Machinery and equipment purchases	17%	18%	22%	13%	14%	32%	26%
Expansion of existing plant/space	7%	7%	7%	8%	7%	16%	13%
Research and development	2%	1%	1%	0%	0%	6%	7%
New product or service development	4%	4%	5%	3%	7%	3%	1%
None/not applicable	47%	44%	45%	48%	46%	2%	4%
Other	3%	2%	2%	2%	1%	2%	2%

6) Is credit availability a problem for your firm?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Yes	13%	17%	14%	12%	13%	14%	18%
No	87%	83%	86%	88%	87%	86%	82%

7) Has your firm used financing in the last three months specifically to meet your credit needs?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Yes	35%	31%	29%	30%	30%	38%	29%
No	65%	69%	71%	70%	70%	63%	71%

8) In the last three months, has your primary lending institution changed the terms of any loan you have?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Yes	9.00%	6.00%	6.00%	5.00%	8.00%	12.00%	11.00%
No	91.00%	94.00%	94.00%	95.00%	92.00%	88.00%	89.00%

### Current Credit Conditions

9) How would you characterize the current lending climate in Connecticut?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Excellent	4%	7%	7%	5%	10%	8%	6%
Good	24%	24%	28%	20%	25%	22%	18%
Average	51%	50%	48%	56%	49%	49%	52%
Fair	15%	13%	12%	13%	13%	16%	22%
Poor	6%	6%	4%	6%	3%	5%	2%

9A) What are your expectations for Connecticut's lending climate over the next three months?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Excellent	4%	7%	6%	5%	6%	6%	4%
Good	23%	24%	25%	19%	28%	23%	15%
Average	53%	49%	48%	49%	48%	43%	56%
Fair	14%	15%	17%	21%	15%	24%	21%
Poor	6%	4%	4%	6%	3%	4%	3%

9B) During the last 3 months, was your firm able to satisfy its borrowing needs?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Yes	80%	79%	87%	80%	95%	79%	90%
Partially	14%	15%	6%	13%	2%	11%	4%
No	5%	6%	6%	7%	3%	10%	6%

### Demographic Information

10) Which best describes your firm?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
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Construction	6%	5%	9%	8%	7%	9%	11%
Manufacturing	46%	44%	42%	42%	52%	43%	36%
Retail trade	6%	8%	6%	5%	7%	8%	11%
Wholesale trade	4%	5%	8%	7%	7%	8%	8%
Information technology	3%	2%	4%	3%	1%	2%	2%
Finance, insurance, and real estate	7%	6%	6%	6%	5%	5%	12%
Business and professional services	9%	13%	13%	10%	12%	9%	19%
Education	1%	0%	1%	2%	0%	1%	1%
Leisure and hospitality	3%	2%	2%	2%	1%	2%	2%
Government	0%	0%	0%	0%	0%	0%	0%
Other	11%	9%	7%	10%	5%	8%	7%
Medical	4%	5%	3%	6%	4%	5%	2%

11) How many people are employed at your Connecticut operations?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Fewer than 10	20%	22%	19%	16%	15%	18%	17%
10 to 49	55%	55%	53%	57%	56%	56%	59%
50 to 99	13%	13%	17%	14%	20%	16%	14%
100 to 249	7%	4%	6%	5%	5%	6%	7%
250 to 499	2%	4%	2%	6%	4%	2%	4%
500 or more	4%	2%	2%	2%	0%	2%	1%

12) In which county is your firm's primary Connecticut location?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Fairfield	13%	15%	15%	14%	12%	15%	15%
Hartford	37%	33%	38%	39%	42%	36%	41%
Litchfield	7%	7%	5%	5%	5%	8%	5%
Middlesex	10%	12%	9%	11%	12%	10%	9%
New Haven	26%	24%	25%	23%	23%	25%	21%
New London	4%	4%	3%	1%	0%	1%	1%
Tolland	3%	3%	3%	4%	3%	3%	3%
Windham	1%	1%	1%	3%	3%	2%	4%

13) What are your sales for the current fiscal year?

	<b>2Q2015</b>	<b>3Q2015</b>	<b>4Q2015</b>	<b>1Q2016</b>	<b>2Q2016</b>	<b>3Q2016</b>	<b>4Q2016</b>
Less than \$500,000	6%	2%	1%	6%	2%	3%	5%
\$500,000 to \$999,999	9%	9%	4%	7%	5%	9%	10%
\$1 million to \$2.9 million	30%	31%	30%	29%	19%	27%	23%
\$3 million to \$4.9 million	11%	13%	17%	13%	22%	14%	19%
\$5 million to \$9.9 million	17%	18%	23%	20%	21%	20%	20%
\$10 million to \$24.9 million	14%	16%	12%	12%	22%	18%	16%
\$25 million or more	13%	11%	12%	13%	10%	10%	8%

### **Question of the Quarter**

What impact on Connecticut's economy do you believe the Trump administration's economic, regulatory and fiscal policies will have?

Postive impact for more growth	59%
No impact	6%
Negative impact with less growth	10%
Do not know	25%