

3rd Quarter 2009 CFO Outlook Survey Summary Report
- Detailed Summary

1) Rate your optimism about the U.S. economy on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

This Quarter: 54.20

Last Quarter: 41.90

2) Rate your optimism about the financial prospects for your company on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

This Quarter: 64.10

Last Quarter: 51.44

3) For each of the following, please provide the changes that you expect at your company for the NEXT 12 months (e.g., +3%, -2%, etc.).

	This Quarter	Q2 2009
Net earnings	10.90	N/A
Health care costs	8.20	6.78
Technology spending	7.20	1.95
Revenue	5.80	N/A
Hiring	1.70	-2.74
Capital spending	1.10	-2.28
Prices of your products	0.70	-0.06
Inventory	-1.90	-3.08

4) What are your company's top two economic worries for 2009? (Please label your choices 1 and 2):

	1 st	2 nd	Total
U.S. economic growth	38.2%	18.7%	56.9%
Consumer spending/demand	27.5%	17.9%	45.4%
Other	11.5%	4.6%	16.0%
Health care costs	4.2%	11.5%	15.6%
Global competition	3.8%	6.5%	10.3%
Cost of regulatory compliance	3.4%	13.0%	16.4%
An increase in interest rates	3.4%	6.5%	9.9%
Oil costs	3.4%	5.0%	8.4%
Inflation	3.4%	4.2%	7.6%
Value of the dollar	1.5%	6.9%	8.4%
Wage increases	1.5%	2.3%	3.8%

Terrorist attack on U.S. soil	0.4%	0.4%	0.8%
Iraq war	0.4%	0.4%	0.8%
Global unrest	0.4%	2.3%	2.7%

5) The rate of inflation for the last year was 3.85%. What do you expect the rate of inflation will be on an annualized basis?

Six months from now: 2.7%
 One year from now: 4.0%

6) The unemployment rate for July 2009 was 9.4% (*non-farm payroll employment). What do you anticipate the unemployment rate will be within the following timeframes?

Six months from now: 9.8%
 One year from now: 9.2%

7) When do you believe indicators such as bond yields, mortgage interest rates, U.S. unemployment rate and rising GDP will collectively improve and result in the start of a recovery in the U.S. economy?

	This Quarter	Q2 2009
We are already in the midst of a recovery	10.3%	4.9 %
1H 2010	27.6 %	39.6 %
2H 2010	39.5 %	25.7 %
1H 2011	12.3 %	6.8 %
2H 2011	6.1 %	0 %
2012 or beyond	3.4 %	1.9 %
Don't know	0.8 %	3.0 %

8) With regards to the change in access to credit for your company, over the next six months, which of the following do you anticipate the situation will be?

	This Quarter	Q2 2009
Easier to access credit	18.3 %	12.4 %
More difficult to access credit	23.7 %	33.5 %
No Change	58.0 %	54.1 %

9) Looking back on the past year and the impact of the market downturn, what actions have you taken at your company that you feel have been most effective? (Please rank your choices by labeling 1 and 2).

	1 st	2 nd	Total
Reducing work force	48.3%	10.0%	58.3%
Other	11.2%	8.1%	19.3%
Retaining talent	10.8%	11.6%	22.4%

Making strategic acquisitions	6.6%	5.4%	12.0%
Redesigning products for lower costs/ higher performance	5.0%	15.4%	20.5%
Improving employee communications to sustain morale	4.2%	7.3%	11.6%
Reducing work hours	3.9%	11.6%	15.4%
Reducing travel budgets	3.1%	9.7%	12.7%
Reducing marketing/advertising/PR budgets	3.1%	9.3%	12.4%
Outsourcing	2.7%	4.2%	6.9%
Increasing marketing/advertising/PR budgets	2.3%	3.5%	5.8%
Improving investor communications to restore confidence	1.5%	2.7%	4.2%

10) What effect, if any, has the inauguration of President Barack Obama, and the first few months of his administration, had on your U.S. economic outlook since the start of 2009?

	This Quarter	Q2 2009
Improved – I am more confident	17.9 %	23.1 %
Unaffected	24.4 %	29.5 %
Weakened – I am less confident	57.6 %	47.3 %

11) When do you think it is appropriate for the federal government to increase regulation and/or have ownership of the business decision of private entities (e.g., recent examples with regards to executive compensation, health care and the automotive industry)?

	This Quarter
Case by case basis	53.4%
No – should never get involved	44.3%
Yes – very necessary	2.30%

12) a. Do you believe that all companies should be required to provide health care benefits as a standard part of their employee benefit package?

Yes: 35.2%
No: 64.8%

b. Does your company provide health care benefits as a standard part of its employee benefit package?

Yes: 98.1%
No: 1.9%

c. If yes, are you considering any of the following?

	<u>This Quarter</u>
Increasing amount per month that employees pay	57.4%
Decreasing quality/scope of company's package	19.9%
Increasing quality/scope of company's package	4.7%
Decreasing amount per month employees pay	2.0%
None of the above	33.2%

d. What issues are most important to your company in a potential proposal on health care reform from the current administration? Please rank your choices by labeling 1 or 2.

	<u>1st</u>	<u>2nd</u>	<u>Total</u>
Reduction in long-term growth of health care costs for businesses and government	57.3%	15.6%	72.9%
Maximum flexibility for employees to choose health care providers	16.8%	40.5%	57.3%
Mandate to prevent disallowance of coverage for existing conditions	8.8%	13.4%	22.1%
Government sponsored health care provider	6.9%	7.6%	14.5%
Other (please specify)	5.3%	7.6%	13.4%
Exemption from mandatory coverage for small employers	3.8%	10.7%	14.5%

13) With regard to employee benefits, has your company taken any of the following actions? (Please select as many as apply.)

	<u>This Quarter</u>
Suspended/reduced the 401(k) match	29.4%
Reduced number of work hours per week	26.3%
Forced vacation	13.7%
Implemented freeze/closure of benefit (pension) plan	12.6%
Reduced percentage of carry over vacation days	12.6%

14) a. Are you “connected” to your work all the time?

Yes: 87.7%
No: 12.30%

b. How many hours a day on average did you spend online, or on your personal electronic/mobile devices for business purposes:

During a regular work day?: 5.5
During your last vacation?: 1.6

COMPANY DEMOGRAPHICS

Industry

	<u>Percent</u>
Manufacturing	27.2 %
Retail/Wholesale	16.5 %
Other	12.3 %
Service/Consulting	10.3 %
Tech [Software/Biotech]	10.0 %
Banking/Finance/Insurance	6.9 %
Mining/Construction	5.0 %
Healthcare/Pharmaceutical	4.6 %
Communications/Media	4.2 %
Transportation/Energy	3.1 %

Sales Revenue

	<u>Percent</u>
Less than \$25 million	16.9 %
\$25-\$99 million	29.2 %
\$100-\$499 million	32.3 %
\$500-\$999 million	8.8 %
\$1-\$4.9 billion	7.3 %
Over \$5 billion	5.4 %

Number of Employees

	<u>Percent</u>
Fewer than 100	20.2 %
100-499	34.5 %
500-999	15.7 %
1,000-2,499	12.6 %
2,500-4,999	4.9 %
5,000-9,999	5.4 %
Over 10,000	6.7 %

Headquarters

<u>Headquarters</u>	<u>Percent</u>
Midwest	26.6 %
Northeast	21.6 %
Pacific	21.6 %
South Central	15.4 %
South Atlantic	10.4 %
Mountain	3.9 %

Outside U.S.	0.4 %
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Ownership

	<u>Percent</u>
Private	77.6 %
Public, Nasdaq/AMEX	10.2 %
Public, NYSE	12.2 %

Foreign Sales

	<u>Percent</u>
0%	42.7 %
1-24%	39.3 %
25-50%	13.4 %
Over 50%	4.6 %