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FEI-Baruch CFO Outlook Survey - June, 2005**1 & 2 Rate your level of optimism...**

	Mean	SD	Median	Minimum	Maximum	Total
Rate your optimism about the US economy on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.	68.66	15.37	75	5	95	186
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.	74.09	16.43	75	5	100	186

FEI-Baruch CFO Outlook Survey - June, 2005

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

(N=186)

	Negative	No Change	Positive	Total
Health care costs	3 1.6%	3 1.6%	176 96.7%	182 100.0%
Technology spending	6 3.3%	33 17.9%	145 78.8%	184 100.0%
Capital spending	17 9.2%	36 19.6%	131 71.2%	184 100.0%

FEI-Baruch CFO Outlook Survey - June, 2005

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

	Mean	SD	Median	Minimum	Maximum	Total
Health care costs	9.07	5.08	10	-17	22	182
Technology spending	8.48	20.15	5	-50	200	184
Capital spending	13.92	46.95	5	-50	500	184

FEI-Baruch CFO Outlook Survey - June, 2005

4. Recently the markets have been questioning whether the Fed will continue its regular pattern of interest rate hikes. Current 3-month Eurodollar rates are 3.28%. The futures markets are forecasting them to rise to around 4.00% in 12 months. In your opinion, markets are:

	Number	Percent	95% CI
1=Significantly underestimating the rise in rates.	3	1.6 %	± 4.3 %
2=Somewhat underestimating the rise in rates.	41	22.2 %	± 6.4 %
3=Just about right.	106	57.3 %	± 7.5 %
4=Somewhat overestimating the rise in rates.	35	18.9 %	± 6.1 %
5=Significantly overestimating the rise in rates.	0	0.0 %	
Total	185	100.0 %	

Mean = 2.94

SD = .69

Missing Cases = 1

Response Percent = 99.5 %

FEI-Baruch CFO Outlook Survey - June, 2005

5. Which best describes the overseas outsourcing at your company?

	Number	Percent	95% CI
=We don't outsource.	117	62.9 %	± 7.3 %
2=Our overseas outsource has grown substantially over the last 12 months.	8	4.3 %	± 3.8 %
1=Our overseas outsourcing has grown moderately over the last 12 months.	28	15.1 %	± 5.7 %
0=Our outsourcing has not changed substantially over the last 12 months.	33	17.7 %	± 6.0 %
-1=Our overseas outsourcing has decreased moderately over the last 12 months.	0	0.0 %	
-2=Our overseas outsourcing has decreased substantially over the last 12 months.	0	0.0 %	
Total	186	100.0 %	

Mean = .64

SD = .68

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - June, 2005**Outsourcing Increased - Indicate what you outsource:**

Machine parts
Software Development
Telephone Call Centers
professional services
Backoffice
production of proprietary branded products
portions of claims processing
Data entry
Components for steel products.
Motorcycle aftermarket products
manufactured steel products
software QA
data processing and software development
manufactured products
raw and finished goods
Machined components
components, raw material
rubber based parts
transaction steelement and reconciliation processes
Technology (software development) and back office processing
product suppliers and manufacturers
PCBs, metal enclosures, machined parts, etc.
software development and systems assembly and test for int'l customers
China
raw materials
Primary outsourcing is domestic manufacturing for electronics; but overseas additions of components and looking at full manufacturing.
Production
Castings, Aluminum bar stock, electric motors, gears
motors, heating coils, air conditioners
AP, GL

FEI-Baruch CFO Outlook Survey - June, 2005**No Change in Outsourcing - Indicate what you outsource:**

Apparel, 100% of our product line.

Semiconductor Wafer Fabrication and back-end Test & Assembly

components for light fixtures

stampings and machined parts

R&D

data collection

certain high volume components

Manufacturing of products. Product sourcing and logistics. Some minimal design work.

It applications development

Human Resources, Back office accounting, Legal services

Call center

programming

certain IT services, some manufacturing

computer aided drafting & design(CADD)

programming

production

fabric

manufacturing

Manufacture Of Compression Hosiery

Manufacturing of products in Asia

FEI-Baruch CFO Outlook Survey - June, 2005**6. Do you think oversight of the credit rating agencies is adequate?**

	Number	Percent	95% CI
Yes	57	31.5 %	± 7.1 %
No	80	44.2 %	± 7.5 %
No opinion	44	24.3 %	± 6.6 %
Total	181	100.0 %	

Missing Cases = 5

Response Percent = 97.3 %

FEI-Baruch CFO Outlook Survey - June, 2005**7. Would you like to see more entrants in the credit rating business?**

	Number	Percent	95% CI
Yes	71	39.7 %	± 7.4 %
No	59	33.0 %	± 7.1 %
No opinion	49	27.4 %	± 6.8 %
Total	179	100.0 %	

Missing Cases = 7

Response Percent = 96.2 %

FEI-Baruch CFO Outlook Survey - June, 2005

7. Would you like to see more entrants in the credit rating business? - Comment

Competition is almost always a good thing.

Yes but risky game

I think we need fewer, not more. The different agencies have differing criteria. If we had one agency, operating under one set of rules, it would be easier for both parties.

for Corporate rating we need more like D&B

Already companies are forced to pay to use the rating services in order to provide the proper information. More rating agencies would increase the costs.

There should not be artificial barriers (e.g. SEC testing or approval) to entry, rather that should be decided by the consumers of what the ratings agencies dispense.

more entrants would mean more costs

More and more consistency

At least four strong competitors.

With more rules governing their activities.

D&B, in my opinion does not do a credible job in evaluating business credit. They tend to be bureaucratic, non-responsive and a bit arrogant.

Too few; old boys network.

Just more active involvement with qualified people

They should somehow be held accountable for their ratings.

I don't think the current companies really understand the industry (or try to) in order to give a realistic outlook on individual company prospects.

The current credit rating agencies do not provide standard reporting within industries nor do they consistently provide meaningful data (not always verified for accuracy).

Only if the current agencies do not improve their accuracy

FEI-Baruch CFO Outlook Survey - June, 2005**8. Is your company rated by a major credit rating agency?**

	Number	Percent	95% CI
Yes	80	44.4 %	± 7.5 %
No	100	55.6 %	± 7.5 %
Total	180	100.0 %	

Missing Cases = 6

Response Percent = 96.8 %

FEI-Baruch CFO Outlook Survey - June, 2005

8b. If yes, please rate the following on a scale of 1 to 5, with 1 being very dissatisfied to 5 being very satisfied.

(N=80)

	Mean & SD	Very Satisfied 5	4	3	2	Very Dis- satisfied 1	Total
The accuracy of your company's credit ratings	3.0 0.9	2 2.5%	22 27.5%	36 45.0%	16 20.0%	4 5.0%	80 100.0%
The timeliness of your company's credit ratings	3.0 1.0	4 5.0%	22 27.5%	30 37.5%	20 25.0%	4 5.0%	80 100.0%
The transparency of how the credit ratings were determined	2.8 0.9	1 1.3%	17 21.3%	35 43.8%	19 23.8%	8 10.0%	80 100.0%

FEI-Baruch CFO Outlook Survey - June, 2005

Credit Rating - Comment

Upgrades are very slow to happen despite huge positive changes for my business.

Much like earnings guidance....cursed if you help, inaccurate if you don't.

We are not sure of the factors that were used in making the credit determination.

In a sarbanes world material weakness's reported are high and the weight is too significant in evaluating the Company

S&P is the worst. Fitch works hard to address the transparency issue.

these are really more n/a as we are a private co and choose not to release financials to the agencies. they have proxy type info only

All such agencies are very slow to update their overall ratings

FEI-Baruch CFO Outlook Survey - June, 2005

9. Despite pressure from the U.S. government and business groups, it appears unlikely that China plans to revalue its currency in the near future. How would a revaluation of the Yuan (currently 8.28 Yuan to the \$US) impact your company?

	Number	Percent	95% CI
5=Significant positive impact	8	4.5 %	± 3.8 %
4=Small to moderate positive impact	45	25.1 %	± 6.6 %
3=No impact	70	39.1 %	± 7.4 %
2=Small to moderate negative impact	45	25.1 %	± 6.6 %
1=Significant negative impact	11	6.1 %	± 4.1 %
Total	179	100.0 %	

Mean = 2.97

SD = .96

Missing Cases = 7

Response Percent = 96.2 %

FEI-Baruch CFO Outlook Survey - June, 2005

10. On a scale of 1-5, with 1 being not concerned and 5 being very concerned, how concerned are you about the future solvency of the PBGC?

	Number	Percent	95% CI
1=Not concerned	7	3.9 %	± 3.7 %
2	22	12.2 %	± 5.2 %
3	35	19.3 %	± 6.1 %
4	75	41.4 %	± 7.5 %
5=Very concerned	42	23.2 %	± 6.5 %
Total	181	100.0 %	

Mean = 3.68

SD = 1.08

Missing Cases = 5

Response Percent = 97.3 %

FEI-Baruch CFO Outlook Survey - June, 2005

11. The PBGC is not funded by general tax revenues. If additional funding of the PBGC is necessary, do you think tax payer dollars should be used to support the financial well-being of the PBGC?

	Number	Percent	95% CI
Yes	31	17.1 %	± 5.9 %
No	136	75.1 %	± 6.7 %
No opinion	14	7.7 %	± 4.5 %
Total	181	100.0 %	

Missing Cases = 5

Response Percent = 97.3 %

FEI-Baruch CFO Outlook Survey - June, 2005

11. The PBGC is not funded by general tax revenues. If additional funding of the PBGC is necessary, do you think tax payer dollars should be used to support the financial well-being of the PBGC? - Comment

Realistically, general tax funding is inevitable.

it should not just be companies with pension plans

Gov does not pay for loss in 401K

this is for general social welfare, thus similar to other general taxes

Corporate taxes should be used, not individual income taxes

Most taxpayers would be outraged if they felt that their \$ were being used to fund someone else's DB benefit when they do not enjoy a DB plan of their own.

The remaining solvent defined benefit plans are already being asked to pay to high a rate for PBGC insurance.

May be the only solution that will work regarding funding. But, would prefer that pension shortfalls not be bailed out by the Government

However, general revenue dollars will be used if necessary.

I believe the first place that should be tapped is a) Equity position of company, b) potential sell off of capital assets, and c) executive pension benefits.

but not until the companies benefitting have paid a significant portion of the shortfall and premiums that all companies pay have been increased.

add a user tax of \$1/airline segment & \$1/ton of steel mfg or imported and most of the underfunding goes away

Pension benefits are available to a fairly select population; the majority of employees do not receive a pension--taxpayer dollars already support social security so would be opposed to further tax

Surcharge on worst segments \$1 per airline ticket segment; \$1 per ton of steel used, manufactured or imported. That should alleviate most of major shortfall

No because it effectively transfers a corporate obligation to a taxpayer obligation for a former corporate employee.

But first corporate rates must increase, helping to kill non-401k type plans.

Get the contributions up to what they should be. The accountants have really screwed this up by allowing companies not to fund the full cost.

But the whiners (pensioners "losing" benefits) will suck our blood.

No funding increases should happen until Social Security is addressed adequately and we are no longer funding a war.

It is too early to think like this. Tax policy ought to be strengthened to force full funding.

FEI-Baruch CFO Outlook Survey - June, 2005**12. Does your company have a Defined Benefit plan?**

	Number	Percent	95% CI
Yes	57	31.5 %	± 7.1 %
No	124	68.5 %	± 7.1 %
Total	181	100.0 %	

Missing Cases = 5

Response Percent = 97.3 %

FEI-Baruch CFO Outlook Survey - June, 2005**12a. Would an increase in your company's PBGC premium lead you to reduce benefits?**

	Number	Percent	95% CI
Yes, if it were more than ___ %	5	9.3 %	± 11.4 %
Possibly, if it were more than ___ %	12	22.2 %	± 12.9 %
No	37	68.5 %	± 13.8 %
Total	54	100.0 %	

Missing Cases = 3

Response Percent = 94.7 %

FEI-Baruch CFO Outlook Survey - June, 2005**12a. Would an increase in your company's PBGC premium lead you to reduce benefits?**

	Mean	SD	Median	Total
Yes, if it were more than:	15.00	9.13	15	4
Possibly, if it were more than:	16.25	16.77	10	12

FEI-Baruch CFO Outlook Survey - June, 2005

12b. Would an increase in your company's PBGC premium impact whether you continue to offer a DB plan?

	Number	Percent	95% CI
Yes, if it were more than ___ %	11	20.4 %	± 12.6 %
Possibly, if it were more than ___ %	8	14.8 %	± 11.9 %
No	35	64.8 %	± 14.1 %
Total	54	100.0 %	

Missing Cases = 3

Response Percent = 94.7 %

FEI-Baruch CFO Outlook Survey - June, 2005**12b. Would an increase in your company's PBGC premium impact whether you continue to offer a DB plan?**

	Mean	SD	Median	Total
Yes, if it were more than:	18.13	7.53	20	8
Possibly, if it were more than:	33.13	25.06	25	8

FEI-Baruch CFO Outlook Survey - June, 2005**PUBLIC COMPANIES: 1. During the past 12 months, has your company changed its dividend policy?**

	Number	Percent	95% CI
Yes. We increased dividends by \$___	12	21.4 %	± 13.1 %
Yes. We decreased dividends by \$___	0	0.0 %	
No	44	78.6 %	± 12.1 %
Total	56	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - June, 2005**PUBLIC COMPANIES: 1. During the past 12 months, has your company changed its dividend policy?**

	<u>Mean</u>	<u>SD</u>	<u>Median</u>	<u>Total</u>
Yes. We increased dividends by \$___	0.20	0.33	0.09	8
Yes. We decreased dividends by \$___	0.00	0.00	0	0

FEI-Baruch CFO Outlook Survey - June, 2005

PUBLIC COMPANIES: 2. Are you considering a change to your dividend policy over the next 12 months?

	Number	Percent	95% CI
No	42	75.0 %	± 12.7 %
Yes, we are considering initiating dividends	3	5.4 %	± 14.0 %
Yes, we are considering an increase	11	19.6 %	± 12.8 %
Yes, we are considering a decrease	0	0.0 %	
Total	56	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - June, 2005**PUBLIC COMPANIES: 3. During the past 12 months, has your company bought back any stock?**

	Number	Percent	95% CI
Yes, we increased our holdings by ___ %	16	28.6 %	± 13.9 %
No	40	71.4 %	± 13.2 %
Total	56	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - June, 2005**PUBLIC COMPANIES: 3. During the past 12 months, has your company bought back any stock?**
- Yes

	Mean	SD	Median	Total
Yes, we increased our holdings by ___ %	4.62	4.39	2	13

FEI-Baruch CFO Outlook Survey - June, 2005**PUBLIC COMPANIES: 4. Do you anticipate any stock buybacks during the next 12 months?**

	Number	Percent	95% CI
Yes	14	25.0 %	± 13.5 %
No	36	64.3 %	± 14.0 %
Don't know	6	10.7 %	± 11.6 %
Total	56	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - June, 2005

PUBLIC COMPANIES: 5. If Congress enacts legislation requiring CEOs to certify their companies' federal income tax filings, in your opinion what kind of time commitment will be required from CEOs and their tax staffs in reviewing the returns prior to the CEO signing the certification?

	Number	Percent	95% CI
1=Significant time commitment	17	29.8 %	± 4.8 %
2=Moderate time commitment	32	56.1 %	± 5.9 %
3=Negligible time commitment	8	14.0 %	± 3.8 %
Total	57	100.0 %	

Mean = 1.84

SD = .64

Missing Cases = 129

Response Percent = 30.6 %

FEI-Baruch CFO Outlook Survey - June, 2005**Industry**

	Number	Percent	95% CI
Manufacturing	59	33.7 %	± 7.1 %
Retail/Wholesale	18	10.3 %	± 4.9 %
Other	17	9.7 %	± 4.8 %
Banking/Finance/Insurance	16	9.1 %	± 4.7 %
Tech [Software/Biotech]	15	8.6 %	± 4.6 %
Service/Consulting	15	8.6 %	± 4.6 %
Healthcare/Pharmaceutical	13	7.4 %	± 4.4 %
Mining/Construction	8	4.6 %	± 3.8 %
Transportation/Energy	7	4.0 %	± 3.7 %
Communications/Media	7	4.0 %	± 3.7 %
Total	175	100.0 %	

Missing Cases = 11

Response Percent = 94.1 %

FEI-Baruch CFO Outlook Survey - June, 2005

Industry (Other specified)

commercial real estate services

Direct selling

Education

Entertainment

Entertainment

govt owned utility

medical device mfr.

not-for-profit

Prof services

Real Estate

Real Estate

Real Estate

Real Estate

real estate

real estate development

Semiconductor

Semiconductor

FEI-Baruch CFO Outlook Survey - June, 2005**Sales Revenue**

	Number	Percent	95% CI
Less than \$25 million	22	12.7 %	± 5.2 %
\$25-\$99 million	45	26.0 %	± 6.6 %
\$100-\$499 million	67	38.7 %	± 7.3 %
\$500-\$999 million	15	8.7 %	± 4.6 %
\$1-\$4.9 billion	20	11.6 %	± 5.0 %
Over \$5 billion	4	2.3 %	± 3.7 %
Total	173	100.0 %	

Missing Cases = 13

Response Percent = 93.0 %

FEI-Baruch CFO Outlook Survey - June, 2005**Weighted Sales Revenue (Millions)**

Minimum = 25

Maximum = 6000

Mean = 686.07

Median = 300

Variance (Unbiased) = 1495492.19

Standard Deviation (Unbiased) = 1222.90

Standard Error Of The Mean = 92.98

95 Percent Confidence Interval Around The Mean = 503.84 - 868.30

99 Percent Confidence Interval Around The Mean = 446.66 - 925.48

Skewness = 2.64

Kolmogorov-Smirnov Statistic For Normality = 5.27

Quartiles

1 = 62

2 = 300

3 = 300

Valid Cases = 173

Missing Cases = 13

Response Percent = 93.0%

FEI-Baruch CFO Outlook Survey - June, 2005**Number of Employees**

	Number	Percent	95% CI
Fewer than 100	26	16.0 %	± 5.5 %
100-499	51	31.3 %	± 6.9 %
500-999	33	20.2 %	± 6.0 %
1,000-2,499	23	14.1 %	± 5.3 %
2,500-4,999	12	7.4 %	± 4.2 %
5,000-9,999	9	5.5 %	± 3.9 %
Over 10,000	9	5.5 %	± 3.9 %
Total	163	100.0 %	

Missing Cases = 23

Response Percent = 87.6 %

FEI-Baruch CFO Outlook Survey - June, 2005**Weighted Number of Employees**

Minimum = 100

Maximum = 12000

Mean = 1861.35

Median = 750

Variance (Unbiased) = 9259978.41

Standard Deviation (Unbiased) = 3043.02

Standard Error Of The Mean = 238.35

95 Percent Confidence Interval Around The Mean = 1394.19 - 2328.51

99 Percent Confidence Interval Around The Mean = 1247.60 - 2475.10

Skewness = 2.35

Kolmogorov-Smirnov Statistic For Normality = 4.24

Quartiles

1 = 300

2 = 750

3 = 1750

Valid Cases = 163

Missing Cases = 23

Response Percent = 87.6%

FEI-Baruch CFO Outlook Survey - June, 2005**Headquarters**

	Number	Percent	95% CI
Midwest	50	28.6 %	± 6.8 %
Northeast	44	25.1 %	± 6.6 %
Pacific	34	19.4 %	± 6.1 %
South Atlantic	18	10.3 %	± 4.9 %
South Central	15	8.6 %	± 4.6 %
Outside U.S.	9	5.1 %	± 3.9 %
<u>Mountain</u>	5	2.9 %	± 3.6 %
Total	175	100.0 %	

Missing Cases = 11

Response Percent = 94.1 %

FEI-Baruch CFO Outlook Survey - June, 2005**Ownership**

	Number	Percent	95% CI
Private	121	68.4 %	± 7.2 %
Public, NYSE	29	16.4 %	± 5.7 %
Public, Nasdaq/AMEX	27	15.3 %	± 5.6 %
Total	177	100.0 %	

Missing Cases = 9

Response Percent = 95.2 %

FEI-Baruch CFO Outlook Survey - June, 2005**Foreign Sales**

	Number	Percent	95% CI
0%	53	30.3 %	± 6.9 %
1-24%	80	45.7 %	± 7.5 %
25-50%	24	13.7 %	± 5.4 %
Over 50%	18	10.3 %	± 4.9 %
Total	175	100.0 %	

Missing Cases = 11

Response Percent = 94.1 %

