



KENOSHA AREA BUSINESS ALLIANCE



2007 EXECUTIVE ECONOMIC OUTLOOK SURVEY REPORT

Released: January 2007

KABA annually conducts this confidential business survey to gauge the area's economic conditions and outlook for the coming year.

1. Type of industry your organization represents:

Banking	5	10%
Business Services	3	6%
Construction	3	6%
Engineering & Architectural Services	1	2%
Government & Education	2	4%
Healthcare & Related Services	2	4%
Insurance, Legal & Financial Services	3	6%
Manufacturing	23	44%
Media	0	0%
Nonprofit	0	0%
Real Estate/Wholesale	1	2%
Telecommunications & Utilities	1	2%
Transportation & Distribution	2	4%
Other, Please Specify	6	12%
Total	52	100%

2. Current employment level at your business/organization:

1 - 10 employees	4	8%
11 - 20 employees	6	12%
21 - 50 employees	16	31%
51 - 100 employees	7	13%
101 - 250 employees	9	17%
251 - 500 employees	4	8%
500+ employees	6	12%
Total	52	100%

3. What are your organization's approximate annual sales?

< \$500,000	0	0%
\$500,001 - \$2M	5	10%
\$2.1M - \$5M	14	27%
\$5.1M - \$10M	10	19%
\$10.1M - \$20M	4	8%
\$20.1M - \$50M	5	10%
\$50.1M +	14	27%
Total	52	100%

4. In 2007, your industry is projected to be:

Stronger than 2006	15	29%
Comparable to 2006	33	63%
Weaker than 2006	3	6%
Too uncertain to predict	1	2%
Total	52	100%

5. Compared to the entire year of 2006, your company's dollar volume of Sales/Revenue (net of inflationary effects) for the entire year of 2007 are expected to:

Increase by 21% +	0	0%
Increase by 11% - 20%	8	15%
Increase by 1% - 10%	28	54%
Remain the same	8	15%
Decrease by 1% - 10%	8	15%
Decrease by 11% - 20%	0	0%
Decrease by 21% +	0	0%
Total	52	100%

6. In comparison to 2006, your organization's Profits (before taxes) for 2007 are expected to?

Increase by 21% +	2	4%
Increase by 11% - 20%	5	10%
Increase by 1% - 10%	23	44%
Remain the same	12	23%
Decrease by 1% - 10%	7	13%
Decrease by 11% - 20%	2	4%
Decrease by 21% +	1	2%
Total	52	100%

7. During 2007, your organization's work force is expected to (compared to 2006):

Increase by 21% +	0	0%
Increase by 11% - 20%	2	4%
Increase by 1% - 10%	14	27%
Remain the same	28	54%
Decrease by 1% - 10%	5	10%
Decrease by 11% - 20%	2	4%
Decrease by 21% +	1	2%
Total	52	100%

8. How much of your organization's 2007 revenues are projected to derive from exports?

0%	32	62%
1% - 10%	13	25%
11% - 20%	2	4%
21% +	5	10%
Total	52	100%

9. What tactics do you plan to implement to promote growth for your company in 2007? (check all that apply)

Build business with existing customers	47	90%
Enter new markets	29	56%
Develop new products	21	40%
Develop new technologies	9	17%
Acquire another business	5	10%

10. During 2007, your company spending in the following areas is expected to (compared to 2006):

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Increase Substantially	Increase Slightly	Remain the Same	Decrease Slightly	Decrease Substantially
Advertising, Sales & Marketing	0 0%	22 42%	24 46%	6 12%	0 0%
Information Technology	5 10%	19 37%	23 44%	5 10%	0 0%
Employee Training & Development	0 0%	27 52%	23 44%	2 4%	0 0%
New Product Development	3 6%	19 40%	23 48%	2 4%	1 2%
Other Capital Spending	2 4%	20 38%	24 46%	6 12%	0 0%

11. During 2007, your per person employee wages and salaries are expected to:

Increase by 11% +	0	0%
Increase by 6% - 10%	3	6%
Increase by 1% - 5%	43	83%
Remain the same	4	8%
Decrease by 1% - 5%	1	2%
Decrease by 6% - 10%	0	0%
Decrease by 11% +	1	2%
Total	52	100%

12. During the remainder of 2007, does your organization expect to purchase capital equipment?

Yes	35	67%
No	17	33%
Total	52	100%

13. Approximate investment:

\$0 - \$100,000	9	26%
\$100,001 - \$250,000	7	20%
\$250,001 - \$500,000	7	20%
\$500,001 +	12	34%
Total	35	100%

14. Number of new jobs, if any:

n/a	15	43%
Increase by 1 - 10	16	46%
Increase by 11 - 20	3	9%
Increase by 21 - 50	0	0%
Increase by 51 - 100	1	3%
Increase by 100 +	0	0%
Total	35	100%

15. During the remainder of 2007, does your organization expect to expand its facility?

Yes	10	19%
No	42	81%
Total	52	100%

16. Approximate size of expansion:

0 - 10,000 SF	5	56%
10,001 - 20,000 SF	1	11%
20,001 - 50,000 SF	1	11%
50,001 + SF	2	22%
Total	9	100%

17. Please rate the following nine business challenges your company is encountering at this time (1 being no challenge to your business, 2 being somewhat challenging, and 3 being very challenging):

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	No Challenge	Somewhat Challenging	Very Challenging
Access to Capital	35 67%	16 31%	1 2%
Business Taxes	15 29%	28 54%	9 17%
Offshore Competition	24 46%	13 25%	15 29%
Domestic Competition	3 6%	30 58%	19 37%
Employee Health Care Costs	0 0%	16 31%	36 69%
Pricing Pressure	4 8%	17 33%	31 60%
Raw Material Costs	21 40%	14 27%	17 33%
Regulatory Compliance	18 35%	22 42%	12 23%
Shortage of Skilled Workers	6 12%	30 58%	16 31%