

Utah Quarterly Economic Forecast 2009 4th Quarter Summary

March 2010



Measuring the health of Utah's economy from the perspective of business leaders throughout the state

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Conducted by

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Introduction

Zions Bank commissioned Dan Jones & Associates, Inc., a full-service, independent, public opinion and market research firm in Salt Lake City, Utah, to conduct and compile an online quarterly research study of business executives and key decision makers throughout the state of Utah.

Research Objectives

This research is designed to gauge the health of Utah's economic landscape and reveal trends in the Utah marketplace. It is designed to be an insider's view of Utah's economy, by Utah executives for Utah executives.

This study does not attempt to measure financial indicators, but rather to assess how Utah executives are dealing with the economy and how they see it affecting their companies' economic decisions in the upcoming quarter.

Procedures

Dan Jones & Associates developed the questionnaire with Rob Brough, Executive Vice President at Zions Bank. To meet the research objectives, 1,169 Utah business executives and key decision makers were recruited to form the initial study panel.

To better understand how our ever-changing economy is affecting the attitudes of business leaders in Utah, supplemental questions—unique to each quarter—have been added to the core of 16 questions that are measured in every survey cycle.

Sample

Lists of Utah businesses statewide were used to develop the survey universe. During the summer of 2006, executives from randomly-selected businesses were asked to join the study panel. Additional panelists were recruited at Zions Bank's International Trade and Business Conference (May 2006) and by e-mail invitation to Zions Bank's business customers (April 2009). Panelists were screened to ensure that all executives have at least 10 full-time employees in their companies.

Fieldwork

To date, fifteen cycles of the online study have taken place as follows:

	Cycle	Field Dates	Sample Size
2006	2006: 2nd Quarter (2Q06)	July 12–21, 2006	387
	2006: 3rd Quarter (3Q06)	October 2–13, 2006	356
	2006: 4th Quarter (4Q06)	January 25–February 2, 2007	320
2007	2007: 1st Quarter (1Q07)	April 2–27, 2007	335
	2007: 2nd Quarter (2Q07)	July 9–August 3, 2007	336
	2007: 3rd Quarter (3Q07)	October 1–30, 2007	334
	2007: 4th Quarter (4Q07)	January 1–22, 2008	344
2008	2008: 1st Quarter (1Q08)	April 1–24, 2008	346
	2008: 2nd Quarter (2Q08)	June 16–July 11, 2008	342
	2008: 3rd Quarter (3Q08)	October 1–17, 2008	342
	2008: 4th Quarter (4Q08)	January 5–27, 2008	339
2009	2009: 1st Quarter (1Q09)	April 2–30, 2009	337
	2009: 2nd Quarter (2Q09)	July 5–22, 2009	344
	2009: 3rd Quarter (3Q09)	October 6–22, 2009	335
	2009: 4th Quarter (4Q09)	January 5–21, 2010	333

Surveys are completed using a secure Web site. Each executive is provided a unique link to the site via e-mail. To achieve adequate sample levels, panelists who did not respond to the e-mail were randomly selected to complete the interview by telephone. Thirty-nine panelists were interviewed by phone in the third cycle (4Q06), 51 in the fourth (1Q07), 68 in the fifth (2Q07), 86 in the sixth (3Q07), 28 in the seventh (4Q07), 74 in the eighth (1Q08), 62 in the ninth (2Q08), 62 in the tenth (3Q08), 77 in the eleventh (4Q08), 3 in the twelfth (1Q09), 42 in the thirteenth (2Q09), 68 in the fourteenth (3Q09), and 52 in the fifteenth (4Q09).

Contact information is used by Dan Jones & Associates only to facilitate participation in this study and will never be shared with any other party or used for any other purpose. To assure panelist anonymity, Dan Jones & Associates collects, compiles, analyzes, and tests all data. Results are provided to Zions Bank, panel members, and the media in aggregate form only. Demographic data is collected to determine opinions of subgroups and to tabulate the data.

Where applicable, checkmarks (✓) following each topic highlight statistically significant findings resulting from testing among demographic groups.

Due to rounding, response distribution may not always total 100%.

Executive Summary

By a wide margin, Utah executives believe the economy in Utah is doing better than it is in the rest of the nation. In fact, two-thirds (65%) say it is *somewhat better* and 8% that it is *much better*. Nearly one-quarter (23%) think the economy in Utah is about the same as elsewhere in the nation, and just 5% classify it as *somewhat worse*. None describe Utah's economy, compared to the rest of the nation, as *much worse*.

When asked what positive signs they have seen in their company or industry that might indicate the economy is turning around, the majority of executives (approximately 60%) can name something they have observed, while about 30% report that they have seen no positive signs and the rest choose to leave no comment. A sampling of positive comments include: "increased response to advertising," "our sales outpaced sales from the corresponding months in 2008," "clients are spending more money," "we're hiring," and "plenty of opportunities." The negative remarks in many ways can be summed up by this comment: "the second half of 2010 really concerns me."

Although the majority of Utah business leaders feel the economy is stronger in Utah than in the rest of the nation, they do not concede that the current economic crisis is over for their company, saying rather that it is *definitely not over* (32%) or *probably is not over* (22%). One in eight, however, do feel the worst is past and that, for their company at least, the current economic crisis is *probably* (10%) or *definitely* (3%) over.

As might be suspected, a plurality of executives confirm that if they need to make budget cuts in their companies, *laying off low-level employees* would be their first option (36%). One-quarter (25%) would first *reduce salaries* and another quarter (24%) would *reduce employee benefits*. Only a small percentage say their first plan of action would be to *reduce products or services* (8%) or *layoff executive-level employees* (7%).

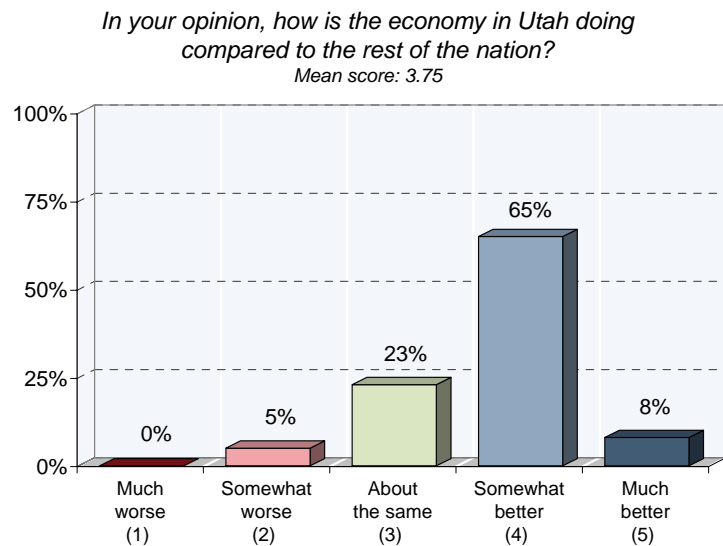
After sliding for nearly three years, executives' outlook on the financial futures of their companies has improved slightly and remained steady throughout 2009. Measured on a scale of 1/ *very pessimistic* to 10/ *very optimistic*, the current mean score of 6.36 shows executives are slightly optimistic. The highest level of optimism was reported early in 2006 (2Q06: 7.87), then dropped 2.01 points to its lowest by the end of 2008 (4Q08: 5.86), and settled above 6.00 during 2009.

Also on the bright side, predictions for increases in workforces are at their highest level since the beginning of 2008. Currently, 29% of executives say they expect their workforces to increase *greatly* or *somewhat* during the next quarter.

Of the 11 economic factors rated by executives each quarter, the *cost of employee health insurance* continues to be of greatest concern (a mean score of 5.48 on a scale of 1/ *not at all concerned* to 7/ *greatly concerned*). In fact, it is of much greater intensity than the next factor on the list, *the impact of inflation on the cost to do business* (4.43) or any of the other factors.

Utah’s Economy Compared to the Rest of the Nation

Nearly three quarters of Utah executives feel that the economy in Utah is doing better than the rest of the nation. But the vast majority of those (65%) concede that it is only *somewhat better*, while 8% feel that the economy here is *much better*. On the flip side, just 5% feel the economy here is *somewhat worse* and none of the top business leaders on the Utah Economic Forecast panel report that the economy is *much worse* in Utah. Roughly one quarter (23%) feel the economy here is about the same as in the rest of the US.



- ✓ Executives in Weber and Davis Counties are more likely to say the economy in Utah is much better than the rest of the nation.
- ✓ Executives in Utah, Washington, and Iron Counties are more likely to say the economy in Utah is somewhat better than the rest of the nation.

When asked what signs they have observed in their companies or industries in recent months that might indicate the economy is turning around, the responses were wide and varied, but fell into a few general categories. Approximately five out of eight business leaders identify something positive, about one third say there are no positive signs, and the rest opted to leave no comment.

Responses citing positive signs include these groups of comments: increased business activity (roughly 35%), improved revenue or cash flow (less than 10%), customers’ readiness to spend (less than 10%), belief that the worst is over (less than 5%), business stability (less than 5%), improved customer and/or staff attitudes (less than 5%), and workforce indicators (less than 5%).

Increased business activity:

“Greater volume of activity in most areas of the business.”

“Normally, December is our slowest month, but December of ‘09 was fairly strong. January is starting out better than expected. I am cautiously optimistic. We have all of our past customers and have added a few new. If all of them get just a bit more busy, we would experience a good upturn.”

“From July of 2009, we have seen our sales improve. From September of 2009, our sales outpaced sales from the corresponding months in 2008.”

“Momentum seems to be building in the business community. We see increased interest in products that haven’t been popular since the recession started.”

“Sales are up, orders are up, we are hiring. Price increase on our products.”

“The fourth quarter for 2009 was nearly 20% higher than the same quarter for 2008. I think we still face slow economic times, but this is the most positive news in 18 months.”

Improved revenue or cash flow:

“A lot more money in motion, which creates benefits. “

“Quicker pay. Our receivable turnaround is much less.”

“We are increasing capital expenditures, advertising, and staffing.”

Customers’ readiness to spend:

“Clients positioning themselves for new business opportunities.”

“Large media companies began investing advertising dollars starting about October ‘09.”

“People are remodeling old homes rather than buying new ones, or they are buying foreclosures and vacant homes, and finishing them. There seems to be a lot of pent up desire to spend money, but a lack of conviction to spend too much or go into debt.”

Belief that the worst is over:

“I think we have bottomed out, but I don’t expect a very quick upswing. Long and slow.”

“Interest rate spreads have narrowed. Retail sales are firming up, and residential real estate prices seem to be bottoming.”

“The freefall has stopped, and there appears to be an up-tick in demand for 2010.”

Business stability:

“In our business, we never felt a decline and have seen an upturn in the last two months. Weather affects our company. The worse the weather, the better for our company.”

“Our company has been very fortunate that we really have not been affected by the economy. We do, however, have a terrible time finding qualified employees.”

“We’ve not experienced much of a downturn.”

Improved customer and/or staff attitudes:

“Clients/employees are having more smiles on their faces.”

“Customers are finding out that even though the economy is tight, life goes on, and we must move on with progress at some level.”

“More of our competitors seem to be less pessimistic, or let’s say more optimistic about their future economic situations. Many, however, are still taking a wait-and-see stance.”

Workforce indicators:

“Increased hiring. Indications that budgets for R&D projects are being released in the first quarter of 2010. Other companies are indicating that they are seeing signs of recovery in their own business.”

“More companies are hiring both for temporary and permanent positions.”

“Not as many people applying for work here, indicating possibly that unemployment is down.”

And on the negative side—those indicating that do not see any positive signs yet:

“Cannot think of one. We are just eking out an existence right now. Cutting prices just to stay busy. No profit in anything we do.”

“None. In fact, if our elected officials keep on the course they are on, our economy will fail.”

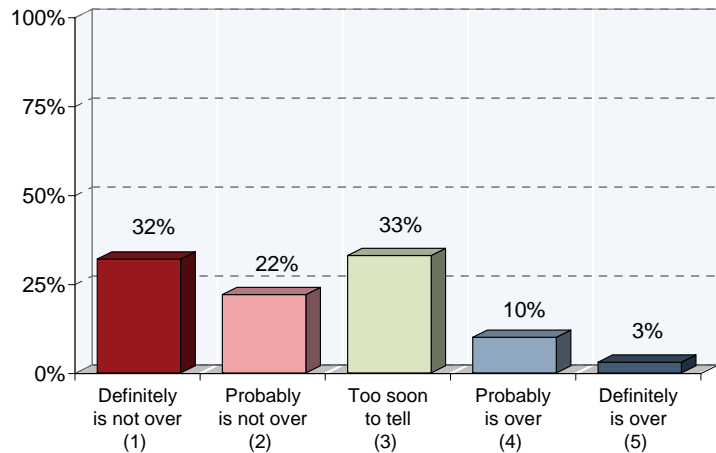
“Nothing. It is a black hole with no light in sight, except for the country’s debt we will have to pay for.”

“Our industry is turning into the worst 12-month period to date. I see no positive signs.”

Economic Crisis Is Not Over

Even though the majority of Utah business leaders are able to identify some positive signs in the economy, they are not yet ready to concede that the economic crisis is over for their company. Indeed, just one out of eight declare that it is *probably over* (10%) or *definitely over* (3%), while more than half feel that it is *probably not over* (32%) or *definitely not over* (22%). One-third (33%) declares it is too early to tell if their company is past the current economic crisis.

*Is the economic crisis over for your company?
Mean score: 2.30*

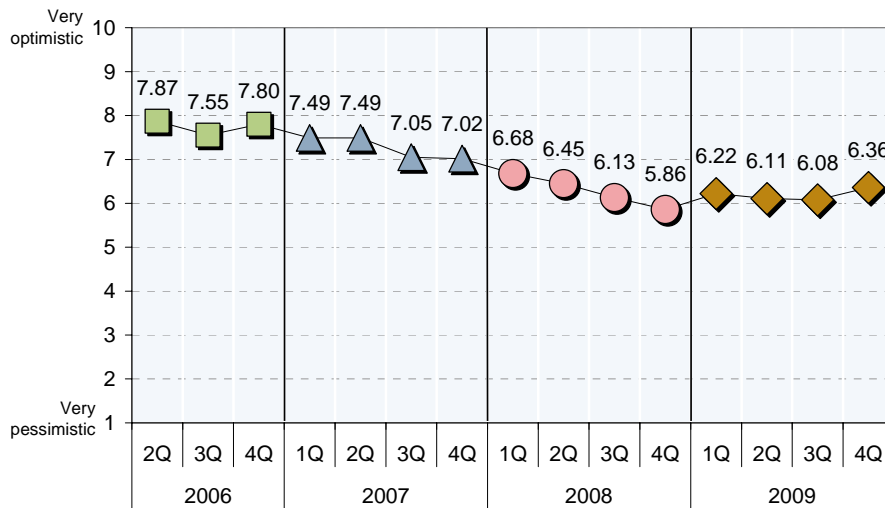


- ✓ *Panelists likely to say the economic crises is not over for their companies are more likely to be males, executives whose companies have been in business a shorter time (likelihood increases as time in business decreases), and those in seasonal businesses.*

Optimism

Overall, executives' level of optimism regarding the financial futures of their companies closed 2009 at a higher point than it has attained during the preceding seven quarters, as indicated by a mean score of 6.36 on a scale of 1/ *very pessimistic* and 10/ *very optimistic*. This marks a recovery of 0.50 points from the low of 5.86 realized one year ago (4Q08). Notably, it is still 1.51 points lower than the highest level of optimism collectively reported by executives in the baseline study conducted for the second quarter of 2006.

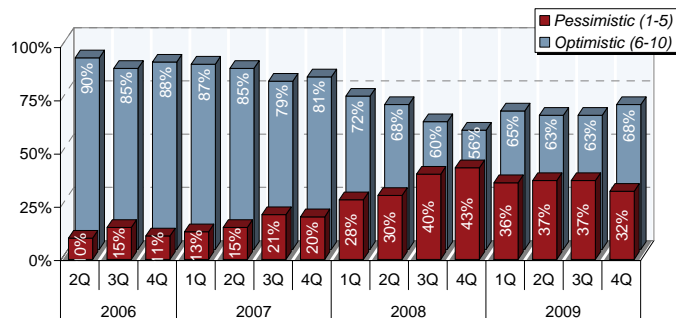
Using a 1–10 scale, please rate your **level of optimism/pessimism** about the financial future of your company, based on profits/losses **these past three months**



While financial outlooks of Utah business leaders began their decline in 2007 and continued throughout 2008, 2009 has actually seen attitudes of optimism recover and hold steady at a point that could be labeled as *slightly optimistic*.

Indeed, two-thirds of the panelists (68%) currently show *optimistic* ratings (ratings of 6 to 10), twice as many as those who report *pessimistic* outlooks (32%). Please refer to the chart at the right to see how the ratio of optimistic to pessimistic ratings has fluctuated throughout the fifteen Quarterly Economic Forecast cycles.

Using a 1–10 scale, please rate your **level of optimism/pessimism** about the financial future of your company, based on profits/losses **these past three months**

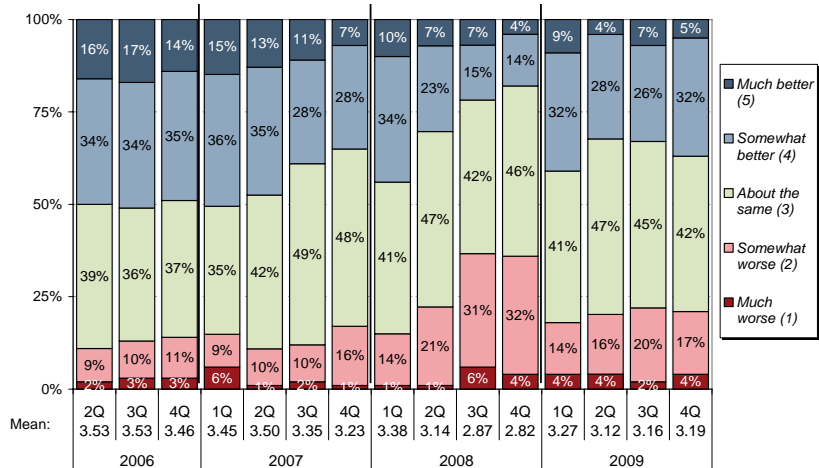


- ✓ *Optimism about the financial future of their companies increases as the number of full-time employees within their companies increases.*

Economic Health

Executives' predictions of economic health in their companies declined during 2007, and 2008 even slipped into negative territory (according to mean scores below 3.00 on a scale of 1/ *much worse* to 5/ *much better*). Throughout 2009 and specifically in the fourth quarter, a higher percentage of Utah business leaders (37%) have maintained that their companies' economic health will be *better* in the upcoming quarter than predict it will be *worse* (21%). As always, a plurality of panelists feels their economic health will be *about the same* as it was last quarter (4Q09: 42%).

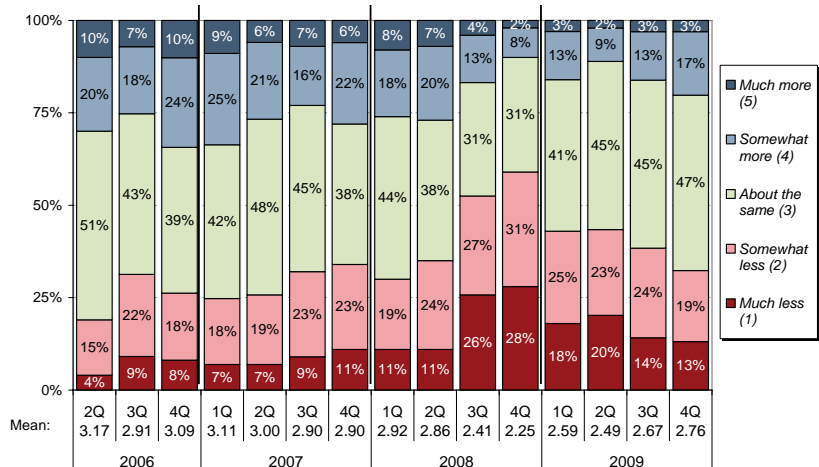
In the **coming three months**, would you predict that your company's **economic health** will be better or worse than previous three months?



Capital Expenditures

Since the third quarter of 2007, a higher percentage of Utah business leaders have anticipated that their companies will spend less on capital expenditures in the upcoming quarter than they did in the previous one. At its most drastic, during the fourth quarter of 2008, 59% predicted that spending would be *less* and 10% predicted it would be *more*—a difference of 49 percentage points. In the current quarter, that difference has dropped to 12 percentage points, with 32% saying they will spend *less* and 20% predicting they will spend *more*.

In the **coming three months**, do you anticipate spending more, about the same, or less on **capital expenditures** than you have during the past three-month period?

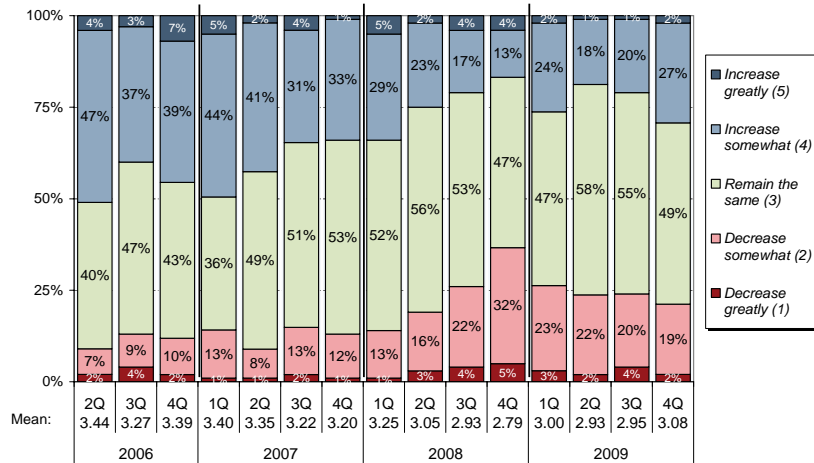


- ✓ Executives' predictions of capital spending increase as the number of part-time employees within their companies increases.

Workforce

For the first time since the second quarter of 2008, a higher percentage of Utah executives (29%) foresee that their workforce will *increase* in the upcoming quarter than think it will *decrease* (21%). Still, the greatest percentage of panelists (49%) continues to say that the size of their workforce will *remain the same*.

In the **coming three months**, do you anticipate that your **workforce** will increase, decrease, or remain the same compared to the last three months?

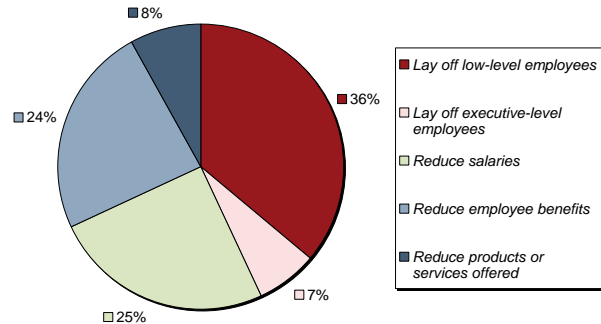


- ✓ As the number of part-time employees in executives' companies increases so does the likelihood of increasing their workforces. Executives with more than 250 full-time employees are more likely to say they anticipate their workforce will increase.

If Budget Cuts Are Needed

If executives are forced to make budget cuts in their companies, more than one-third (36%) say that *laying off low-level employees* is likely to be their first plan of action. One quarter (25%) believe that they would *reduce salaries*. Virtually the same number of panelists (24%) say they would *reduce employee benefits*. Much smaller groups of business leaders feel that their companies would *reduce products or services offered* (8%) or *lay off executive-level employees* (7%).

If you need to make budget cuts in your company, which would you likely do first?



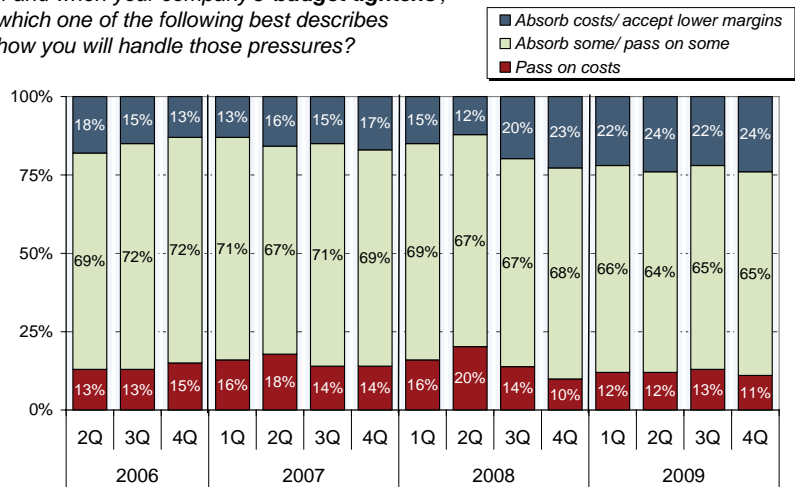
- ✓ Females and executives with fewer than 50 part-time employees are more likely to say they would first lay off low-level employees.
- ✓ Males and executives with fewer than 50 part-time employees are more likely to say they would first reduce salaries.
- ✓ Males and executives with more than 50 employees are more likely to say they would first reduce employee benefits.

Absorb Costs or Pass Them On

Predictions in this category have changed little over the course of this study.

Consistently, Utah business leaders have maintained that they are most likely to *absorb some costs and pass on some costs* as a way to deal with a tightening budget. This quarter (65%) is no exception. As an indicator of the current economic situation in our society, a higher percentage (currently 24%) continues to say they will *absorb costs and accept lower margins* than will *pass on costs* (11%) to their customers.

If and when your company's budget tightens, which one of the following best describes how you will handle those pressures?



- ✓ *The likelihood of saying they will absorb costs if budgets tighten increases as the number of years a company has been in business decreases.*

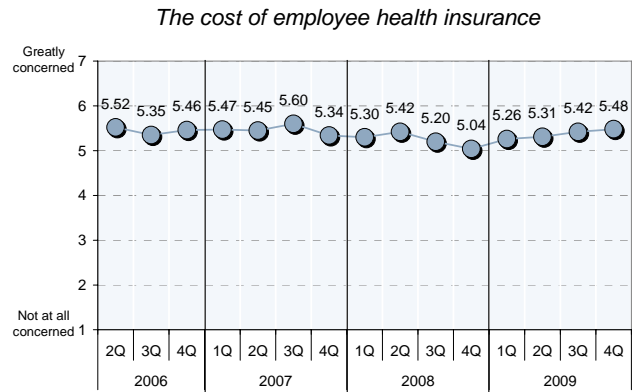
Economic Concerns

“Please rate your level of concern about the following items as they affect your company within the next few months.” Scale: 1/ not concerned at all concerned to 7/ greatly concerned.”

Rank # 1: The cost of employee health insurance: 5.48

Previous rankings: Last quarter: 1; High: 1 (3Q07, 4Q08–4Q09); Low: 3 (2Q08)
 Previous mean scores: Last quarter: 5.42; High: 5.60 (3Q07); Low: 5.04 (4Q08)

As the *cost of employee health insurance* continues to be the top economic concern for Utah executives, ranking 5.48 on a 7-point scale, it has also been increasing in intensity of concern since the fourth quarter of 2008, when it was at its lowest level of concern (4Q08: 5.04). Indeed, there have only been two previous quarters when executives displayed a higher level of concern about health insurance costs (2Q06: 5.52 and 3Q07: 5.60). As a concern, this continues to pull away from the other factors and is currently 1.05 points higher than the second-ranked concern (*inflation*: 4.43)

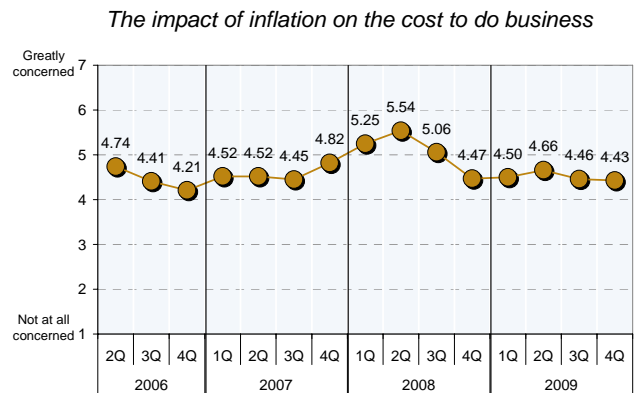


Three out of five (59%) rate their concern over health insurance costs as a 6 or 7, *greatly concerned*. Seven percent say it is a 1 or 2, *not at all concerned*.

Rank # 2: The impact of inflation on the cost to do business: 4.43

Previous rankings: Last quarter: 2; High: 2 (2Q08, 4Q08–4Q09); Low: 6 (3Q06–4Q07)
 Previous mean scores: Last quarter: 4.46; High: 5.54 (2Q08); Low: 4.21 (4Q06)

Although the *impact of inflation* (4.43) is once again the number two economic concern, the current intensity of that concern (4.43) is 1.11 points lower than when it was at its highest level (2Q08: 5.54). It has maintained the second spot for five quarters now after ranking as the sixth concern for six of the first seven quarters of this study.



One quarter of the panelists (24%) say they are greatly concerned (ratings of 6 or 7) about inflation. One in eight (13%) say it is a 1 or 2.

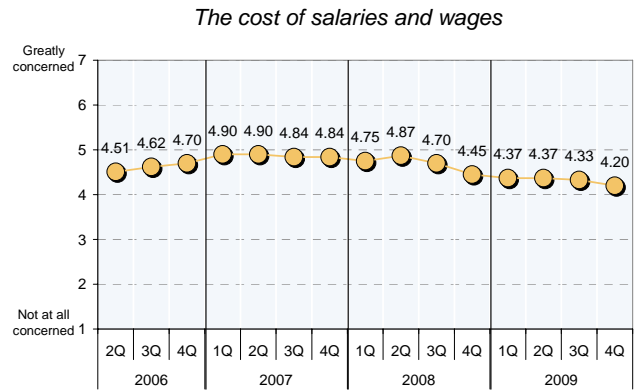
Rank # 3: The cost of salaries and wages: 4.20

Previous rankings: Last quarter: 3; High: 3 (4Q08–1Q09, 3Q09–4Q09); Low: 6 (2Q06)

Previous mean scores: Last quarter: 4.33; High: 4.90 (1Q07–2Q07); Low: 4.20 (4Q09)

Although the *cost of salaries and wages* ranks third in intensity with a mean score of 4.20 this quarter, it has been declining in overall concern since the second quarter of 2008 (4.87) and is currently at its lowest intensity of concern.

Sixteen percent rate their concern over wages as a 6 or 7, while 11% say it is a 1 or 2.



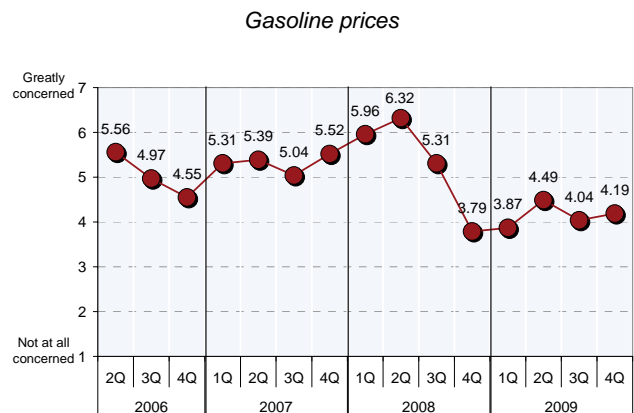
- ✓ *Females, younger executives (likelihood increases as age decreases), and business leaders in less populous counties (as county population decreases, likelihood increases) are more likely to say they are concerned about the cost of salaries and wages.*

Rank # 4: Gasoline prices: 4.19

Previous rankings: Last quarter: 4; High: 1 (2Q06, 4Q07–3Q08); Low: 7 (4Q08)

Previous mean scores: Last quarter: 4.04; High: 6.32 (2Q08); Low: 3.79 (4Q08)

It has been interesting to watch attitudes about *gasoline prices* fluctuate during the course of this study. In fact, no other factor displays the range of intensity (2.53 points) that concern over gasoline prices has earned, although concern over *finding qualified employees* comes close with a range of 2.48 points. The current mean score of 4.19 is just 0.40 points higher than its all-time low (4Q08: 3.79), but 2.13 points lower than its highest level of concern (2Q08: 6.32).



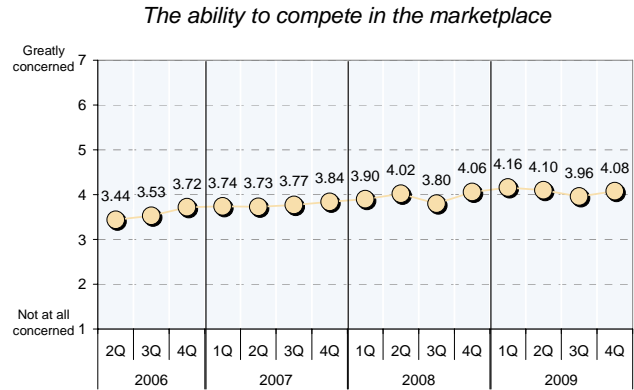
Currently, 18% say they are *greatly concerned* (ratings of 6 or 7) about gasoline prices, while 12% say they are *not at all concerned* (ratings of 1 or 2).

- ✓ *Younger executives (as age decreases, likelihood increases), and business leaders in less populous counties (as county population decreases, likelihood increases) are more likely to say they are concerned about gasoline prices.*

Rank # 5: The ability to compete in the marketplace: 4.08

Previous rankings: Last quarter: 5; High: 4 (4Q08–1Q09); Low: 9 (2Q06–4Q06, 2Q08–3Q08)
 Previous mean scores: Last quarter: 3.96; High: 4.16 (1Q09); Low: 3.44 (2Q06)

With a current mean score of 4.08, concern over the *ability to compete in the marketplace* is just 0.08 points lower than its highest level of concern received at the beginning of 2009 (1Q09: 4.16). Although mean scores have clustered around the midpoint of the 7-point scale, executives' concern over this factor has been on a slow-but-steady incline since the beginning of this study when the mean score was 3.44 (2Q06).



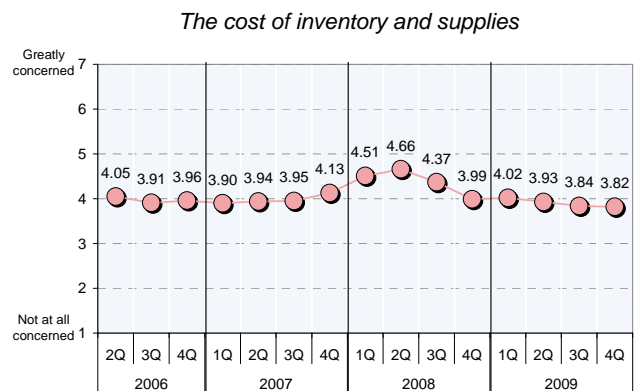
Roughly equal percentages of executives rate their concern about their ability to compete as a 6 or 7 (23%) as rate it a 1 or 2 (21%).

- ✓ Executives in seasonal companies are *less* likely to say they are greatly concerned about their ability to compete in the marketplace.

Rank # 6: The cost of inventory and supplies: 3.82

Previous rankings: Last quarter: 7; High: 5 (3Q08, 1Q09); Low: 7 (2Q06–1Q08, 3Q09)
 Previous mean scores: Last quarter: 3.84; High: 4.66 (2Q08); Low: 3.82 (4Q09)

With a current mean score of 3.82, concern over the *cost of inventory and supplies* attains its lowest level of intensity this quarter and has been declining in intensity since it peaked in the second quarter of 2008 with a mean score of 4.66. With the exceptions of three quarters last year, the norm for this concern appears to hover around the midpoint of the 1-to-7 scale.



One out of nine executives (11%) say they are *greatly concerned* (ratings of 6 or 7) about the cost of inventory and supplies, while 18% indicate *very little concern* (ratings of 1 or 2).

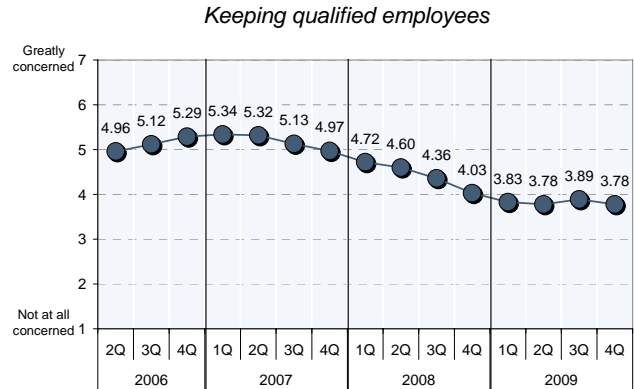
- ✓ Salt Lake County and Utah County executives are more likely to say they are not concerned about the cost of inventory and supplies.

Rank # 7: Keeping qualified employees: 3.78

Previous rankings: Last quarter: 6; High: 3 (3Q06–1Q07, 3Q07); Low: 7 (2Q08, 1Q09–2Q09, 4Q09)

Previous mean scores: Last quarter: 3.89; High: 5.34 (1Q07); Low: 3.78 (2Q09, 4Q09)

Keeping qualified employees, currently at its lowest intensity of concern (3.78, tied with 2Q09), has maintained a fairly consistent mid-level intensity for all of 2009. However, it is significantly lower (down 1.56 points on the 7-point scale) than its highest level of concern, calculated in the second quarter of 2007 at 5.34. This ranked third for four out of the first six cycles of this study and has ranked sixth or seventh throughout 2009.



Fifteen percent say they are *greatly concerned* (ratings of 6 or 7) about keeping qualified employees. One quarter (25%) are *not at all concerned* (ratings of 1 or 2).

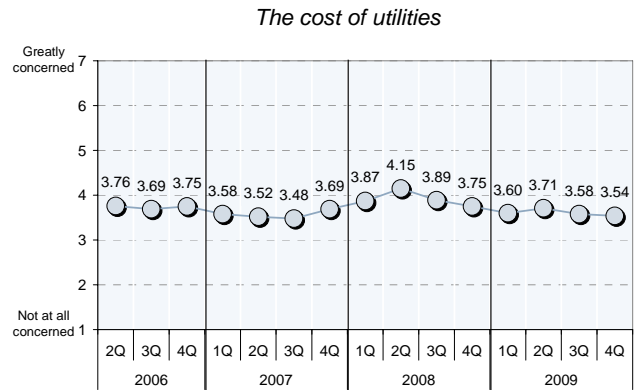
- ✓ *Females and executives whose companies have been in business a shorter time (likelihood increases as longevity decreases) are more likely to say they are concerned about keeping qualified employees.*

Rank # 8: The cost of utilities: 3.54

Previous rankings: Last quarter: 8; High: 8 (2Q06–4Q06, 2Q08–4Q09); Low: 9 (1Q07–1Q08)

Previous mean scores: Last quarter: 3.58; High: 4.15 (2Q08); Low: 3.48 (3Q07)

Never has concern over the *cost of utilities* ranked higher than eighth out of the 11 concerns. The trend continues this quarter with a mean score of 3.54—a level of intensity that is just marginally higher than its lowest (3Q07: 3.48). For all but one quarter of this study, the *cost of utilities* has achieved an intensity of concern that is marginally below the midpoint of 4.00 on the 7-point scale.



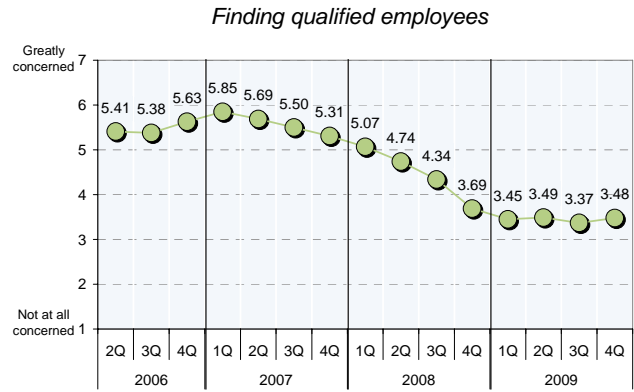
One in ten (10%) say they are *greatly concerned* (ratings of 6 or 7) about the cost of utilities. Twenty-five percent say they are *not at all concerned* (ratings of 1 or 2).

- ✓ *Executives in seasonal companies are more likely to say they are concerned about the cost of utilities.*

Rank # 9: Finding qualified employees: 3.48

Previous rankings: Last quarter: 9; High: 1 (3Q06–2Q07); Low: 9 (4Q08–4Q09)
 Previous mean scores: Last quarter: 3.37; High: 5.85 (1Q07); Low: 3.37 (3Q09)

After ranking as the number one concern for four of the first five quarters of this study, concern over *finding qualified employees* has plummeted to hold the ninth position for the last five quarters. At its highest in the first quarter of 2007 (1Q07: 5.85), 69% of executives indicated they were *greatly concerned* (ratings of 6 or 7) about finding qualified employees. The current intensity (4Q09: 3.48) is a significant 2.37 points lower than that record.

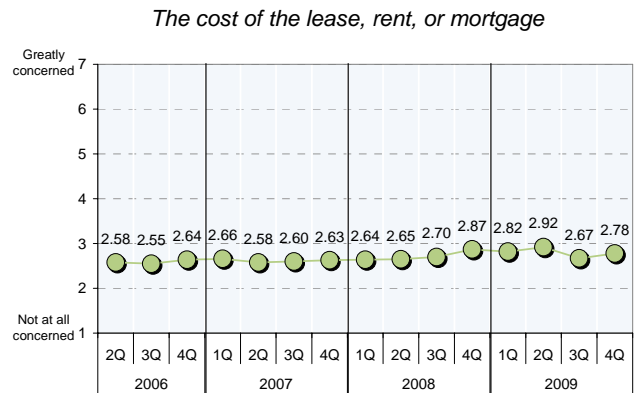


Currently, 13% say they are *greatly concerned* (ratings of 6 or 7), while one-third (32%) say they are *not at all concerned* (ratings of 1 or 2) about finding qualified employees.

Rank # 10: The cost of your lease, rent, or mortgage: 2.78

Previous rankings: Last quarter: 10; High: 10 (ALL); Low: 10 (ALL)
 Previous mean scores: Last quarter: 2.67; High: 2.92 (2Q09); Low: 2.55 (3Q06)

As it has always been, the *cost of the lease, rent, or mortgage* continues to rank tenth among the 11 factors measured. The current mean score of 2.78 is not much different than previous mean scores. It appears to be a predictable and therefore lesser factor to Utah executives.



Just one in fourteen (7%) say they are *greatly concerned* (ratings of 6 or 7) about their lease cost, while half (49%) indicate they are *not at all concerned* (ratings of 1 or 2).

- ✓ Executives whose companies have been in business longer (likelihood increases as longevity increases) and those in Weber, Davis, or Cache Counties are more likely to say they are not concerned about their companies' lease, rent or mortgage.

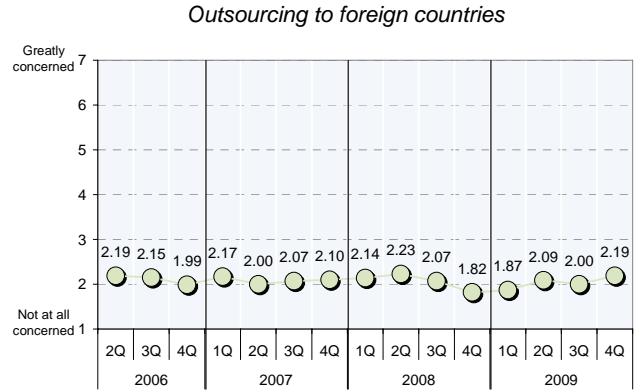
Rank # 11: Outsourcing to foreign countries: 2.19

Previous rankings: Last quarter: 11; High: 11 (ALL); Low: 11 (ALL)

Previous mean scores: Last quarter: 2.00; High: 2.23 (2Q08); Low: 1.82 (4Q08)

Consistently the factor with the lowest intensity of concern, *outsourcing to foreign countries*, with its current mean score of 2.19, is near its all-time high of 2.23—which is still essentially a non-factor for most Utah executives.

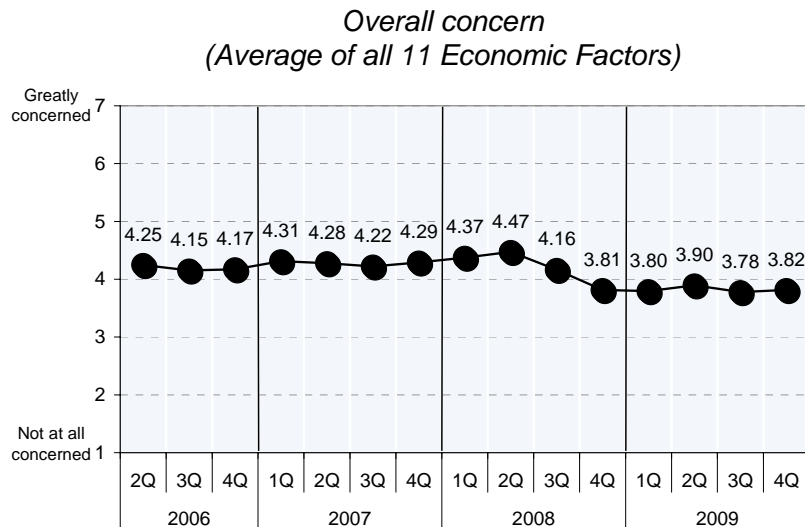
One in fourteen (7%) say they are *greatly concerned* (ratings of 6 or 7) about foreign outsourcing, while 71% say they are *not at all concerned* (ratings of 1 or 2).



- ✓ *Females and executives with a greater number of part-time employees (likelihood increases as the number of part-timers increases) are more likely to say they are not at all concerned about outsourcing to foreign countries.*

Overall concern for economic factors

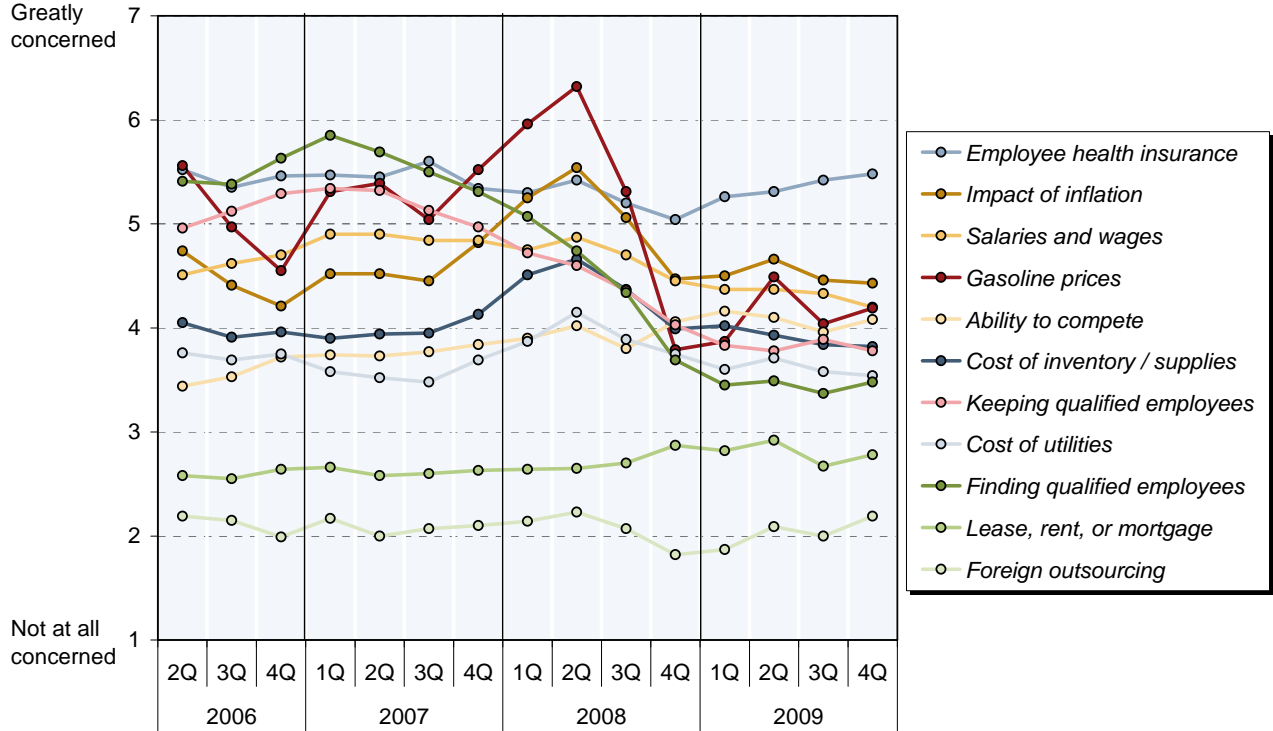
Calculating an average each quarter of all 11 items provides a way to gauge the overall intensity of Utah executives’ economic concerns each quarter.



A Quarterly Comparison of Economic Concerns

The chart below illustrates all 11 economic factors evaluated by Utah Economic Forecast panelists. To accommodate all the data, the chart does not list the mean scores. However, all historic data is listed in the table below the chart.

History of Economic Concerns



Current rank	ECONOMIC CONCERN	2006			2007				2008				2009			
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
1	Employee health insurance	5.52	5.35	5.46	5.47	5.45	5.60	5.34	5.30	5.42	5.20	5.04	5.26	5.31	5.42	5.48
2	Impact of inflation	4.74	4.41	4.21	4.52	4.52	4.45	4.82	5.25	5.54	5.06	4.47	4.50	4.66	4.46	4.43
3	Salaries and wages	4.51	4.62	4.70	4.90	4.90	4.84	4.84	4.75	4.87	4.70	4.45	4.37	4.37	4.33	4.20
4	Gasoline prices	5.56	4.97	4.55	5.31	5.39	5.04	5.52	5.96	6.32	5.31	3.79	3.87	4.49	4.04	4.19
5	Ability to compete	3.44	3.53	3.72	3.74	3.73	3.77	3.84	3.90	4.02	3.80	4.06	4.16	4.10	3.96	4.08
6	Cost of inventory / supplies	4.05	3.91	3.96	3.90	3.94	3.95	4.13	4.51	4.66	4.37	3.99	4.02	3.93	3.84	3.82
7	Keeping qualified employees	4.96	5.12	5.29	5.34	5.32	5.13	4.97	4.72	4.60	4.36	4.03	3.83	3.78	3.89	3.78
8	Cost of utilities	3.76	3.69	3.75	3.58	3.52	3.48	3.69	3.87	4.15	3.89	3.75	3.60	3.71	3.58	3.54
9	Finding qualified employees	5.41	5.38	5.63	5.85	5.69	5.50	5.31	5.07	4.74	4.34	3.69	3.45	3.49	3.37	3.48
10	Lease, rent, or mortgage	2.58	2.55	2.64	2.66	2.58	2.60	2.63	2.64	2.65	2.70	2.87	2.82	2.92	2.67	2.78
11	Foreign outsourcing	2.19	2.15	1.99	2.17	2.00	2.07	2.10	2.14	2.23	2.07	1.82	1.87	2.09	2.00	2.19
	OVERALL	4.25	4.15	4.17	4.31	4.28	4.22	4.29	4.37	4.47	4.16	3.81	3.80	3.90	3.78	3.82

APPENDIX A

Questionnaire With Results

**Utah Quarterly Economic Forecast
2009 4th Quarter**

February 2010

Study conducted by

Dan Jones
& ASSOCIATES

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Zions Bank Utah Quarterly Economic Forecast Fourth Quarter 2009 (4Q09) – Questionnaire with Results

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Field dates:	Jul 12-21	Oct 2-13	Jan 25-Feb 2	Apr 2-27	Jul 9-Aug 3	Oct 1-30	Jan 1-22	April 1-24	Jun 16-Jul 11	Oct 1-17	Jan 5-27	Apr 2-30	Jul 5-22	Oct 6-22	Jan 5-21
Sample size:	387	356	320	335	336	334	344	346	342	342	339	337	344	335	333

Universe: Utah statewide – business leaders and key decision makers

Methodology: Online panel

1. Using a 1–10 scale, please rate your level of optimism/ pessimism about the financial future of your company, **based on profits/ losses these past three months.**

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Very pessimistic	1%	1%	1%	0%	1%	0%	1%	1%	2%	2%	2%	1%	3%	2%	3%
2	0%	0%	0%	1%	1%	2%	1%	1%	2%	3%	4%	4%	2%	4%	1%
3	1%	3%	1%	2%	2%	4%	4%	8%	6%	9%	8%	8%	6%	7%	7%
4	2%	3%	3%	4%	4%	3%	4%	4%	6%	11%	11%	9%	11%	8%	9%
5	6%	8%	6%	6%	7%	12%	10%	14%	14%	15%	18%	14%	15%	16%	12%
6	7%	9%	6%	10%	9%	12%	12%	12%	15%	12%	16%	15%	12%	14%	16%
7	21%	16%	15%	21%	16%	21%	24%	22%	20%	15%	19%	18%	25%	24%	18%
8	29%	31%	35%	27%	33%	25%	25%	23%	21%	21%	11%	20%	17%	15%	21%
9	11%	13%	13%	15%	13%	12%	12%	7%	6%	6%	6%	7%	4%	6%	6%
10/ Very optimistic	22%	16%	19%	14%	14%	9%	8%	8%	6%	6%	4%	5%	5%	4%	7%
Mean score	7.87	7.55	7.80	7.49	7.49	7.05	7.02	6.68	6.45	6.13	5.86	6.22	6.11	6.08	6.36

2. In the **coming three months**, would you predict that your company’s economic health will be **better** than the prior three-month period, **about the same** as the previous three months, or **worse** than the previous three months?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Much worse (1)	2%	3%	3%	6%	1%	2%	1%	1%	1%	6%	4%	4%	4%	2%	4%
Somewhat worse (2)	9%	10%	11%	9%	10%	10%	16%	14%	21%	31%	32%	14%	16%	20%	17%
About the same (3)	39%	36%	37%	35%	42%	49%	48%	41%	47%	42%	46%	41%	47%	45%	42%
Somewhat better (4)	34%	34%	35%	36%	35%	28%	28%	34%	23%	15%	14%	32%	28%	26%	32%
Much better (5)	16%	17%	14%	15%	13%	11%	7%	10%	7%	7%	4%	9%	4%	7%	5%
Mean score	3.53	3.53	3.46	3.45	3.50	3.35	3.23	3.38	3.14	2.87	2.82	3.27	3.12	3.16	3.19

3. In the **coming three months**, do you anticipate spending **more**, about the **same**, or **less** on **capital expenditures** than you have during the past three-month period?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Much less (1)	4%	9%	8%	7%	7%	9%	11%	11%	11%	26%	28%	18%	20%	14%	13%
Somewhat less (2)	15%	22%	18%	18%	19%	23%	23%	19%	24%	27%	31%	25%	23%	24%	19%
About the same (3)	51%	43%	39%	42%	48%	45%	38%	44%	38%	31%	31%	41%	45%	45%	47%
Somewhat more (4)	20%	18%	24%	25%	21%	16%	22%	18%	20%	13%	8%	13%	9%	13%	17%
Much more (5)	10%	7%	10%	9%	6%	7%	6%	8%	7%	4%	2%	3%	2%	3%	3%
Mean score	3.17	2.91	3.09	3.11	3.00	2.90	2.90	2.92	2.86	2.41	2.25	2.59	2.49	2.67	2.76

4. In the **coming three months**, do you anticipate that your workforce will increase (hire or re-hire more employees), decrease, or remain the same compared to the last three months? (This would include full-time, part-time, consultants, and contract/ staffing agency employees.)

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Decrease greatly (1)	2%	4%	2%	1%	1%	2%	1%	1%	3%	4%	5%	3%	2%	4%	2%
Decrease somewhat (2)	7%	9%	10%	13%	8%	13%	12%	13%	16%	22%	32%	23%	22%	20%	19%
Remain the same (3)	40%	47%	43%	36%	49%	51%	53%	52%	56%	53%	47%	47%	58%	55%	49%
Increase somewhat (4)	47%	37%	39%	44%	41%	31%	33%	29%	23%	17%	13%	24%	18%	20%	27%
Increase greatly (5)	4%	3%	7%	5%	2%	4%	1%	5%	2%	4%	4%	2%	1%	1%	2%
Mean score	3.44	3.27	3.39	3.40	3.35	3.22	3.20	3.25	3.05	2.93	2.79	3.00	2.93	2.95	3.08

Please **rate your level of concern** about the following items as they affect your company **within the next few months**. Use a 1–7 scale, with one meaning *not concerned at all* and seven meaning you are *greatly concerned*:

5. The cost of health insurance for your employees

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	5%	6%	6%	6%	5%	5%	5%	7%	5%	8%	9%	5%	6%	7%	5%
2	2%	3%	2%	2%	2%	2%	3%	2%	2%	2%	4%	3%	3%	2%	2%
3	5%	4%	4%	6%	6%	6%	6%	6%	7%	6%	8%	6%	6%	6%	8%
4	9%	13%	10%	8%	9%	8%	10%	12%	8%	11%	9%	14%	12%	10%	10%
5	19%	21%	21%	20%	22%	16%	20%	19%	21%	22%	22%	20%	20%	19%	17%
6	19%	16%	22%	20%	21%	22%	24%	20%	22%	22%	21%	24%	22%	19%	18%
7/ Greatly concerned	40%	37%	36%	38%	35%	41%	31%	34%	35%	29%	27%	28%	32%	38%	41%
Mean score	5.52	5.35	5.46	5.47	5.45	5.60	5.34	5.30	5.42	5.20	5.04	5.26	5.31	5.42	5.48

6. Gasoline prices

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	1%	4%	5%	3%	2%	3%	1%	2%	0%	2%	9%	8%	5%	6%	4%
2	4%	6%	5%	3%	2%	5%	3%	2%	0%	3%	13%	13%	6%	13%	8%
3	7%	9%	15%	7%	9%	8%	6%	3%	1%	5%	22%	21%	15%	16%	20%
4	8%	17%	21%	13%	12%	14%	11%	5%	6%	15%	22%	26%	22%	26%	26%
5	25%	24%	27%	26%	25%	31%	25%	15%	14%	28%	20%	15%	28%	21%	24%
6	15%	13%	14%	20%	20%	18%	21%	20%	16%	18%	5%	8%	13%	8%	9%
7/ Greatly concerned	40%	26%	13%	28%	31%	21%	33%	52%	63%	28%	8%	9%	12%	9%	9%
Mean score	5.56	4.97	4.55	5.31	5.39	5.04	5.52	5.96	6.32	5.31	3.79	3.87	4.49	4.04	4.19

7. The cost of salaries and wages

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	2%	3%	3%	2%	2%	2%	1%	2%	1%	3%	5%	3%	3%	3%	4%
2	4%	3%	4%	2%	3%	4%	3%	3%	3%	4%	6%	5%	4%	6%	7%
3	16%	12%	12%	11%	10%	11%	10%	11%	8%	11%	12%	20%	17%	18%	20%
4	27%	26%	23%	22%	19%	23%	24%	21%	25%	25%	25%	23%	28%	28%	28%
5	31%	32%	29%	27%	32%	30%	33%	37%	35%	31%	30%	28%	28%	26%	26%
6	13%	14%	19%	23%	20%	17%	17%	15%	14%	15%	14%	14%	12%	11%	9%
7/ Greatly concerned	8%	10%	10%	13%	14%	14%	12%	10%	14%	12%	9%	7%	7%	8%	7%
Mean score	4.51	4.62	4.70	4.90	4.90	4.84	4.84	4.75	4.87	4.70	4.45	4.37	4.37	4.33	4.20

(Continued) Please **rate your level of concern** about the following items as they affect your company **within the next few months**. Use a 1–7 scale, with one meaning *not concerned at all* and seven meaning you are *greatly concerned*:

8. Your ability to compete in the marketplace

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	14%	10%	12%	10%	10%	8%	8%	10%	7%	10%	8%	7%	8%	12%	7%
2	20%	19%	15%	18%	16%	17%	17%	12%	12%	17%	15%	15%	12%	11%	14%
3	22%	24%	22%	19%	20%	22%	18%	20%	23%	20%	17%	17%	20%	20%	20%
4	17%	15%	17%	23%	18%	20%	22%	20%	17%	17%	18%	17%	19%	14%	16%
5	14%	20%	18%	15%	21%	18%	20%	21%	23%	19%	18%	20%	17%	21%	20%
6	7%	7%	10%	8%	10%	8%	10%	11%	9%	8%	12%	13%	15%	10%	11%
7/ Greatly concerned	6%	4%	7%	9%	5%	8%	6%	6%	10%	9%	11%	12%	10%	11%	12%
Mean score	3.44	3.53	3.72	3.74	3.73	3.77	3.84	3.90	4.02	3.80	4.06	4.16	4.10	3.96	4.08

9. Outsourcing to foreign countries

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	60%	59%	61%	57%	62%	62%	60%	61%	58%	61%	68%	66%	61%	63%	59%
2	11%	12%	14%	14%	13%	12%	11%	10%	10%	13%	12%	11%	12%	12%	12%
3	7%	9%	8%	9%	9%	7%	10%	9%	8%	8%	7%	8%	7%	6%	10%
4	8%	8%	7%	7%	6%	5%	8%	7%	12%	6%	4%	5%	7%	7%	5%
5	6%	5%	5%	6%	5%	8%	3%	7%	4%	5%	5%	4%	6%	7%	8%
6	4%	3%	2%	4%	2%	3%	3%	2%	2%	2%	1%	2%	3%	2%	2%
7/ Greatly concerned	4%	5%	3%	4%	4%	3%	5%	5%	6%	5%	3%	3%	4%	3%	5%
Mean score	2.19	2.15	1.99	2.17	2.00	2.07	2.10	2.14	2.23	2.07	1.82	1.87	2.09	2.00	2.19

10. The cost of your company's lease, rent, or mortgage

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	34%	36%	34%	33%	39%	36%	36%	36%	34%	33%	30%	31%	35%	38%	31%
2	20%	23%	18%	18%	16%	18%	17%	18%	21%	18%	18%	16%	13%	15%	18%
3	19%	14%	17%	19%	18%	18%	19%	18%	15%	23%	20%	20%	15%	17%	19%
4	13%	12%	16%	15%	12%	14%	13%	12%	13%	10%	12%	16%	16%	14%	17%
5	9%	10%	9%	12%	9%	10%	9%	9%	11%	10%	10%	10%	10%	9%	8%
6	3%	3%	3%	2%	3%	2%	4%	5%	4%	4%	5%	4%	6%	4%	4%
7/ Greatly concerned	2%	3%	2%	1%	3%	2%	2%	2%	2%	4%	5%	4%	5%	3%	3%
Mean score	2.58	2.55	2.64	2.66	2.58	2.60	2.63	2.64	2.65	2.70	2.87	2.82	2.92	2.67	2.78

(Continued) Please **rate your level of concern** about the following items as they affect your company **within the next few months**. Use a 1–7 scale, with one meaning *not concerned at all* and seven meaning you are *greatly concerned*:

11. The cost of utilities

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	8%	12%	9%	8%	14%	13%	11%	10%	7%	8%	10%	11%	11%	11%	10%
2	18%	16%	14%	18%	13%	17%	15%	14%	9%	13%	11%	14%	15%	17%	15%
3	19%	19%	19%	23%	21%	23%	21%	19%	16%	23%	24%	26%	20%	21%	27%
4	19%	19%	27%	23%	23%	19%	20%	20%	24%	16%	24%	20%	21%	19%	21%
5	20%	19%	20%	16%	20%	20%	19%	21%	26%	23%	18%	18%	17%	21%	17%
6	9%	10%	8%	7%	4%	4%	6%	10%	10%	10%	9%	6%	9%	6%	6%
7/ Greatly concerned	6%	5%	5%	4%	4%	5%	8%	8%	8%	6%	5%	5%	7%	4%	4%
Mean score	3.76	3.69	3.75	3.58	3.52	3.48	3.69	3.87	4.15	3.89	3.75	3.60	3.71	3.58	3.54

12. The cost of inventory and supplies

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	7%	7%	7%	8%	11%	8%	8%	6%	5%	8%	9%	9%	10%	10%	8%
2	13%	14%	12%	14%	9%	13%	8%	8%	6%	7%	10%	9%	11%	11%	10%
3	16%	20%	16%	17%	14%	15%	15%	12%	11%	13%	21%	20%	17%	18%	25%
4	22%	21%	28%	21%	28%	26%	25%	17%	16%	20%	19%	21%	24%	24%	21%
5	23%	24%	22%	24%	21%	22%	24%	30%	31%	24%	22%	25%	22%	23%	24%
6	13%	9%	12%	10%	13%	11%	12%	16%	17%	17%	13%	9%	10%	7%	8%
7/ Greatly concerned	6%	6%	3%	5%	4%	5%	7%	12%	13%	11%	6%	7%	7%	6%	3%
Mean score	4.05	3.91	3.96	3.90	3.94	3.95	4.13	4.51	4.66	4.37	3.99	4.02	3.93	3.84	3.82

13. Finding qualified employees

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	3%	4%	3%	1%	3%	3%	4%	5%	5%	6%	12%	14%	15%	17%	15%
2	3%	5%	2%	3%	2%	4%	3%	3%	7%	11%	20%	19%	18%	19%	17%
3	7%	7%	7%	4%	6%	6%	6%	10%	11%	16%	18%	21%	22%	19%	20%
4	10%	10%	7%	7%	7%	9%	12%	13%	18%	18%	15%	16%	15%	21%	17%
5	23%	15%	18%	16%	18%	20%	22%	23%	23%	21%	17%	19%	15%	12%	17%
6	19%	23%	25%	24%	23%	25%	26%	22%	18%	13%	9%	7%	8%	8%	8%
7/ Greatly concerned	35%	35%	38%	45%	42%	34%	27%	23%	18%	15%	9%	4%	7%	5%	5%
Mean score	5.41	5.38	5.63	5.85	5.69	5.50	5.31	5.07	4.74	4.34	3.69	3.45	3.49	3.37	3.48

(Continued) Please **rate your level of concern** about the following items as they affect your company **within the next few months**. Use a 1–7 scale, with one meaning *not concerned at all* and seven meaning you are *greatly concerned*:

14. Keeping qualified employees

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	4%	3%	2%	1%	3%	3%	3%	4%	5%	6%	9%	8%	12%	10%	11%
2	5%	6%	5%	4%	5%	5%	8%	8%	6%	9%	15%	17%	15%	15%	14%
3	12%	10%	11%	8%	6%	9%	7%	10%	14%	17%	18%	18%	18%	19%	19%
4	14%	11%	8%	11%	13%	11%	17%	20%	17%	19%	16%	20%	20%	16%	20%
5	22%	23%	22%	26%	22%	23%	22%	21%	28%	20%	19%	19%	16%	20%	21%
6	19%	23%	26%	23%	21%	24%	24%	21%	17%	17%	12%	10%	12%	11%	8%
7/ Greatly concerned	24%	24%	27%	27%	30%	24%	19%	15%	13%	12%	11%	7%	7%	9%	7%
Mean score	4.96	5.12	5.29	5.34	5.32	5.13	4.97	4.72	4.60	4.36	4.03	3.83	3.78	3.89	3.78

15. The impact of inflation on the cost to do business

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
1/ Not concerned at all	1%	3%	2%	1%	2%	3%	1%	1%	1%	3%	5%	6%	3%	5%	3%
2	6%	10%	9%	7%	5%	8%	5%	2%	1%	5%	10%	9%	9%	9%	10%
3	12%	16%	20%	15%	15%	14%	10%	8%	5%	8%	14%	12%	11%	16%	14%
4	21%	21%	25%	24%	24%	24%	22%	14%	12%	13%	19%	20%	19%	16%	20%
5	31%	26%	28%	32%	32%	29%	29%	29%	26%	30%	23%	24%	26%	26%	28%
6	15%	14%	10%	13%	16%	13%	17%	25%	27%	20%	17%	16%	17%	14%	13%
7/ Greatly concerned	13%	10%	6%	9%	7%	9%	15%	21%	28%	21%	13%	14%	15%	14%	11%
Mean score	4.74	4.41	4.21	4.52	4.52	4.45	4.82	5.25	5.54	5.06	4.47	4.50	4.66	4.46	4.43

Level of Concern – Synopsis of Mean Scores

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
5. <i>The cost of employee health insurance</i>	5.52	5.35	5.46	5.47	5.45	5.60	5.34	5.30	5.42	5.20	5.04	5.26	5.31	5.42	5.48
6. <i>Gasoline prices</i>	5.56	4.97	4.55	5.31	5.39	5.04	5.52	5.96	6.32	5.31	3.79	3.87	4.49	4.04	4.19
7. <i>The cost of salaries and wages</i>	4.51	4.62	4.70	4.90	4.90	4.84	4.84	4.75	4.87	4.70	4.45	4.37	4.37	4.33	4.20
8. <i>Your ability to compete in the marketplace</i>	3.44	3.53	3.72	3.74	3.73	3.77	3.84	3.90	4.02	3.80	4.06	4.16	4.10	3.96	4.08
9. <i>Outsourcing to foreign countries</i>	2.19	2.15	1.99	2.17	2.00	2.07	2.10	2.14	2.23	2.07	1.82	1.87	2.09	2.00	2.19
10. <i>The cost of your lease, rent, or mortgage</i>	2.58	2.55	2.64	2.66	2.58	2.60	2.63	2.64	2.65	2.70	2.87	2.82	2.92	2.67	2.78
11. <i>The cost of utilities</i>	3.76	3.69	3.75	3.58	3.52	3.48	3.69	3.87	4.15	3.89	3.75	3.60	3.71	3.58	3.54
12. <i>The cost of inventory and supplies</i>	4.05	3.91	3.96	3.90	3.94	3.95	4.13	4.51	4.66	4.37	3.99	4.02	3.93	3.84	3.82
13. <i>Finding qualified employees</i>	5.41	5.38	5.63	5.85	5.69	5.50	5.31	5.07	4.74	4.34	3.69	3.45	3.49	3.37	3.48
14. <i>Keeping qualified employees</i>	4.96	5.12	5.29	5.34	5.32	5.13	4.97	4.72	4.60	4.36	4.03	3.83	3.78	3.89	3.78
15. <i>Impact of inflation on the cost to do business</i>	4.74	4.41	4.21	4.52	4.52	4.45	4.82	5.25	5.54	5.06	4.47	4.50	4.66	4.46	4.43

16. ***If and when your company's budget tightens***, which ONE of the following ***best*** describes how you will handle those pressures?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Pass on costs	13%	13%	15%	16%	18%	14%	14%	16%	20%	14%	10%	12%	12%	13%	11%
Absorb costs/ accept lower margins	18%	15%	13%	13%	16%	15%	17%	15%	12%	20%	23%	22%	24%	22%	24%
A combination of the above	69%	72%	72%	71%	67%	71%	69%	69%	67%	67%	68%	66%	64%	65%	65%

4Q09-A. Is the economic crisis over for your company?

Definitely is not over ⁽¹⁾	32%
Probably is not over ⁽²⁾	22%
Too soon to tell ⁽³⁾	33%
Probably is over ⁽⁴⁾	10%
Definitely is over ⁽⁵⁾	3%
Mean score	2.30

4Q09-B If you need to make budget cuts in your company, which would you likely do first?

Layoff low-level employees	36%
Layoff executive-level employees	7%
Reduce salaries	25%
Reduce employee benefits	24%
Reduce products or services offered	8%

4Q09-C What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around? (UNAIDED)

All responses have been typed. Please refer to Appendix B for panelists' verbatim comments.

4Q09-D In your opinion, how is the economy in Utah doing compared to the rest of the nation?

Much worse ⁽¹⁾	0%
Somewhat worse ⁽²⁾	5%
About the same ⁽³⁾	23%
Somewhat better ⁽⁴⁾	65%
Much better ⁽⁵⁾	8%
Mean score	3.75

Thank you for taking a few minutes to answer some questions about your company's economic standing during the last three months and your projections about the next three months.

Demographic Data

17. Number of full-time employees

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
500+	4%	4%	6%	5%	4%	5%	5%	6%	5%	6%	7%	8%	7%	8%	8%
251–500	7%	7%	10%	7%	8%	7%	6%	6%	6%	6%	6%	7%	6%	5%	5%
101–250	12%	12%	14%	11%	12%	10%	11%	12%	13%	13%	12%	11%	12%	12%	11%
51–100	15%	18%	17%	16%	15%	14%	16%	15%	16%	17%	17%	19%	17%	16%	15%
26–50	19%	18%	16%	19%	21%	22%	23%	22%	19%	20%	19%	18%	18%	21%	22%
10–25	43%	40%	36%	42%	41%	43%	39%	39%	41%	39%	39%	37%	40%	38%	40%

18. Number of part-time employees

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
500+	1%	1%	1%	2%	1%	2%	2%	2%	1%	2%	2%	2%	2%	2%	2%
251–500	2%	2%	2%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
101–250	3%	2%	2%	1%	2%	2%	1%	1%	2%	1%	2%	2%	2%	3%	2%
51–100	3%	2%	3%	4%	2%	2%	2%	2%	3%	3%	4%	3%	4%	4%	4%
26–50	4%	6%	5%	5%	6%	7%	6%	7%	6%	6%	7%	7%	8%	6%	6%
10–25	18%	19%	19%	19%	19%	21%	23%	21%	22%	21%	16%	21%	20%	17%	17%
Less than 10	45%	42%	32%	40%	40%	44%	39%	42%	30%	39%	41%	41%	44%	46%	50%
Refuse	3%	3%	2%	2%	2%	2%	2%	1%	4%	5%	6%	5%	3%	3%	3%
Not specified	22%	23%	35%	25%	27%	20%	24%	21%	30%	21%	21%	19%	17%	17%	15%

19. Gender

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Male	73%	71%	63%	66%	73%	76%	74%	75%	73%	78%	77%	87%	77%	78%	79%
Female	13%	14%	12%	19%	16%	14%	16%	14%	14%	13%	14%	12%	14%	13%	14%
Did not answer	14%	15%	25%	15%	12%	10%	11%	10%	13%	8%	9%	1%	9%	9%	7%

20. Industry

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Agriculture/ forestry/ fishing/ hunting	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Mining	<1%	1%	1%	<1%	<1%	1%	1%	1%	1%	1%	<1%	1%	1%	1%	1%
Utilities	2%	2%	2%	1%	2%	2%	2%	2%	2%	1%	2%	2%	2%	1%	2%
Construction	12%	12%	12%	13%	11%	14%	12%	12%	13%	13%	14%	14%	14%	14%	14%
Manufacturing	16%	17%	14%	16%	15%	13%	14%	16%	13%	15%	14%	16%	16%	15%	18%
Wholesale trade	6%	6%	7%	6%	7%	6%	6%	6%	6%	5%	5%	6%	6%	6%	6%
Retail trade	11%	10%	10%	9%	12%	14%	14%	13%	13%	13%	13%	11%	13%	13%	13%
Transportation/ warehousing	4%	5%	5%	5%	5%	5%	6%	5%	5%	6%	6%	7%	6%	7%	6%
Information	3%	4%	4%	3%	4%	3%	4%	3%	3%	2%	3%	3%	3%	3%	3%
Finance/ insurance	6%	6%	5%	4%	6%	5%	4%	3%	4%	5%	6%	5%	4%	5%	5%
Real estate and leasing	1%	1%	2%	1%	1%	1%	2%	2%	1%	1%	1%	2%	1%	2%	1%
Professional/ scientific/ technical	8%	8%	9%	10%	7%	8%	7%	7%	8%	10%	8%	9%	7%	8%	7%
Mgmt. of companies/ enterprises	<1%	1%	<1%	<1%	1%	1%	<1%	<1%	<1%	0%	0%	<1%	1%	<1%	1%
Waste management/ remediation services	0%	0%	0%	1%	<1%	1%	1%	<1%	<1%	<1%	<1%	<1%	<1%	<1%	1%
Educational services	4%	4%	4%	2%	3%	4%	3%	3%	3%	3%	3%	3%	4%	3%	3%
Health care and social assistance	12%	10%	11%	13%	10%	10%	11%	10%	10%	8%	9%	8%	8%	8%	7%
Arts/ entertainment/ recreation	2%	4%	4%	3%	3%	2%	3%	3%	3%	3%	3%	2%	2%	3%	2%
Accommodations/ food services	5%	6%	6%	6%	6%	6%	7%	7%	8%	7%	7%	6%	7%	6%	6%
Other services (except public admin)	3%	2%	3%	3%	3%	2%	3%	4%	3%	2%	2%	3%	2%	3%	3%
Public administration	<1%	0%	0%	0%	0%	0%	0%	<1%	<1%	<1%	<1%	<1%	<1%	1%	<1%
Other	1%	0%	0%	<1%	0%	0%	0%	0%	0%	0%	1%	0%	1%	0%	0%

21. How long has your company been doing business?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Less than 1 year	0%	1%	0%	0%	<1%	<1%	<1%	<1%	1%	1%	<1%	1%	1%	1%	1%
1 to 5 years	8%	7%	6%	6%	7%	6%	6%	5%	5%	5%	4%	5%	4%	4%	4%
5 to 10 years	13%	12%	12%	11%	11%	12%	13%	12%	13%	11%	13%	13%	12%	10%	12%
10 to 25 years	26%	27%	22%	25%	25%	26%	25%	24%	25%	27%	27%	24%	26%	27%	29%
More than 25 years	39%	41%	36%	43%	43%	46%	45%	49%	46%	47%	47%	49%	49%	50%	50%
Refuse	2%	1%	0%	1%	1%	2%	1%	1%	2%	1%	1%	1%	1%	1%	1%
Not specified	12%	12%	23%	13%	13%	8%	9%	9%	8%	8%	7%	6%	7%	7%	5%

22. Do you consider your business to be seasonal?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Yes	17%	19%	17%	20%	19%	20%	17%	21%	16%	20%	20%	21%	22%	23%	23%
No	71%	69%	60%	66%	68%	79%	73%	70%	73%	72%	71%	72%	71%	69%	72%
Don't know	1%	0%	0%	1%	1%	0%	<1%	0%	1%	<1%	1%	1%	1%	<1%	0%
Not specified	12%	12%	23%	13%	13%	8%	9%	9%	10%	8%	7%	7%	7%	7%	5%

23. [IF SEASONAL] In which quarter(s) is the majority of your business conducted? (PERCENT MENTIONED)

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
<i>Number responding</i>	64	68	53	66	62	62	59	72	55	67	69	70	74	80	76
1st quarter (Jan–Mar)	13%	15%	9%	17%	18%	11%	12%	18%	15%	15%	13%	20%	22%	16%	20%
2nd quarter (Apr–Jun)	41%	43%	45%	44%	49%	55%	44%	56%	44%	37%	46%	43%	50%	43%	46%
3rd quarter (Jul–Sep)	50%	56%	58%	48%	52%	55%	58%	63%	60%	48%	55%	53%	58%	54%	59%
4th quarter (Oct–Dec)	34%	35%	34%	39%	36%	37%	43%	39%	44%	36%	42%	33%	38%	33%	36%
Summer	28%	24%	19%	23%	24%	24%	19%	18%	25%	24%	22%	30%	24%	26%	26%
Winter	8%	10%	9%	9%	10%	3%	5%	3%	7%	4%	3%	6%	5%	6%	5%

24. What is your age category?

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
18 to 24	0%	0%	0%	0%	0%	0%	0%	0%	0%	<1%	0%	<1%	1%	<1%	0%
25 to 34	11%	9%	8%	8%	8%	11%	10%	8%	11%	9%	9%	9%	8%	7%	7%
35 to 44	22%	23%	21%	21%	22%	21%	18%	22%	20%	21%	22%	20%	20%	22%	23%
45 to 54	28%	28%	23%	30%	27%	31%	31%	31%	29%	31%	34%	33%	33%	33%	35%
55 to 64	18%	20%	16%	20%	18%	18%	21%	20%	19%	21%	20%	23%	22%	22%	22%
65+	3%	3%	3%	2%	4%	3%	4%	5%	3%	4%	3%	2%	3%	4%	4%
Refuse	3%	3%	3%	3%	4%	3%	3%	2%	4%	2%	2%	3%	2%	2%	2%
Not specified	14%	15%	25%	15%	18%	12%	13%	12%	14%	11%	11%	10%	11%	10%	8%

25. County where your business is headquartered:

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Beaver	<1%	<1%	<1%	0%	0%	0%	0%	<1%	0%	<1%	0%	0%	0%	0%	0%
Box Elder	2%	3%	2%	2%	2%	3%	2%	1%	2%	2%	2%	1%	2%	2%	2%
Cache	6%	7%	6%	5%	6%	6%	6%	5%	6%	5%	5%	6%	5%	6%	5%
Carbon	0%	1%	0%	<1%	<1%	<1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Daggett	0%	0%	0%	0%	<1%	<1%	0%	<1%	0%	0%	0%	0%	0%	0%	0%
Davis	7%	5%	7%	8%	6%	7%	6%	7%	6%	8%	8%	8%	6%	7%	7%
Duchesne	1%	1%	<1%	0%	1%	0%	<1%	<1%	1%	<1%	<1%	<1%	1%	<1%	0%
Emery	<1%	1%	<1%	<1%	1%	1%	<1%	1%	1%	1%	<1%	1%	1%	1%	1%
Garfield	0%	<1%	0%	0%	0%	0%	0%	<1%	<1%	0%	<1%	1%	<1%	1%	<1%
Grand	1%	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Iron	1%	1%	2%	2%	3%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%
Juab	1%	1%	1%	<1%	1%	1%	1%	1%	<1%	<1%	<1%	1%	<1%	<1%	<1%
Kane	<1%	<1%	<1%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	<1%	0%
Millard	1%	1%	<1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Morgan	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Piute	<1%	<1%	<1%	0%	0%	<1%	0%	0%	0%	0%	<1%	<1%	0%	0%	0%
Rich	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	<1%	<1%
Salt Lake	50%	49%	52%	51%	55%	51%	54%	52%	52%	51%	49%	53%	53%	51%	51%
San Juan	1%	1%	1%	1%	0%	1%	1%	<1%	1%	1%	1%	<1%	1%	<1%	1%
Sanpete	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Sevier	1%	1%	1%	<1%	1%	1%	<1%	1%	<1%	1%	1%	1%	0%	1%	1%
Summit	2%	2%	1%	2%	1%	1%	1%	1%	1%	2%	1%	2%	2%	1%	2%
Tooele	<1%	1%	<1%	<1%	0%	0%	0%	0%	<1%	0%	0%	0%	1%	<1%	<1%
Uintah	1%	1%	2%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	2%
Utah	12%	12%	12%	12%	11%	15%	12%	12%	12%	13%	14%	13%	14%	12%	13%
Wasatch	1%	1%	<1%	1%	0%	1%	<1%	1%	<1%	0%	0%	0%	0%	0%	0%
Washington	5%	4%	4%	4%	3%	3%	3%	2%	4%	3%	4%	4%	3%	5%	5%
Wayne	<1%	0%	0%	<1%	0%	<1%	0%	<1%	0%	0%	0%	0%	0%	0%	0%
Weber	5%	6%	5%	6%	5%	5%	5%	6%	6%	6%	5%	4%	5%	6%	6%
Other	1%	1%	0%	<1%	<1%	<1%	<1%	<1%	0%	0%	0%	<1%	<1%	0%	0%

26. Area

	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>	<u>4Q07</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>	<u>2Q09</u>	<u>3Q09</u>	<u>4Q09</u>
Wasatch Front	74%	73%	76%	77%	77%	78%	77%	77%	76%	78%	77%	77%	78%	76%	76%
Rest of State	26%	27%	24%	23%	24%	23%	23%	23%	24%	22%	23%	23%	22%	24%	24%

Thank you for completing the Utah Quarterly Economic Forecast. We appreciate your participation.

APPENDIX B

Panelists' Comments

Utah Quarterly Economic Forecast
2009 4th Quarter

February 2010

Study conducted by

Dan Jones
& ASSOCIATES

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Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

2009 was our best year ever.

A certain amount of stability during the past 12 months.

A little bit of work, but not much. More work than we have had in the last 10 months.

A little harder to hire.

A little more customer work is coming our way.

A lot more money in motion, which creates benefits.

A reduction of applicants for open positions.

A slight increase in business.

A slight increase in real property transactions

A slight increase in transportation rates.

A strong December.

A stronger fourth quarter than expected.

Accounts receivable is down.

Applications for membership have increased.

Being in health care, we wondered if we would see a decrease in patient encounters, but actually saw an increase in 2009 over 2008.

Better access to capital.

Better sales.

Better terms of payment. Better bottom line.

Bringing on better clients that can pay their bills.

Businesses are inquiring about lending options.

Calls for phone estimates are up slightly.

Cannot think of one. We are just eking out an existence right now. Cutting prices just to stay busy. No profit in anything we do.

Clients are doing better.

Clients are spending more money, and we're hiring.

Clients positioning themselves for new business opportunities.

Clients/employees are having more smiles on their faces.

Competition is dwindling.

Confidence---people feel more confident.

Considering the actions of the administration in Washington, I can't believe the economy will be healed for a long, long time.

Credit is lessening up for business. There is a general upturn in business.

Crude prices are rising.

Customer budgets are starting to return.

Customer purchasing slightly increased.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

Customers are finding out that even though the economy is tight, life goes on, and we must move on with progress at some level.

Customers continue to buy, but the rate of increase is slow.

Customers ready to purchase, but waiting for affordable financing.

Customers seem to be spending more, and there are more projects bidding. Competition is still somewhat strong, although overall things are looking fairly good.

Decreasing applications.

Demand has seemed to stabilize for our business.

Demand increasing.

Demand is still very strong. Demand for premium-priced products is very good.

Demand, and sales of our products have increased significantly over the past four months.

Developmental program successes, and low dollar value.

Durable goods report shows up-tick. NASDAQ is up strongly. Raw materials lead time is stretching out.

Families are purchasing homes.

From July of 2009, we have seen our sales improve. From September of 2009, our sales outpaced sales from the corresponding months in 2008.

Front-end design work is beginning to pick up, which will lead to improved opportunities in the future.

Good trade show.

Greater volume of activity in most areas of the business.

Growth in the construction industry.

Guest spend-per-day has increased slightly, but the number of guests have not.

Hard to say. This is a great quarter for us, but I worry about the summer.

Hard to tell.

Have not noticed any change.

Have not seen any signs of a turnaround, other than the stock market rebound.

Have not seen any signs of it yet.

Have not seen anything different.

Haven't seen any signs of a turnaround yet.

Home sales.

I have no idea.

I have not seen a turnaround yet.

I haven't noticed any.

I think we have bottomed out, but I don't expect a very quick upswing. Long and slow.

Improved stock prices.

In our business, we never felt a decline and have seen an upturn in the last two months. Weather affects our company. The worse the weather, the better for our company.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

In the residential side, we see more activity in the higher-end homes. There has been a slight increase over last year in the auto glass.

In the resort lodging, we are seeing more reservations than the first quarter of '09.

In the Utah construction industry, as a whole, there are no positive signs---yet.

Increase in membership sales, solid event revenue.

Increase in new commercial building. Higher than normal consumer spending.

Increase in new orders and inquiries.

Increase in product price.

Increase in products offered.

Increase in quotations for new projects.

Increase in quoting activity.

Increase in stock prices.

Increase or consistency of orders.

Increased business.

Increased consumption over the same period last year.

Increased hiring. Indications that budgets for R and D projects are being released in the first quarter of 2010.

Other companies are indicating that they are seeing signs of recovery in their own business.

Increased inquiries about our service.

Increased response to advertising---i.e. more sales leads. Long construction industry timescales mean that new leads will not generate business within 90 days.

Increased sales for Liqui-Dry and colleges.

Increased sales.

Increased sales. Increased sales opportunities.

Interest rate spreads have narrowed. Retail sales are firming up, and residential real estate prices seem to be bottoming.

Introduction of digital media readers.

Investment income is up.

It has been picking up a little---since October. We are still off 30%, but I noticed the numbers are better than the same time last year.

Large media companies began investing advertising dollars starting about October '09.

Less use of our line of credit.

Lower delinquency.

Many more inquiries for our services came spring and summer (our normal season) than in 2009.

Marked increase of demand for our services.

Medicine is somewhat inflation resistant.

Moderate increase in construction.

Moderate increase in entry-level housing, and some activity in commercial development. Both are still hampered by lack of funding capital.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

Momentum seems to be building in the business community. We see increased interest in products that haven't been popular since the recession started.

Monthly volumes seem to be holding, even though it's still too early to make assumptions.

More activity.

More companies are hiring both for temporary and permanent positions.

More customers.

More individuals requesting elective procedures.

More inquiries for new work. Unemployment rate starting to drop.

More new construction.

More of our competitors seem to be less pessimistic, or let's say more optimistic about their future economic situations. Many, however, are still taking a wait-and-see stance.

More optimism from employees and clients, up-tick in sales.

More people seem to be intersected in spending or investing money.

More people, more customers.

More profits.

More quotations.

More quote opportunity, and better order backlog.

More requests for contracts.

More requests for proposals are available.

More requests for quotations (RFQ).

More reservations---international and national. Our marketing efforts have brought more people here to vacation.

More retail bidding, but still slow to award projects.

More transactions, more inquiries, slightly higher revenue.

More voluntary payments on debt.

My non-pay debt is nearly \$200,000 YOY less. I find this encouraging. Last year I lost \$4.5 million to no pay.

No comment. (23)

No signs, as of yet. Construction needs to become more vibrant.

None for our business type.

None in health care. In fact, based on the health insurance industry, our health care business will most likely be facing worse times in the near future. In our child daycare business, we are seeing some increase in part-time customers as people return to part-time work (but not full-time work).

None. (55)

None. Either stable, or continuing to slide downwards.

None. In fact, if our elected officials keep on the course they are on, our economy will fail.

None. Reports from the administration are often inconsistent with the truth and misleading.

None. The second half of 2010 really concerns me.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

None. We do foreclosures, and we continue to get more and more work for recently foreclosed on homes. The past two weeks, we have been to over 50 homes.

None. We have had to change who our customers are by selling in different areas of our industry. Change is good!

None. We will be gone before this publishes.

Normally, December is our slowest month, but December of '09 was fairly strong. January is starting out better than expected. I am cautiously optimistic. We have all of our past customers and have added a few new. If all of them get just a bit more busy, we would experience a good upturn.

Not any specific yet.

Not as many people applying for work here, indicating possibly that unemployment is down.

Not many.

Not much change.

Not much in the oil field industry.

Not much.

Not really any.

Not seen any positive signs yet.

Not so sure they are turning around.

Nothing of any significance.

Nothing positive at this point in time.

Nothing yet. (2)

Nothing. (3)

Nothing. Everything is about the same.

Nothing. It is a black hole with no light in sight, except for the country's debt we will have to pay for.

Nothing. Jobs are not being created, investment in infrastructure is not happening, construction projects are fewer, and construction is worsening. The fundamentals to spur economic growth are not there yet.

Numbers are indicating that we are at the bottom of the curve and perhaps starting to up, but very slowly.

Obama administration to put more money in infrastructure projects.

Orders have increased. (2)

Orders on projects that have been delayed or put on hold are now being let or reviewed.

Our cash flow is somewhat better, and we have acquired some new clients.

Our company has been very fortunate that we really have not been affected by the economy. We do, however, have a terrible time finding qualified employees.

Our enrollment has increased since Christmas break.

Our industry is turning into the worst 12 month period to date. I see no positive signs.

Our manufacturing clients are making positive comments about 2010.

Our sales for yearend 2009 were up 13.5%, and profit margins were increased over the course of the year, leading us anticipate a great 2010.

Our sales trends increased to recover at a higher rate in December than in the previous three months.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

Patient flow increase.

Patient volumes remain unchanged.

People are beginning to loosen up when it comes to maintaining their cars.

People are ready to build, but still cannot get financing.

People are remodeling old homes rather than buying new ones, or they are buying foreclosures and vacant homes, and finishing them. There seems to be a lot of pent up desire to spend money, but a lack of conviction to spend too much or go into debt.

People are starting to travel more freely again.

People are wanting to move forward now, but the tight financial market has a stranglehold on building.

Phones are busier.

Plenty of opportunities.

Production increase.

Products and services are still being purchased at '09 levels and are projected to continue into '10.

Projected increased sales from our clients.

Question #18 needs to be answered n/a!

Quicker pay. Our receivable turnaround is much less.

Recently, we've had more work.

Revenue stream, but it has been up and down still. Economic recovery is still up in the air

Sales and customer activity has increased slightly in the last 60 days.

Sales and inquiries on new projects are up.

Sales are increasing slightly.

Sales are on the rise.

Sales are up, orders are up, we are hiring. Price increase on our products.

Sales back up.

Sales have stopped declining, compared to prior year, and have at least leveled off.

Sales slightly increasing.

Significantly more orders in January 2010 than in January 2009.

Slight improvement in sales.

Slight increase in construction.

Slight surge in sales.

Small pick up in real estate activity

Some clients are adding back staff and increasing payroll, but still very limited.

Some orders are being placed that were being held to lower inventories---but business is still in the cut mode.

Some positive funding in government construction. However, that will contribute to inflation and government overspending.

Stabilized---things are evening out.

Stabilizing sales, and new pockets of growth

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

Still purchasing our product, and indicate future plans to continue .

Stimulus money has reached us in the form of new subcontracts on highway and tribal projects.

Stock market upswing?

Stock price increase indicates shareholders see value for the future.

Strength in commercial real estate market.

Strengthening commodity and stock prices.

Strong demand for our products and services.

The amounts of our bids have increased.

The company has made a couple of acquisitions that are generating positive results.

The election in Massachusetts last night.

The five major indicators for construction---we see this as the worst year, that things will now turn around.

The fourth quarter for 2009 was nearly 20% higher than the same quarter for 2008. I think we still face slow economic times, but this is the most positive news in 18 months.

The freefall has stopped, and there appears to be an up-tick in demand for 2010.

The level of activity in the stock market.

The National Park Service is going to rebuild the Dinosaur National Monument Quarry, which, when completed, will greatly enhance our business, since we are tied directly to the monument.

The number of bids we are working on has increased in the last two months.

The price of freight is beginning to show an upward trend, which leads me to believe that things are beginning to open up.

The reduction in sales we experienced in 2009 seems to have leveled. Hopefully, will return to pre-2009 levels sometime soon.

The revenue earned these past few months is slightly better than the revenue earned in the same months last year.

The value, content, component parts, and finished goods of orders---both domestic and global---indicate a clear rebound within our electronics sectors (industrial, commercial, and consumer).

There are no signs of improvement. Our industry is one of the first to be impacted by a poor economy.

There are no signs that things are turning around at this time.

There is an increase in available jobs, and the housing market looks to be improving.

There is more business for us to bid on.

There is more work to bid, but material prices are going up, and so are overall overhead costs.

There is talk of new building going on.

There was a slight, temporary surge in new residential construction that had me hoping, but it looks to have faded away.

This is a poorly worded question. It assumes that there are positive signs.

This past December, the holiday spending was higher than the previous December.

Timely receipt of payments for our invoices.

Traffic into the store is improving, but sales and average retail ticket is still low.

Question 4Q09-C: What positive signs have you observed in your company or industry in recent months that might indicate the economy is turning around?

Unemployment seems to be stabilizing. There is a belief by some that the housing market has bottomed out. Inflation is very low.

Very little. (2)

We are being featured on a TV show for TLC, which is airing all across the country. So far, we have been receiving calls from all around the country inquiring about ordering chocolates.

We are in Vernal---natural gas is all we have to offer. Since Obama took over, we've been on a downslide. He's pro wind, solar, and electric.

We are increasing capital expenditures, advertising, and staffing.

We are still alive. Some discussion about larger projects, housing sales, Dow.

We believe that lower to medium sized housing prices have bottomed out, and we'll start to see large home prices and commercial real estate follow.

We have been able to increase some of our services due to some increased federal funding.

We have enjoyed increased customer traffic and sales.

We have landed a large global account which takes nearly one and a half years to onboard. We see favor-ability in the distant future.

We have more inquiries as to our services, and our community's census is on an upward trend.

We have not seen changes that would indicate the crisis is over.

We have picked up some jobs and seen more jobs come out for bid.

We have received some very good orders, which is promising, even though our sales were not as high as we expected.

We have seen an increase in consumers in the marketplace, and housing starts are increasing. We sense the demands for housing, but it seems financing is still the bottleneck.

We have seen stronger demand for our products and fewer requests for cancellations/surrenders.

We have work, and estimating has increased.

We pick up garbage, and there is more construction garbage than in the last few months.

We repair cars, and keep them on the road. We are starting to see more spending on preventive maintenance, which is less expensive long term, but in some people's eyes, rather discretionary.

We seem to have hit bottom. Hoping that Washington doesn't cause any further decline.

We survived 2009.

We've not experienced much of a downturn.

What positive signs, with our federal politicians doing what they are doing?

Year-over-year revenue growth during fourth quarter.