

StrategyOne
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**Small Business Economic Outlook Survey
Questionnaire**

N = 200 small business owners
Field dates = January 8-16, 2001
Margin of error = +/-6.9% at the 95% level of confidence

Hello, my name is (_____) and I'm calling from (_____), a national public opinion research firm. We're conducting an eight-minute study about current business trends and financial planning for the year 2002 and would like to include your views. I can assure you that we are not trying to sell you anything. Your responses will be kept strictly confidential. (CONTINUE)

1. When do you think the national economy is going to emerge from its current recession? (READ CHOICES)

5% 1ST QUARTER OF 2002
33% 2ND QUARTER OF 2002
33% 3RD QUARTER OF 2002
8% 4TH QUARTER OF 2002
14% IN 2003 OR LATER

3% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)
3% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

2. Do you expect your company's sales to grow, contract, or stay the same in 2002? (If grow – would that be substantially or slightly?)

49% TOTAL "GROW"
8% GROW SUBSTANTIALLY
41% GROW SLIGHTLY

8% CONTRACT

42% STAY THE SAME

2% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

3. Do you expect your company's cash requirements to increase, decrease, or stay the same in 2002 as compared to 2001?

24% INCREASE
7% DECREASE
65% STAY THE SAME

4% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

4. Do you expect to add from 1 to 10%, add more than 10%, reduce or keep the same your number of employees in 2002?

18% TOTAL "ADD"

14% ADD FROM 1 TO 10%
4% ADD MORE THAN 10%

4% REDUCE

76% KEEP THE SAME

2% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)
0% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

5. Do you think small businesses operate at an advantage, disadvantage or about the same as larger businesses during an economic downturn?

27% ADVANTAGE
48% DISADVANTAGE
15% ABOUT THE SAME

4% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)
6% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

6. Of the following, what do you think will be the most important area of your business in 2002? Would you say it will be... (READ AND ROTATE CHOICES)

51% SALES/MARKETING
13% ADMINISTRATION/OPERATIONS
10% PRODUCTION
10% FINANCE/CASH REQUIREMENT

7% NONE OF THE ABOVE (VOLUNTEERED)
4% ALL OF THE ABOVE (VOLUNTEERED)
5% OTHER (VOLUNTEERED) (SPECIFY) _____
* DON'T KNOW (VOLUNTEERED)
2% REFUSED (VOLUNTEERED)

7. Do you anticipate problems meeting your capital needs in the first quarter of 2002?

11% YES
84% NO

5% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)
0% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

8. Have the reductions in interest rates by the Federal Reserve Board had a major positive, slight positive, slight negative or major negative impact or no impact at all on your business?

35% TOTAL "POSITIVE"
5% MAJOR POSITIVE
30% MINOR POSITIVE

55% NO IMPACT

9% TOTAL "NEGATIVE"
6% MINOR NEGATIVE
3% MAJOR NEGATIVE

1% DON'T KNOW/UNABLE TO DETERMINE (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

9. Will your investment in technology increase, decrease, or stay the same in 2002?

25% INCREASE
1% DECREASE
71% STAY THE SAME

1% DO NOT INVEST IN TECHNOLOGY (VOLUNTEERED)
2% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

10. Has your business ever asked for help from a federal agency that provides assistance to small businesses?

6% YES (GO TO Q. 11)
91% NO (GO TO Q. 12)

3% DON'T KNOW (VOLUNTEERED)(SKIP TO Q. 14)
0% REFUSED (VOLUNTEERED)(SKIP TO Q. 14)

11. And did your business receive the help requested? [N = 13]

5% YES (GO TO Q. 14)
2% NO (GO TO Q. 13)

* DON'T KNOW (VOLUNTEERED)(SKIP TO Q. 14)
0% REFUSED (VOLUNTEERED)(SKIP TO Q. 14)

12. Based on what you know or might have read, seen, or heard, do you believe the federal government is taking appropriate steps to help small businesses such as yours?

31% YES
37% NO

14% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)
17% DON'T KNOW (VOLUNTEERED)
0% REFUSED (VOLUNTEERED)

Congress has been debating an economic recovery package. A bill was passed in the House in December but was not taken up for consideration by the Senate. It is likely that a modified recovery package will be voted on in the early months of 2002.

13. Based on what you know or might have read, seen, or heard, do you think that this economic recovery package will provide sufficient support for small businesses such as yours?

23% YES

28% NO

25% DEPENDS/NEED TO KNOW MORE (VOLUNTEERED)

24% DON'T KNOW (VOLUNTEERED)

1% REFUSED (VOLUNTEERED)

14. Knowing what you know now, how much will your small business benefit from such a proposed economic stimulus package? Would you say it would benefit...? (READ AND ROTATE CHOICES)

4% A GREAT DEAL

23% SOMEWHAT

38% A LITTLE

18% NOT AT ALL

0% IT WOULD HURT BY BUSINESS (VOLUNTEERED)

17% DO NOT KNOW/NOT SURE (VOLUNTEERED)

0% REFUSED (VOLUNTEERED)