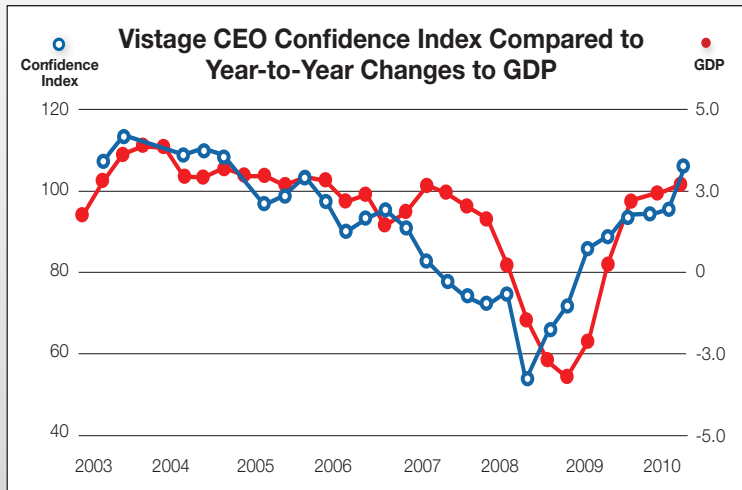


# VISTAGE CEO Confidence Index

Largest Survey of CEOs Since 2003

The Vistage CEO Confidence Index provides an inside look at Vistage member confidence in the economy and their businesses. In Q4 2010, small business CEOs expressed a remarkable resurgence of optimism both in the overall economy and for their own companies. The Vistage Confidence Index jumped to 106.3 in the 4th quarter of 2010, after reporting 95.1 in the 3rd quarter. Of the 1,729 respondents, 77% expect increased revenues and 63% foresee higher profits in their own companies. Fifty-four percent expect to hire more employees in the coming year, which is the first time in three years that the majority of CEOs planned to expand the number of jobs.

Dr. Richard Curtin, Director of Surveys and Consumers at the University of Michigan, Ann Arbor, and Vistage consultant for the Confidence Index notes, "This was the most favorable outlook for economic growth since the start of 2004."



## Vistage CEO Confidence Index Highlights

**58% of CEOs** stated that, compared to a year ago, overall economic conditions of the U.S. have improved.

**46% of CEOs** surveyed said they pledged personal assets or invested cash to help their companies weather the economic downturn.

**Only 20% of CEOs** stated that it's easier to obtain credit today than six months ago, while **38%** responded that it's not easier.

**39%** of CEOs stated that they are currently marketing their sustainability or "green practices" to their clients or customers.

**Only 15% of CEOs** believe that current immigration laws are hampering their ability to hire skilled workers.



The Q4 Vistage CEO Confidence Index of 106.3 is up significantly from the 87.9 posted in the 4th quarter of 2009. The Vistage CEO Confidence Index reflects a surge in CEO optimism after seven quarters of incremental increases.

Vistage CEO Confidence Index Q4 2010 | Dates 12/14-12/24 | 1,729 Respondents | National Results

Question	Answer	Respondents	
		#	%
1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?	Improved	1,008	58%
	About the same	598	35%
	Worsened	119	7%
	Don't know/No opinion	4	0%

2. During the next 12 months, do you expect the overall economic conditions in the U.S. will be better, about the same, or worse than now?	Better	1021	59%
	About the same	607	35%
	Worse	86	5%
	Don't Know/No opinion	15	1%

<b>3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?</b>	Increase	801	46%
	About the same	747	43%
	Decrease	167	10%
	Don't know/No opinion	15	1%

<b>4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?</b>	Increase	1,334	77%
	About the same	312	18%
	Decrease	80	5%
	Don't know/No opinion	3	0%

<b>5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?</b>	Improve	1,088	63%
	About the same	477	28%
	Worsen	159	9%
	Don't know/No opinion	6	0%

<b>6. Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?</b>	Increase	678	39%
	About the same	921	53%
	Decrease	123	7%
	Don't know/No opinion	7	0%

<b>7. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?</b>	Increase	934	54%
	About the same	681	39%
	Decrease	111	6%
	Don't know/No opinion	3	0%

<b>8. When do you plan to increase your firm's total number of employees over the next 12 months?</b>	Q1 2011	260	15%
	Q2 2011	245	14%
	Q3 2011	129	7%
	Steadily throughout the next 12 months	467	27%
	I do not plan to increase my total number of employees	629	36%

<b>9. What is the most significant business issue that you are facing currently?</b>	Rising energy costs	16	1%
	Rising healthcare costs	127	7%
	Staffing (finding, hiring, retaining, and training)	228	13%
	Growth (growing too slowly)	225	13%
	Growth (growing too quickly)	57	3%
	Financial issues (finance, cash flow, profitability)	275	16%
	Economic uncertainty (concern for local and national economy, budget deficit, housing market)	544	31%
	Political uncertainty	103	6%
	Other	154	9%

<b>10. What is the biggest challenge your business is specifically facing now? (check all that apply)</b>	Cash, liquidity, receivables	357	17%
	Paying loans and/or accessing credit	173	8%
	Customer retention and/or lead generation	586	27%
	Cutting Staff	44	2%
	Managing costs	460	21%
	My business is not facing any extraordinary challenges	282	13%
	Skipped	31	1%
	Other	224	10%

<b>11. Do you expect the Healthcare Reform Bill (The Reconciliation Act of 2010) to:</b>	Be good for your business	103	6%
	Be bad for your business	1,121	65%
	Make no difference in your business	363	21%
	No opinion	134	8%

<b>12. Are you finding it easier to obtain credit for your business now than you did six months ago?</b>	Yes	341	20%
	No	666	38%
	Not applicable	714	41%
	Skipped	9	1%

<b>13. Within the past 18 months, a number of “Small Business” bills have become law, including: The Business Health Care Tax Credit; A New Tax Credit for Hiring Unemployed Workers; Bonus Depreciation Tax Incentives to Support New Investment; and a Temporary Small Business Estimated Tax Payment Relief to Allow Small Businesses to Keep Needed Cash on Hand, among others. Has your company benefitted from any of these new laws?</b>	I did not even know about them	310	18%
	Yes	278	16%
	No	664	38%
	It is too early to tell	438	25%
	Skipped	10	1%
	Other	29	2%

<b>14. Do you currently market your commitment to sustainability or “green practices” to your customers or clients?</b>	Yes	675	39%
	No	1,046	60%
	Skipped	8	0%

<b>15. Current immigration laws in the United States are hampering my company’s ability to hire skilled workers.</b>	Yes	251	15%
	No	1,457	84%
	Skipped	22	1%

<b>16. During this economic downturn, did you at any time pledge personal assets or invest personal money into your company to help you weather the storm?</b>	Yes	790	46%
	No	929	54%

<b>17. Will business in 2011 be better than it was in 2010?</b>	Yes	1,266	73%
	No	120	7%
	The same	335	19%
	Skipped	8	0%

<b>18. I expect to hold back on permanent hires during 2011 due to:</b>	Worries about the U.S. economic outlook	398	23%
	Future demand	289	17%
	Uncertainty over the tax cuts	21	1%
	Uncertainty over regulatory environment	93	5%
	I do not expect to hold back	912	53%
	Skipped	17	1%

<b>19. Do you consider President Obama to be:</b>	A liberal	1,216	70%
	A moderate, pragmatic Democrat	385	22%
	Actually not that different from President Bush in his major policies (Afghanistan, China, taxes, economic policies)	92	5%
	Skipped	37	2%

<b>20. Do you consider China an opportunity or a threat to your business?</b>	Opportunity (Answer question 21)	403	23%
	Threat (Answer question 22)	418	24%
	Neither	897	52%
	Skipped	12	1%

<b>21. If you have an opportunity, will you expand and do business with China?</b>	Yes	286	17%
	No	451	26%
	Skipped	993	57%

<b>22. If China is a threat, do you feel the United States needs protection against unfair trade or investment practices?</b>	Yes	482	28%
	No	274	16%
	Skipped	975	56%



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