

Fears of Economic Slowdown Fade

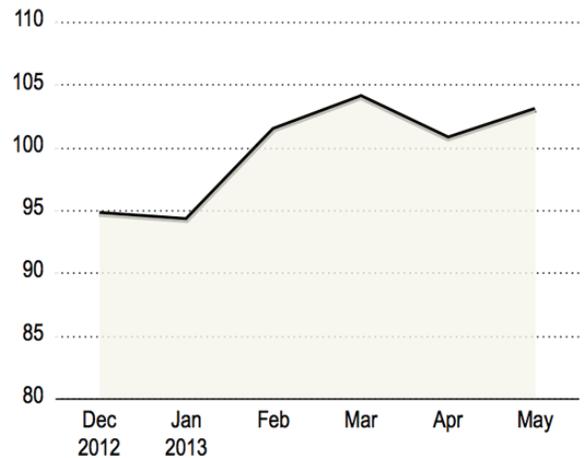
Small business owners expect only a moderate pace of economic growth during the year ahead, according to the May WSJ/Vistage Small Business CEO Survey. The Confidence Index was **103.0 in the May 2013 survey, between the 100.7 in April and the 104.0 in March**, but well above the 83.9 recorded last November.

The recent data provide no evidence that small firms are scaling back their fixed investments or the number of their employees since they still anticipate robust growth in their revenues as well as profits. Indeed, small firms have now adapted their business plans to a persistent environment of moderate growth. This has the advantage of stabilizing their reactions to developments that temporarily depart from the expected moderate pace of economic growth, but has the disadvantage of slowing their reactions to potential trend changes, either a weaker or more robust outlook.

—Analysis provided by Dr. Richard Curtin, University of Michigan

WSJ/Vistage

Small Business CEO Confidence Index



Visit vistageindex.com to see the interactive tool and view results from previous months.

WSJ/Vistage Small Business CEO Survey - May 2013

Question	Answer	Respondents	
		#	%
1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?	Improved	418	52%
	Remained about the same	310	39%
	Worsened	67	8%
	Don't know/No opinion	2	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	262	33%
	About the same	405	51%
	Worse	117	15%
	Don't know/No opinion	13	2%

Continued on reverse...

WSJ/Vistage Small Business CEO Survey - May 2013 *continued*

Question	Answer	Respondents	
		#	%
3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	330	41%
	Remain the same	369	46%
	Decrease	90	11%
	Don't know/No opinion	8	1%

4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease for the next 12 months?	Increase	545	68%
	Remain the same	184	23%
	Decrease	65	8%
	Don't know/No opinion	3	0%

5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	418	52%
	Remain the same	261	33%
	Worsen	115	14%
	Don't know/No opinion	3	0%

6. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	397	50%
	Remain the same	330	41%
	Decrease	67	8%
	Don't know/No opinion	3	0%

7. Does your firm offer health-insurance coverage to its low-wage employees (those making less than \$15 per hour or \$31,200 annually)?	No, health insurance benefits are only available to select staff (such as managers).	48	6%
	Yes, and most of the low-wage employees opt in.	407	51%
	Yes, but most of the low-wage employees opt out.	104	13%
	Not applicable; my firm does not have low-wage employees.	238	30%

WSJ/Vistage Small Business CEO Survey - May 2013 *continued*

Question	Answer	Respondents	
		#	%
8. Under the health-care law next year, how do you expect your low-wage employees to obtain health insurance?	Through my company's health-insurance plan.	430	48%
	Through a spouse or other family member.	89	10%
	Through the individual health-insurance exchanges that will become available.	82	9%
	Through a government program such as Medicaid or Medicare.	32	4%
	Not applicable; my firm does not have low-wage employees.	225	25%

9. Do you offer employees paid time off for sick days?	Yes, all employees get this benefit.	577	72%
	Yes, but only available to select staff (such as managers).	67	8%
	No, but employees can take paid vacation time off when they're sick.	152	19%
	Skipped	1	0%

10. In the past six months have you increased your firm's spending on information-technology security, or other cybersecurity measures, aimed at preventing online data breaches, theft or fraud?	Yes, and planning further spending on these measures this year.	217	27%
	Yes, but not planning further spending on these measures this year.	186	23%
	No, but planning to spend on these measures this year.	128	16%
	No, and not planning to spend on these measures this year.	254	32%
	Not applicable	10	1%
	Skipped	2	0%



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SMALL BUSINESS CEO SURVEY

A monthly survey measuring the sentiment of U.S. small business CEOs and owners about the economy.

Visit vistageindex.com to view an interactive tool with full results from previous months.