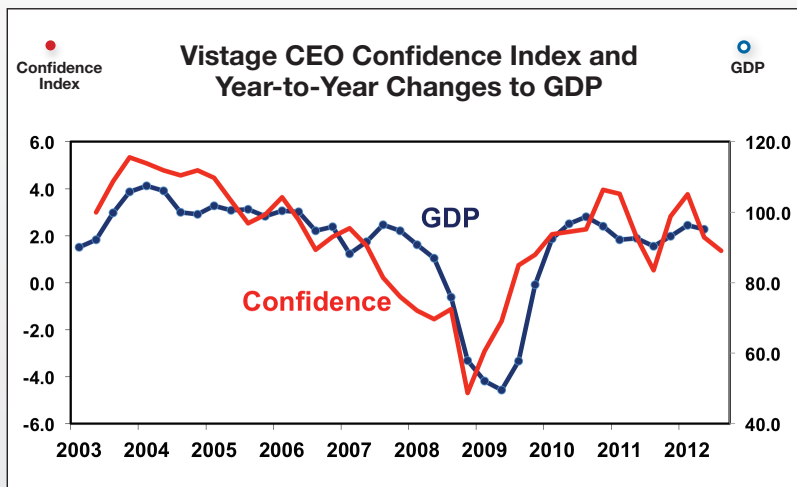


VISTAGE
CEO Confidence Index
 Surveying CEOs of Small to Mid-sized Businesses Since 2003

More than 1500 CEOs surveyed in the Q3 Vistage CEO Confidence Index reported a continued slowdown in the pace of economic growth and anticipated overall economic conditions would remain subdued into the start of 2013. Economic and political uncertainty was voiced by half of all CEOs when asked to identify the most significant business issue they were now facing. Importantly, half of all CEOs viewed the “fiscal cliff” as a very serious economic threat, and half expected that it would not be resolved before the end of the year.

Overall, the recent data indicate continued small declines in confidence as business waits for the cloud of uncertainty about federal tax and spending policies to be resolved. A close election raises uncertainty about what changes in fiscal policies will be made.



The Vistage Confidence Index was **89.0** in the 3rd quarter 2012 survey, down from the **92.8** in the 2nd quarter and **105.1** in the 1st quarter, but above the **83.5** in last year's 3rd quarter.

Vistage CEO Confidence Index Highlights

82% of CEOs believe that the U.S. debt burden of \$16 trillion has an impact on their business growth.

80% of CEOs say that the payroll tax holiday has not provided their company with greater capital to invest and expand their business.

57% of CEOs believe proposed increases in tax rates for those making \$250,000 or \$1 million would affect their small business growth.

51% of CEOs take the threat of the “fiscal cliff” very seriously.

Economic Uncertainty

is the most significant business issue CEOs are facing.

49% of CEOs expect their firm's total number of employees to increase during the next 12 months.

66% of CEOs expect their firm's revenues to improve in the next 12 months.



Question	Answer	Respondents	
		#	%
1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?	Improved	411	27%
	About the same	748	50%
	Worsened	342	23%
	Don't know/No opinion	3	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	403	27%
	About the same	683	45%
	Worse	337	22%
	Don't know/No opinion	82	5%
3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	544	36%
	About the same	717	48%
	Decrease	221	15%
	Don't know/No opinion	22	1%
4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?	Increase	999	66%
	About the same	378	25%
	Decrease	123	8%
	Don't know/No opinion	5	0%
5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	781	52%
	About the same	506	34%
	Worsen	211	14%
	Don't know/No opinion	7	0%
6. Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?	Increase	580	39%
	About the same	802	53%
	Decrease	115	8%
	Don't know/No opinion	8	1%
7. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	730	49%
	About the same	629	42%
	Decrease	141	9%
	Don't know/No opinion	4	0%
8. When do you plan to increase your firm's total number of employees over the next 12 months?	Q4 2012	191	13%
	Q1 2013	192	13%
	Q2 2013	96	6%
	Steadily throughout the next 12 months	409	27%
	I do not plan to increase my total number of employees	617	41%

9. What is the most significant business issue that you are facing currently?	Rising energy costs	15	1%
	Growth (growing too quickly)	42	3%
	Rising healthcare costs	68	5%
	Political uncertainty	251	17%
	Staffing (finding, hiring, retaining, and training)	254	17%
	Growth (growing too slowly)	167	11%
	Economic uncertainty (concern for local and national economy budget deficit, housing market)	446	30%
	Financial issues (finance, cash flow, profitability)	167	11%
	Other	94	6%

10. What is the biggest challenge your business is specifically facing now? (check all that apply)	Paying loans and/or accessing credit	102	6%
	Managing costs	379	21%
	Cash, liquidity, receivables	253	14%
	Customer retention and/or lead generation	453	25%
	Cutting staff	46	3%
	My business is not facing any extraordinary challenges	315	18%
	Skipped	20	1%
	Other	229	13%

11. Are you finding it easier to obtain credit for your business now than you did six months ago?	Yes	367	24%
	No	440	29%
	Not applicable	690	46%
	Skipped	8	1%

12. How seriously do you take the threat of "the fiscal cliff?"	Very seriously	763	51%
	Somewhat seriously	593	39%
	Not at all	142	9%
	Skipped	7	0%

13. At the end of the year, the 2001 and 2003 tax cuts expire. Some politicians have proposed allowing the tax rates to increase for those making \$250,000 or those making over \$1 million. Would these tax increases affect your small business growth?	Yes	853	57%
	No	510	34%
	Unsure	137	9%
	Skipped	4	0%

14. Has the payroll tax holiday provided your company greater capital to invest and expand your business?	Yes	281	19%
	No	1,207	80%
	Skipped	16	1%

15. Do you believe that the U.S. debt burden of \$16 trillion has an impact on your business/business growth?	Yes	1,226	82%
	No	270	18%
	Skipped	8	1%



THE WORLD'S LEADING PEER ADVISORY MEMBERSHIP ORGANIZATION

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Where do you get the information you need to lead your company in uncertain times?

With politics consuming the media - where do you find the information you need to make the tough decisions for your organization? Who keeps you looking forward and challenges your answers? What's the biggest obstacle your company faces? With your Vistage "board of advisors," you can find the solution. Vistage Members get unbiased decision-making support from a team of trusted peers along with professional coaching/mentoring face-to-face every month.

Membership in Vistage is by invitation. We are currently seeking high-caliber local CEOs and presidents for a few openings in our Treasure Coast group.

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