

Underlying Confidence in CW Fellowes Business Barometer Results?

Thank you again to everyone who responded to the quarterly, business survey questionnaire: The CW Fellowes Business Barometer.

Adam Wilson of CW Fellowes was given the results to comment upon and summarises his impressions below saying that the survey showed:

"An interesting quarter - as with previous quarters rather patchy although there seem to be two conflicting trends coming out.

With regard to staffing the vast bulk of respondents, 86%, indicated that they have made no redundancies and are not planning to. This also coincides well with the comments on workforce where 14% have reported a decrease in workforce with 18% reporting an increase. Similarly investment in training of staff seems to be marginally increased for most respondents.

Whilst this would appear to bode well for staff levels in general, it is at loggerheads compared to the sales responses where for both the UK and Overseas many more respondents indicated that they had seen a decrease in the last quarter against those who had seen an increase. Similarly, most respondents expected there to be a decrease in orders, against those who had recorded an increase. This is particularly strange since employment is a lagging indicator by comparison with output and economic activity generally.

Have business owners and directors yet taken those hard decisions with regard to redundancies, or are we seeing an underlying level of confidence where employers believe that sales will come good in the fullness of time and they need the staff to service this?

Time will tell....."

Listed below are some of the statistics that Adam looked at from the Southampton and Fareham Chamber Members surveyed for the second quarter of 2009:

- The latest survey showed that again only 29% of respondents were working to full capacity
- The latest survey showed that cashflow over the last 3 months had improved slightly for an extra 5% (25%) but still remained a problem for 46% who reported that they were experiencing adverse cashflow conditions.
- Concern about competition (up 9% to 43% in this quarter) and corporate taxation (up 13% to 36%) were the main issues, whilst concern about exchange rates fell further this quarter from 26% to 18%
- Only 21% reported an increase in UK sales (down 10% on the previous quarter) with still 43% (the same as the previous quarter) reporting a decrease. This was a similar picture to that reported by those that trade overseas.
- Price increases, an expected increase in turnover and an increase in profitability during the next 12 months remained roughly the same as results received in the previous quarter, the main difference in the statistics was that those expecting a decrease in profitability had dropped by 14% to 32% - a possible green shoot?

The Southampton and Fareham Chamber of Commerce are appreciative of the

sponsorship of CW Fellowes and also appreciate Datasouth, who have developed and make available an electronic version of the questionnaire every quarter.

This information gives the Chamber of Commerce the statistics it needs when lobbying and representing its members on national, regional and local levels. In the current economic climate, it is vitally important that we receive your forms on a regular basis so that we know what issues matter most to you, our members. We hope that you will continue to support these surveys – the next one will be sent to you through our monthly mailshot. and forms will also be made available on the website, nearer the date at www.soton-chamber.co.uk

Congratulations to the two winners of the draw for two free tickets to a Chamber Networking Lunch, namely Dee Cee Upholstery and Gentle Associates Ltd. **Those responding to the next quarterly survey will again be eligible to enter the draw.**

If you have any questions, please contact the Survey Co-ordinator on 023 8022 3541 or by email to n.hirst@soton-chamber.co.uk