

# INTERNATIONAL PROFIT ASSOCIATES

## SMALL BUSINESS RESEARCH BOARD (SBRB) STUDY

### Owners of Food Industry Businesses Showing Improved Outlook Despite Concerns About Economy, Revenue During Next 12 Months SBRB Reports

*Plans for increased hiring drive improved food industry confidence index says SBRB report prepared in conjunction with International Profit Associates.*

**NORTHFIELD, IL (June 18, 2007)** – Owners of food industry companies are more positive about prospects for their companies during the next 12 months despite concerns about the economy and lower revenue projections according to the latest Small Business Research Board (SBRB) report issued here today.

The second quarter 2007 Food Industry Small Business Confidence Index (SBCI) was 40.3 or an increase of 2.27 points from the first quarter according to the latest SBRB report issued here today co-sponsored by International Profit Associates (IPA).

The current industry SBCI is lower than the SBCI of 46 reported for all U.S. small businesses. The confidence expressed by owners in the industry is identical to that of the manufacturing industry, but lower than the 48 recorded by the construction and contracting industry for the same period.

The higher food industry SBCI resulted entirely from plans for increased hiring over the next 12 months. A full 40% of the respondents indicated they will increase hiring compared to 24.4% that were prepared to make that commitment during the first quarter.

Respondents said they were prepared to add staff despite showing a slight drop in their opinion about the strength of the economy and reduced revenue expectations. The SBRB report indicated 33% of the respondents believe the economy will improve over the next 12 months, a decline from the 34.6% the previous quarter. As for revenue predictions, 48% are projecting improvement in sales versus 55.1% during the first quarter.

“Looking ahead, the food industry will need to make certain that strong cost controls and employee training programs are part of their operating recipe otherwise owners may undermine the ability to meet their projections,” said Gregg M. Steinberg, President of IPA.

More than 770 small business owners participated in the nationwide poll. The universe of participants is developed from among small businesses across the United States. The SBRB study is a voluntary survey conducted quarterly.

The Small Business Research Board ascertains and reports the opinions of small business owners and managers on a wide variety of topics related to their own businesses as well as national and international issues that may impact their operations. The SBRB conducts these studies for the benefit of small business owners and managers. The SBRB also provides opportunities for third parties to gain real time insight into the attitudes of small businesses nationwide through the independently conducted research.

The latest information about the Small Business Research Board can be found at [www.ipasbrb.com](http://www.ipasbrb.com).

International Profit Associates, Inc. (IPA) is the largest privately-held provider of management consulting services to small and medium-size businesses in North America. IPA and its more than 1,800 professionals offer a wide range of proven and innovative methodologies to help businesses grow and prosper regardless of the economic cycle. IPA either provides directly or through its affiliated companies a comprehensive array of business advisory services, tax and estate planning services or merger, acquisition and other financial advisory services in the United States and Canada. More information about IPA can be found at [www.ipa-iba.com](http://www.ipa-iba.com).

The second quarter 2007 food industry summary follows:

**SBRB INDUSTRY COMPARISONS May/June 2007 (vs. Prior Quarter)**

SBRB SBCI		
All US	46	(40.78)
Food Industry	40.3	(38.03)

**SBRB Food Industry Forecast**

**Outlook for the general economy for the next twelve months**

33%	Better
23%	Worse
44%	No Change

**Revenue expectations for the next twelve months**

30%	Increase of 10% or more
18%	Increase of less than 10%
45%	Will be about the same
6%	Decrease of less than 10%
1%	Decrease of 10% or more

**Expectations for hiring new employees next twelve months**

40%	Increase hiring
13%	Decrease workforce
39%	Remain the same
7%	Unsure

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*For more information about this poll, results of previous studies or other matters related to the SBRB, please contact Raymond D. Minkus, (847) 441-4192.*