

Press Release

Thursday 11th November 2010

South East Business Confidence Study - November 2010

South East businesses positive that 2011 will bring increased business despite concerns about the state of the economy - exports doing better than sales to domestic market

While there has been little change in sentiment about current trading conditions among businesses in the South East there is a higher level of positive feeling about the prospect of an improvement in 2011. It is now clear that 2010 will turn out to have been worse for sales than 2009 for the majority of businesses. Stability is returning to the workforce too and though 2011 is likely to bring further lay-offs these will be insignificant in the light of what has gone before according to the findings of the latest South East Business Confidence Study. This is the sixth in a series of twice-yearly surveys conducted in the South-East of Ireland by Kilkenny-based market research firm, Market Dynamics. 405 organisations in the region participated.

A key finding of the survey is that the majority of businesses that are exporting are finding that their export sales are proving better than sales to the domestic market. For this reason, presumably, 20% of businesses surveyed are taking steps to begin exporting in the coming year. Nearly a third of businesses (30%) have seen a competitor go out of business in the past year, with construction, hotels/restaurants and financial services hardest hit in this regard.

Commenting on the results, John Gilsenan, Managing Director of Market Dynamics, stated: *"it is now clear that 2010 will turn out to have been a worse year for sales than last year for the majority of businesses. However, a majority expect an improvement in sales next year. It is interesting that businesses are more positive about their own prospects than they are about the Irish economy overall which suggests they believe they can thrive despite the impending budget. Once again, businesses in the South-East believe the worst is over and that the New Year will see the beginning of the road back to growth"*

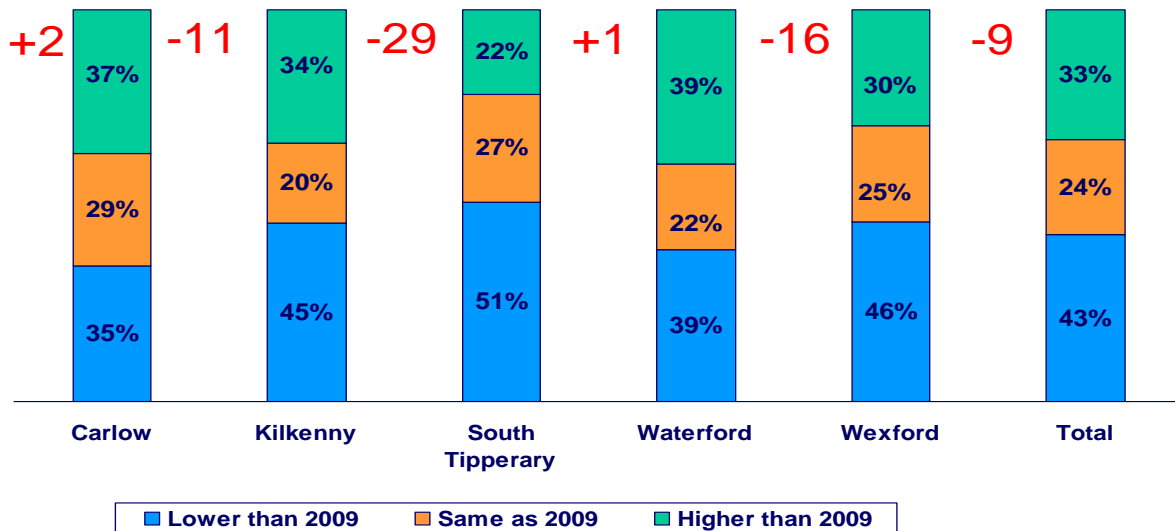


Source: Market Dynamics, November 2010

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County by County Summary

Do you expect sales / turnover in 2010 to be higher, lower or the same as last year?



Source: Market Dynamics, November 2010

- **Carlow** businesses are the most positive about sales this year and the only county where more expect an increase than a fall. Similarly, they are most positive about both sales and hiring in 2011.
- **Kilkenny** businesses are close to the regional average regarding sales this year with but the most negative about 2011. They expect least change in workforce in the coming year but have the highest proportion who are less positive about prospects for their business than 6 months ago. Kilkenny businesses appear to be most concerned about the likely impact of the budget.
- **South Tipperary** businesses are by far the least positive about sales in 2010 and very negative about expectations for an upturn in business in 2011. However, workforce numbers should not decline dramatically as a result.
- **Waterford** is the other county where more businesses expect sales to be higher this year than lower. Waterford businesses are also very positive compared to 6 months ago and a majority expect sales to improve in 2011.
- **Wexford** businesses are more negative than the regional average with regard to sales this year but more positive than average on their expectation for 2011.

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Note to editor

More detailed findings and further county by county analysis is available please contact Fiona Macrae (details below) for further information.

Market Dynamics is an independent market research company based in, Co. Kilkenny. The South East Business Confidence Study Series is independently funded by Market Dynamics and is not sponsored. For further information on the South East Business Confidence Study and its findings please contact John Gilsenan or Fiona Macrae on 056 775 8888/086 171 3959 or email fiona@marketdynamics.ie.

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