



Vistage CEO Confidence Index Jumps Unprecedented 15 Points CEOs Moving From Recession to Recovery

SAN DIEGO (October 2, 2009) – There is a new surge of optimism among Main Street CEOs, according to the Vistage CEO Confidence Index. The Q3 Index recorded the highest quarterly gain in economic confidence since 2003. The quarterly CEO Confidence Index rose to 84.9, up from 69.0 in the 2nd quarter of this year and 48.7 percent in the last quarter of 2008.

“Half of the CEOs in our survey believe the economic recovery has begun,” says Rafael Pastor, Chairman of the Board and CEO of Vistage International. “More than 80 percent see their company revenues and profits increasing in the next 12 months. While Main Street CEOs do not expect the recovery to be easy, they are adopting new strategies for the new economic landscape.”

CEOs cited targeting new types of customers and developing new lines of products and services, as well as using social media and online marketing more, as their top three strategies to adapt to the new economic landscape. Also, 43 percent of the CEOs are currently doing or plan to do business internationally in the next 12 months, with Europe and China being the principal places to expand.

Despite the renewed optimism, economic uncertainty and financial issues were cited as the top two concerns of the Vistage CEOs. Only 11 percent find it easier today than six months ago to obtain credit; 46 percent find it no easier; and the rest don't require credit.

Health Care Hot Topic Among CEOs

The Vistage CEOs are essentially split on whether there should be federal legislation to change the healthcare system, with 45 percent saying it's necessary and 49 percent saying it's not. However, when asked about the healthcare legislation currently being proposed, only 10 percent of the CEOs said it would be good for their business, while 66 percent said it would be bad.

Employment Plans Remain Cautious

Although 39 percent of firms expect to expand their workforce in the next twelve months, the most common expectation is that firms will keep employment at its current level during the year ahead. Even among those firms that anticipate hiring, most of the new jobs are expected to be filled after the start of 2010.

Inflation Not Likely

Only 20 percent of the CEOs expect to increase prices during the next twelve months; 63 percent expect to keep prices the same; and 16 percent expect prices to decrease. This may be an indication that fears of inflation in the coming year should be tempered.

Confidence Varies By Industry

Among the industries surveyed, CEOs in the real estate and construction industries have the lowest overall confidence in the current economy, with CEOs in the services industry having the most positive outlook. CEOs in the wholesale trade and manufacturing industries expect their firms' profitability to be, on average, seven percent higher than the national average. Similarly, CEOs in the services industry expect their sales to be seven percent higher than the national average.

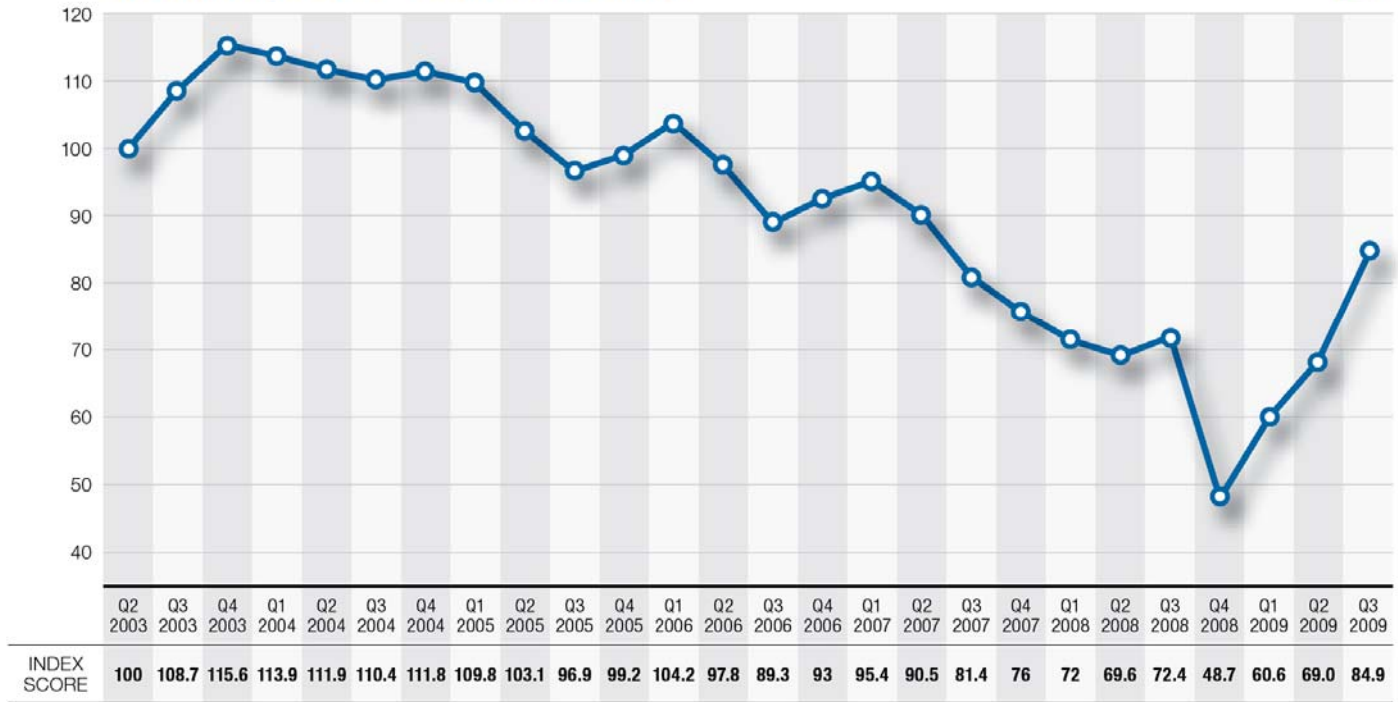
The Q3 2009 Vistage CEO Confidence Index is a compilation of responses from 1,789 CEOs of small- to mid-sized companies in the United States, surveyed between September 14-24, 2009, with a margin of error of 1.8 percentage points. The quarterly Vistage CEO Confidence Index, established in 2003, is the nation's largest and only comprehensive report of their opinions and projections.

about Vistage International

Vistage is a [CEO peer organization](#) in 16 countries with nearly 14,500 members. Collectively, Vistage members run companies with an estimated \$300 billion in revenues and employ two million people. In addition to their peer groups, Vistage CEO members have access to expert resources speakers and receive monthly one-to-one coaching from a mentor called a Vistage Chair. The sharing of information in a Vistage group is completely confidential, allowing for the open exchange of issues, ideas and solutions. For more information, please visit www.vistage.com.

Confidence Index Statistics:

U.S. Vistage CEO Confidence Index



85% of CEOs say their revenues will remain the same or increase in the next 12 months



83% of CEOs expect their firm's profitability to remain the same or improve during the next 12 months



84% of CEOs plan to maintain or increase the total number of employees in the coming year



66% of CEOs believe the healthcare legislation currently being proposed is bad for their business

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