



# MEDIA RELEASE

Innovative  
Entrepreneurial  
Experienced

**Date:** February 24, 2014  
**Contact:** Jennifer Krause  
**Phone:** 802-878-1963  
**E-mail:** [Jennifer@dh-cpa.com](mailto:Jennifer@dh-cpa.com)

**FOR IMMEDIATE RELEASE**

## **Local CPA Firm Conducts Survey Re Future of Vermont Businesses**

- *Sales Levels Expected to Increase for Many*
- *Employment Status Remains Stable for Most; Increases Slightly for Some*
- *Elevated optimism for U.S. Economy, Guarded Optimism for Vermont Economy*
- *Demands for Healthcare and Tax Reform Remain as Top Concerns*

**Williston, VT February 24, 2014** – The Certified Public Accounting firm of Davis & Hodgdon Associates CPAs located in Williston, Vermont, conducted its semi-annual economic survey in January regarding the future of Vermont-based businesses. The survey, customized by the Firm to evaluate small- to medium-sized business, is based on one originally developed by the Vermont Business Roundtable. The survey was completed by more than 160 businesses, nearly double that of the \*August 2013 survey, located throughout the state and primarily in Chittenden (48%) and Washington (14%) counties, but also in Windsor (11%) and Windham (6%), among other counties.

Respondents were asked to forecast their company sales, capital spending and hiring intentions for the next six months. They were also surveyed to describe the current state of the economy, identify key issues for their business in 2014, as well as list business issues that they would like to see addressed by the Vermont legislature in 2014.

Vermont industries surveyed included professional and technical, manufacturing, retail, finance and insurance, health care and social assistance, construction, hotel and restaurant, transportation and warehousing, educational services, agriculture, information, utilities, and wholesale trade.

When asked how they expected their company's sales to change in the next six months, 32% of respondents expected a slight increase in sales (by less than 10%) while 13% expect an increase in sales between 10-30%, and 29% estimated that there will be no change. About 18% of those surveyed predicted that sales will decrease. In August 2013, half (50%) of respondents forecasted no change while roughly 38% predicted an increase in sales and 9% predicted a decrease.

Respondents were asked to predict their company's capital spending for the next six months. 43% of them forecasted no change while 38% predict that their spending will increase and about 18% expect a decrease in spending. This is comparable to the August 2013 survey in which 59% of respondents expected no change, 31% forecasted an increase and 7% a decrease in capital spending.

On the hiring front, more than half (52%) of the businesses surveyed expect no changes in their company's employment levels over the next six months. However 25% intend to hire 1-3 people, 10% intend to hire three or more, and only about 11% of respondents indicate that they may decrease employment size in the same timeframe. The August survey yielded similar results in that 58% expected no change while 35% forecasted an increase in staff and 4% expected a decrease.

When asked to describe the current state of the economy 43% of respondents feel that Vermont's economy is stagnant while 35% indicated that it is improving and 19% feel that it is in a state of decline. Conversely, 53% of those surveyed identified the country's economy as improving, while 32% indicated it is stagnant and 13% conveyed that it is in a state of decline.

Respondents were asked to rank key business issues that they face in the coming year. The most highly ranked of concern included health insurance issues and finding qualified employees.

Of the issues Vermont businesses would like to see addressed by the state legislature in 2014, the most prominent and frequently conveyed concerns include:

- Tax reform
- Healthcare costs as related to the business owner
- Simplification of employer regulatory environment

When asked to analyze the results, Davis & Hodgdon's partner, John Davis explained, "The current state of healthcare laws and tax reform remain as the biggest of concerns for business owners in 2014." Davis continued, "Owners are frustrated with the current state of each and they want to see legislative reform that will make it easier to do business in the state, attract more businesses, thus creating more jobs for Vermonters. Conversely, I've noticed a more optimistic economic outlook among the business owners. Currently, 55% of owners are forecasting an increase in sales over the next six months, up from the 38% who predicted the same in August. While the outlook of Vermont's economy remains similar to results garnered in August, the outlook of the country's economy is looking brighter. 53% of owners feel that it is improving up from the 44% who felt the same in August. On the other hand, only 13% feel that the country's economy is declining, down from 22% in August."

For results of the January 2014 survey results, go to:

<http://www.dh-cpa.com/assets/files/pdf/JANUARY2014.pdf>

For results of the August 2013 survey please go to:

<http://survey.constantcontact.com/survey/a07e7uhtd3lhj7biz32/results>

\*Local CPA Firm Conducts Economic Survey Re Future of Vermont Businesses, August 2013:

[http://www.dh-cpa.com/assets/files/pdf/BusinessEconomicSurvey\\_9-9-13.pdf](http://www.dh-cpa.com/assets/files/pdf/BusinessEconomicSurvey_9-9-13.pdf)

###

Davis & Hodgdon Associates CPAs  
33 Blair Park Road, Suite 201  
Williston, VT 05495