

1. Growing Our Economy

Greater Moncton's entrepreneurs are driving the growth of our regional economy. From small service firms that fill critical niches in the local economy to the big firms that export to the world, Moncton's business community is the foundation on which our quality of life depends. The survey reveals interesting attributes of the regional business community that EGM and its partners use to focus economic development efforts. We will be interviewing company executives on a continuous basis over the year. We appreciate you taking the time to work with us on this project.

2009 BRE Survey Results

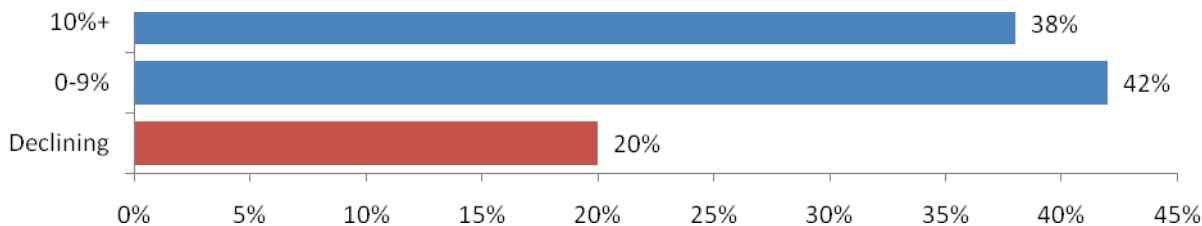
In 2009, Enterprise Greater Moncton staff interviewed 101 companies in a broad cross-section of industries from manufacturing to retail services. These firms collectively employ over 3,200 people and generate over \$1.3 billion in annual sales. They range in size from a single entrepreneur to a large firm of 350 staff. The 2009 results are particularly interesting because they provide insight into how a good mix of Greater Moncton firms are faring in the face of the international recession.

Did you know*?

The 2009 survey confirms that Greater Moncton firms are starting to feel the effects of the economic downturn. One in five (20%) of the surveyed firms indicated they were expecting sales to decline in the next 12 month period up from only 8% last year. In 2008, 53% of firms were expecting sales growth of 10% or higher compared to 38% in the 2009 survey. However, given the extent of the recession across North America, the fact that nearly two out of every five firms is forecasting double-digit sales growth is a sign of the resilience of the Greater Moncton economy. 38% of the firms surveyed indicated they are considering expanding their markets outside New Brunswick.

Forecasted Sales Trend by Company Size (% of companies by forecasted sales growth)

Over next 12 months

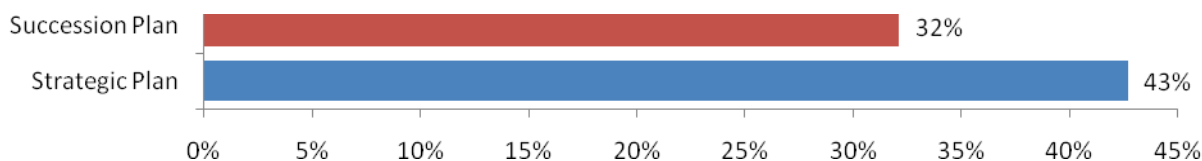


2. BRE Survey Updates (continued)

Limited focus on planning

The majority of firms in the survey do not have a formal strategic plan (57% do not). Succession planning continues to be a concern as less than one out of every three firms has a plan in place to transition from the current management/ownership to the next generation.

Focus on Planning - % of firms in with a formal plan in place



Access to a Quality Workforce Remains the Top Concern

Among this group of firms, workforce turnover is not a major problem. Only 17% of the firms report annual workforce turnover of six percent or higher (compared to 31% last year). However access to a quality workforce remains. 53% of firms say they are having challenges hiring certain occupations. Once they are able to recruit qualified staff, it is easier to retain them. Only 24% of firms indicate having any problems retaining specialized staff. The types of employees that are hard to recruit run the full range from janitorial staff to mechanical engineers. There is an interest to use immigrant workers to fill open positions. While less than one out of every five firms has employed an immigrant worker, 93% indicate a willingness to do so.

Business Climate Assessment

Among the firms in the BRE survey, physical infrastructure topped the business climate satisfaction ratings. Warehousing, telecommunications and highways were rated as satisfactory by over 90% of firms. The availability and quality of workers continue to receive the lowest business climate rating with only about 50% of firms providing a satisfactory rating. NB Power, workers compensation rates and taxation rounded out the top five lowest rated business climate factors.

Business Climate - Satisfaction with Major Business Climate Issues*

Top Five (% of firms satisfied)

Warehousing and shipping logistics	95%
Telecommunications	93%
Highway infrastructure	93%
Universities	89%
Government services	88%

Bottom Five (% of firms dissatisfied)

Workers compensation rates	22%
NB Power	29%
Tax structure	39%
Quality of workers	48%
Availability of workers	55%

**Not all firms responded to these questions*

Companies were also asked to rate their satisfaction with a variety of municipal-related issues. Fire protection, housing availability, ambulance services, policing services, access to cultural activities/recreation facilities, economic development services, municipal council and snow removal services all scored over 90% satisfactory approval. Building code enforcement, public transportation, and local road networks and maintenance scored lower with between 20% and 30% of firms rating these issues as not satisfactory. The municipal tax structure rated the lowest with 36% of firms providing a not satisfactory rating.

Investing in the local economy

Greater Moncton companies are continuing to invest in the local economy. Over 40% of firms in the 2009 survey indicated over the past 18 months they have invested more in their local facilities and equipment. Only slightly less (39%) are planning to make new investments in the next 12-18 months. While a majority of firms did not provide an investment amount, those that did will be making a collective \$37 million investment in the Greater Moncton region.

3. BRE In Action

Amcor PET Packaging Atlantic, Inc. is the world's largest manufacturer of PET (polyethylene terephthalate) plastic soft drink and water bottles along with products for household cleaning, hair care, automotive, and pharmaceutical use. Amcor PET operates worldwide through 63 manufacturing facilities in 12 countries, and it recycles about 45 million kg (100 million pounds) of PET a year. Amcor PET Packaging Atlantic is located in the Moncton Industrial Park; the Moncton plant employs 50 people on average and has been operating since 1981.

A few months ago, Enterprise Greater Moncton visited the Amcor facility as part of the Business Retention & Expansion Initiative and talked to Arnold Anderson (Plant Manager) about some of the challenges they were facing. Anderson stated that the industry is going through some significant changes, with some major customers moving operations in-house, while other competitors are merging to avoid closure. Internally, the plant needs to upgrade some of its technology and diversify its offering in order to meet the requirements of their existing customer-base and new market demands. All the while, Amcor Moncton is looking to find greater efficiency within its current operations.

With numerous challenges on the table, EGM is assisting Anderson focus in on some of the key issues and develop a streamlined process for resolution. Some additional actions include support and guidance around government assistance programs that Amcor Moncton may be eligible for and helping the company fully understand how to navigate the maze. EGM recognizes Amcor as a valuable employer and contributor to the Greater Moncton area and is optimistic that their combined efforts will allow them to move closer to overcoming the challenges at hand.

4. Mark Your Calendars

Let's Talk Exports: May 28th 2010 at 8:00 a.m. – Chateau Moncton

The more you know... the better you can plan. So plan on attending Let's Talk Exports

Now more than ever, your business is being affected by economic and political activities across the globe, regardless of whether you are exporting or not. Enterprise Greater Moncton and Export Development Canada (EDC) are partnering to bring you the most up-to-date information available on the global economy and how it impacts your business.

Join EDC's Peter Hall, Vice President and Chief Economist at this year's Let's Talk Exports event on May 28th and find out what you can expect in the next year with regard to:

- interest rates
- currency fluctuations
- how to minimize risks and maximize opportunities
- what the export outlook is for your industry
- how you can succeed in the global marketplace

Plus, each attendee will receive access to EDC's sought-after ***Global Export Forecast, 2010 Spring Edition***.

To find out more and to register, visit [EDC's Registration Page](#)

5. Connect with EGM

For more information about Enterprise Greater Moncton and how we can help you grow your business, contact us at:

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