

Regional Business Survey
November, 2009

Background (Section 1)

Please choose the category that best fits your business		
Answer Options	Response Percent	Response Count
Manufacturing	11.3%	11
Construction	8.2%	8
Wholesale Trade	1.0%	1
Information	1.0%	1
Transportation / Warehousing	1.0%	1
Natural Resources(including Agriculture, Forestry,Fishing, Utilities	0.0%	0
Retail Trade	2.1%	2
Accommodation / Food Services	8.2%	8
Arts / Entertainment / Recreation	12.4%	12
Health Care / Social Assistance	2.1%	2
Educational Services	8.2%	8
Professional / Scientific / Technical Business Services	2.1%	2
Finance / Insurance	14.4%	14
Real Estate / Rental and Leasing	14.4%	14
Other Services	5.2%	5
	8.2%	8
<i>answered question</i>		97
<i>skipped question</i>		1

Location of Business (by Representative's District)		
Answer Options	Response Percent	Response Count
Representative Kathy Brynaert (Mankato, Skyline, precinct 1 lower North Mankato, Mankato Township, Lime Township)	69.1%	67
Representative Tony Cornish (Judson, Mankato-SouthBend Township, Madison Lake, Eagle Lake, Lake Crystal, Good Thunder, Vernon Center, Mapleton, Minnesota Lake, Easton, Delavan, Frost, Bricelyn, Keister, Walters, Wells, New Richland, Pemberton, St. Clair	8.2%	8
Representative Terry Morrow (Gaylord, Gibbon, Winthrop, Lafayette, Courtland, Nicollet, St. Peter, Traverse, North Mankato, Mankato-Belgrade Township)	22.7%	22
<i>answered question</i>		97
<i>skipped question</i>		1

Employment (in FTE's)		
Answer Options	Response Percent	Response Count
1	13.4%	13
2 to 5	21.6%	21
6 to 20	25.8%	25
21 to 49	17.5%	17
50 to 99	7.2%	7
100 – 249	8.2%	8
250 – 499	2.1%	2
500+	4.1%	4
<i>answered question</i>		97
<i>skipped question</i>		1

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Background (Section 1) continued...

What type of Ownership		
Answer Options	Response Percent	Response Count
Sole Proprietorship	11.3%	11
Partnership	8.2%	8
LLC	23.7%	23
Non-profit	10.3%	10
LLPA	0.0%	0
S-Corporation	39.2%	38
C-Corporation	6.2%	6
Cooperative	1.0%	1
<i>answered question</i>		97
<i>skipped question</i>		0

Years in Business		
Answer Options	Response Percent	Response Count
less than 3 years	11.3%	11
4 to 10 years	15.5%	15
11 to 20 years	16.5%	16
more than 20 years	56.7%	55
<i>answered question</i>		97
<i>skipped question</i>		1

Contact Information (Optional)	
Answer Options	Response Count
<i>answered question</i>	29
<i>skipped question</i>	69

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Your Business (Section 2)

What factors led you to begin your present business? (Check all that apply)

Answer Options	Response Percent	Response Count
I previously owned a similar business	18.7%	14
I was employed in a similar business owned by someone else	38.7%	29
Credit was available at a reasonable rate	5.3%	4
I wanted to be my own boss	42.7%	32
I had a business idea I wanted to pursue	29.3%	22
A franchise opportunity arose	8.0%	6
<i>answered question</i>		75
<i>skipped question</i>		28

In the last 5 years have you considered moving your business to another location (city and/or state)?

Answer Options	Response Percent	Response Count
Yes	38.1%	32
No	61.9%	52
<i>answered question</i>		84
<i>skipped question</i>		17

If you answered yes to the previous question, what factors are most important to you in making this decision?

Answer Options	Response Percent	Response Count
Labor costs	18.8%	6
Supply chain costs	0.0%	0
Taxes and fees	56.3%	18
Proximity to customer base	15.6%	5
Land costs	0.0%	0
Availability of talent/workforce	6.3%	2
Quality of Life	3.1%	1
<i>answered question</i>		32
<i>skipped question</i>		66

Please rank from 1-6 (1 being the most important and 6 being the least), the importance of the following to the success of your business.

Answer Options	1	2	3	4	5	6	Rating Average	Response Count
Good transportation system	4	11	14	14	12	11	3.79	66
Well-educated workforce	21	20	11	5	7	6	2.64	70
Close proximity to customers	28	15	10	6	6	6	2.47	72
Tax environment	16	10	13	14	9	6	3.12	68
Availability of financing options (including loans)	5	6	15	18	17	11	3.96	72
Business/Government incentives/subsidies (other than loans)	7	8	9	7	14	31	4.39	76
<i>answered question</i>								76
<i>skipped question</i>								19

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Access to Capital (Section 3)

How difficult or easy is it for your business to get a loan?		
Answer Options	Response Percent	Response Count
Very Challenging	22.5%	18
Appropriate Discretion and Requirement	26.3%	21
Quite Easy	28.8%	23
Not applicable	22.5%	18
<i>answered question</i>		80
<i>skipped question</i>		18

Does your lender let you know about state, federal, or local programs that may help your business?		
Answer Options	Response Percent	Response Count
Yes	19.5%	15
No	39.0%	30
I don't know	41.6%	32
<i>answered question</i>		77
<i>skipped question</i>		21

How difficult or easy is it for your business to obtain equity capital (example: venture, investment other than loans)		
Answer Options	Response Percent	Response Count
Not readily available	19.0%	15
Limited availability	26.6%	21
Sufficient availability	17.7%	14
Not applicable	36.7%	29
<i>answered question</i>		79
<i>skipped question</i>		19

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Regulations (Section 4)

For each of the following, please rate Minnesota as a place for doing business (rating: 1 = Poor and 5 = Excellent)							
Answer Options	1	2	3	4	5	Rating Average	Response Count
Sales Taxes	15	21	19	6	5	2.47	66
Property Taxes	23	25	12	6	2	2.10	68
Income Taxes	24	20	15	6	1	2.09	66
Unemployment insurance	10	16	26	6	2	2.57	60
Worker's compensation rates	16	16	23	7	1	2.38	63
Health care benefit costs	19	15	22	6	3	2.37	65
Environmental regulations	6	12	33	7	6	2.92	64
Regulatory enforcement (fair & equitable)	9	8	32	11	5	2.92	65
						<i>answered question</i>	75
						<i>skipped question</i>	23

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Health Care (Section 5)

Does your business offer health insurance benefits to your employees?		
Answer Options	Response Percent	Response Count
Yes	53.6%	45
No	46.4%	39
<i>answered question</i>		84
<i>skipped question</i>		24

If you answered "Yes" to the preceding question, how has your payment toward premiums changed over the past two years? (check all that apply)		
Answer Options	Response Percent	Response Count
We have experienced premium increases, but have absorbed them and not passed them on to the employees	39.1%	18
We have been maintaining our cash contribution, which continues to be a decreasing percentage of total cost and employees are paying more	32.6%	15
We have raised the deductible to maintain or lower the premium	50.0%	23
<i>answered question</i>		46
<i>skipped question</i>		54

If you answered "No" to question 1 in section 6, why (check all that apply)		
Answer Options	Response Percent	Response Count
Inadequate plan & coverage options because of business size	44.8%	13
Inadequate plan & coverage options because of employees' health history	13.8%	4
Overall cost	65.5%	19
<i>answered question</i>		29
<i>skipped question</i>		53

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Recession (Section 6)

How would you describe the impact to your business (in terms of gross revenues)?

Answer Options	Response Percent	Response Count
Decrease of 25% or more	33.8%	25
Decrease from 1 to 24%	43.2%	32
No impact	9.5%	7
Increase from 1 to 24%	9.5%	7
Increase of 25% or more	4.1%	3
<i>answered question</i>		74
<i>skipped question</i>		24

Which of the following actions have you taken with regards to employees in response to the recession? (check any/all that apply)

Answer Options	Response Percent	Response Count
Laid off employees	24.2%	24
Reduced employees' hours	34.3%	34
Froze or cut wages	40.4%	40
Froze or cut benefits (excluding health care)	17.2%	17
Reduced or eliminated health care benefits	4.0%	4
Increased employees' hours rather than hire new employees	13.1%	13
Increased contracting instead of adding staff	9.1%	9
Delayed hiring new employees	50.5%	50
<i>answered question</i>		99
<i>skipped question</i>		24

Has the recession delayed either of the following? (Check all that apply)

Answer Options	Response Percent	Response Count
Delayed capital equipment purchases	73.3%	44
Delayed expansion plans	56.7%	34
<i>answered question</i>		60
<i>skipped question</i>		46

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Ways the State can help (Section 7)

Please rate the improvements below that the state could make to help your business.

Answer Options	Very Important	Somewhat Important	Not Important	N/A	Rating Average	Response Count
Broadband Internet Access	22	18	22	7	2.00	62
Improved Roads and Bridges	16	35	13	6	1.95	64
Improved Rail Service	5	18	37	9	2.53	60
Trained Workers	22	30	15	2	1.90	67
Reduced Utility Costs	33	28	9	0	1.66	70
Improved permitting/licensing process	24	26	14	4	1.84	64
					<i>answered question</i>	70
					<i>skipped question</i>	28

Transportation and public transit often directly affects a business owner's success. Please indicate each transportation and transit factor that affects your business (check all that apply)

Answer Options	Response Percent	Response Count
Access to the Mankato airport	8.7%	10
Access to Minneapolis/St. Paul Airport	24.3%	28
Availability of freight rail	2.6%	3
Condition of rural roads	21.7%	25
Congestion in the Twin Cities	15.7%	18
Access to public transit	11.3%	13
Ease of access from regional corridor highways (169 and 14)	39.1%	45
Expansion of Highway 14 to four lanes	34.8%	40
Snow / ice removal on roads	47.8%	55
	<i>answered question</i>	115
	<i>skipped question</i>	30

Have you utilized any of the following government assistance in starting or operating your business? (check all that apply)

Answer Options	Response Percent	Response Count
JOBZ	9.7%	3
TIF financing	22.6%	7
SBA or Small Business Loans, energy improvement loans or grants	48.4%	15
job training/other worker programs	19.4%	6
	29.0%	9
	<i>answered question</i>	31
	<i>skipped question</i>	71

How did you find out about governmental program assistance? (check all that apply)

Answer Options	Response Percent	Response Count
Local chamber of commerce or economic development	76.2%	16
City Economic Development staff	42.9%	9
State employee	9.5%	2
	<i>answered question</i>	21
	<i>skipped question</i>	78

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Working with You (Section 8)

**When you have questions about your business, what resources do you use?
(Check all that apply)**

Answer Options	Response Percent	Response Count
Attorneys	41.0%	41
CPAs	45.0%	45
Bankers	37.0%	37
Local chamber of commerce or economic development	21.0%	21
Local city/county Economic Development Authority (EDA)	9.0%	9
State of MN (Department of Employment and Economic	11.0%	11
Small Business Development Center (SBDC)	7.0%	7
Other business owners	36.0%	36
<i>answered question</i>		100
<i>skipped question</i>		33

What is the number one thing that the legislature could do to help businesses succeed in Minnesota?

Answer Options	Response Count
<i>answered question</i>	52
<i>skipped question</i>	46

Anything else you would like to share?

Answer Options	Response Count
<i>answered question</i>	33
<i>skipped question</i>	65

Representatives Brynaert, Cornish and Morrow greatly appreciate your responses to this survey and appreciate your help in their efforts to serve you. Please check any of the following that you would appreciate them doing in the future

Answer Options	Response Percent	Response Count
Visit me at my business	44.2%	23
Meet with my civic organization(s)	26.9%	14
Meet with my local chamber of commerce/business	51.9%	27
Send legislative updates via email	51.9%	27
Send legislative updates via regular mail	11.5%	6
<i>answered question</i>		52
<i>skipped question</i>		56

My business is a member of Greater Mankato Growth?

Answer Options	Response Percent	Response Count
Yes	82.1%	55
No	17.9%	12
<i>answered question</i>		67
<i>skipped question</i>		31