

**October 2009  
 Middletown Business Climate Survey  
 Responses**

*FINAL RESULTS*

**October 2009 Score: 6.1 (+0.9)**

**April 2009 Score: 5.2**

*(scale of 1 to 10 with 1 as poor business climate and 10 excellent business climate)*

Number of emails sent: 489

Number of replies: 74

Response rate: 15%

**Respondent Distribution**

*Respondents score Middletown's current business climate on a scale of 1 to 10.*

	Oct			Apr		Quintiles	Oct	Apr
	Score	#	%	#	%		%	%
Excellent Bus. Climate	10	1	1%	0	0%	Top Quin.	5%	7%
	9	3	4%	3	7%	Upper Middle Quin.	38%	22%
	8	16	22%	2	5%	Middle Quin.	38%	39%
	7	12	16%	7	17%	Lower Middle Quin.	16%	17%
	6	18	24%	7	17%	Bottom Quin.	3%	15%
	5	10	14%	9	22%		Oct	Apr
	4	6	8%	4	10%	Bulls vs. Bears	%	%
	3	6	8%	3	7%	Bulls (8 thru 10)	27%	12%
	2	2	3%	2	5%	(4 thru 7)	62%	66%
	Poor Bus. Climate	1	0	0%	4	10%	Bears (1 thru 3)	11%

**Revenue compared to last year**

	October 2009		April 2009	
	#	%	#	%
Revenues are increasing	21	28%	9	22%
Revenues are remaining the same	25	34%	10	24%
Revenues are decreasing	28	38%	21	51%

**Workforce in the next six months**

	October 2009		April 2009	
	#	%	#	%
Workforce increasing	18	24%	7	17%
Workforce remaining the same	46	62%	24	59%
Workforce decreasing	10	14%	10	24%

**Local Business Reactions to current Business Climate**

	October 2009		April 2009	
	#	%	#	%
Making changes of some sort	60	81%	32	78%
Nothing at the present time	14	19%	9	22%

**Actions Currently Being Taken By Local Businesses**

	October 2009		April 2009	
	#	%	#	%
Increasing internet advertising	29	39%	9	22%
Increasing staff training	18	24%	7	17%
Reducing advertising	11	15%	8	20%
Reducing inventories	9	12%	13	32%
Reducing workforce	7	9%	10	24%
Reducing prices	7	9%	9	22%
Increasing newspaper advertising	7	9%	3	7%
Reducing salaries	5	7%	7	17%
Offering coupons	4	5%	4	10%
Increasing Inventories	0	0%	0	0%
Other	20	27%	13	32%

Other actions:

- Reducing budget line items across the board.
- Reduced earlier but now maintaining.
- Refining our message.
- A lot of internet ads....decreasing newspaper ads...email contact marketing.
- Bought two people back but office staff 35 hr week
- Networking.
- Salary freezes.
- Excellent customer service!---personal hands on care and involvement with my clients....follow through on all points for the client.
- Industry research, advertising, & marketing.
- Seeking out of state opportunities.
- Increasing marketing/networking/creative thinking.
- Expanding active personal marketing.
- Trying to make more personal contacts.
- Growing by increasing sales with our current customer base
- Staying lean with staffing
- Going door to door in different neighborhoods
- Reduced staff last month, participating in state program "Shared Work Program"
- The type of services that I offer. Interior design is not a priority
- Radio Advertising
- special discounts for yearly pre-booked appointments

## **Biggest Factor Preventing Revenue Growth**

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### General Market Conditions Responses- 27 (36%)

- Lack of consumer interest in our product which is real estate.
- The economy
- The economy is forcing business owners (our customer base) to save money instead of spend it.
- People are not buying homes or automobiles
- Self restraint. 75% of our clients are public agencies - the State of CT and municipalities throughout NE. Public spending equals work for us and the whole construction industry.
- The Economy
- The economy in general and very few downtown shoppers.
- Industry trends from print to other media.
- ECONOMY OFFICE SUPPLIES AND FURNITURE ARE DOWN
- The economic climate and lesser amounts of money being spent on the arts - people seem to have less "disposable" income which is impacting the arts community somewhat.
- The Business health of other companies, organizations, and concerns.
- Slow economy. Limited resources.
- Overall economic market factors, smaller budgets, low-ball competitors, and under-educated clients
- People are concerned about the economy, so they don't even spend sometimes on what important things ... like their health
- Businesses moving out of area
- Demand for services and increased competition
- The lack of business in this economy - our clients are just not spending \$ on anything right now.
- Economy
- Over caution by business owners
- Cost of labor, lack of population numbers in marketplace to purchase
- No one is buying
- As we are a non profit organization, lack of funding continues to be our major problem
- economy
- Lack of sales (economy) global competition
- Tough economic conditions.
- Lack of discretionary income

### Financing Responses- 7 (9%)

- Financing.
- Funding.
- Tight credit, uncertainty about the direction of the economy.
- Government Funding
- Tight credit markets for businesses and individuals.
- Access to capital.
- The general lack of cash accessible to businesses and developers.

### Available Commercial Space Responses- 6 (8%)

- Affordable office space

- Not owning my own building.
- Office rental space too expensive.
- Space and staffing.
- Lack of space.
- More space

#### Regulations and Taxes Responses- 4 (5%)

- State Government mandates, increases in taxes and fees for businesses.
- Taxes
- So much red tape in things we try to do.
- Overall sectors being down and the cost of doing business in CT - property taxes, electricity, etc

#### Parking Responses- 3 (4%)

- Parking. It really is that simple.
- The need for more parking.
- Alas, the difficult parking situation has turned off some prospective clients.

#### Finding Employees and employee costs Responses- 3 (4%)

- Qualified staff/employees with a work ethic.
- Space and staffing.
- Sales talent

#### Other Responses- 18 (24%)

- Word of mouth referrals
- Zoning restrictions, economy
- Majority of medium and large businesses are not locally owned and operated.
- My location, down the walkway from Main Street is much less traveled.
- Our office space is too small...our parking lot is too small. I tried, via a local attorney...to go and get OFFICE SPACE on Main Street in a beautiful building that was coming available (with parking). The attorney said the TOWN told me NO!!! The Town said NO office space on Main Street... only RESTAURANT and RETAIL!!! HOW CRAZY. Doesn't the town realize that downtown office workers are the ones who will patronize the RESTAURANTS. And after work they will stay downtown. I am a manager of a real estate company. Please tell me...how many Main Streets in the USA do not have a Real Estate company on them. We want a main level "walk-in" office space with store front exposure and parking. i.e. the old RITE AID building.
- Expense of marketing.
- Time and resources.
- High cost of operating and one of the softest markets in recent memory.
- Decline of the corporate work force.
- The cost of doing business. Higher costs. - Less income. = Less profit
- Lack of foot traffic on Main St.
- Marketing
- Nothing at the moment
- Public perception of Main street. Although the crime rate of our town is so low and the business climate generally good, people perceive Middletown as the place where panhandling occurs.

- getting grants and funding to complete bringing The Historical 1926 Paddle wheel Riverboat , The Becky Thatcher
- My clients aren't paying me, because they aren't getting paid from their clients.
- Lack of a modern facility
- The fluxuation in business - summer to school year. Lack of a relationship with Middletown Schools. \*we work throughout the State

## **Local Government Actions To Help Improve Business Climate**

### Public Service, Budget & Taxes Responses- 15 (20%)

- Lower property taxes or at least a property tax deferral on purchases of new production equipment.
- Provide quality services.
- Do not raise taxes
- Control of city government costs. Union agreements that offer excessive vacation time and holidays. I see too many city employees in city vehicles doing personal business. Exp: 10:00AM in the morning at the bank cashing a check in a city vehicle.
- Lower taxes
- Make the city more appealing to draw people from out of town to come eat and shop here. That is clean it, get rid of the drunks, panhandlers and loitering on main street. Pick up garbage, rid graffiti, replace dead vegetation. Get the two parks cleared of drunks etc. so that normal working people can enjoy them. Move the Hartford bus stop off main St! We could go on and on, those are some. Thank you.
- Lower property tax
- Less taxes, Not focusing only on the downtown area improving infrastructure in the south side of the town.
- Stabilize the tax base. Maintain a positive (bi-partisan)image. Maintain services. Maintain quality of life improvements.
- Increased VISIBLE police presence on Main street. smarter P n Z officials, the current collection seems corrupt and inept .
- Reduce taxes
- Improve City IT, like computers at Assessor, City website (new GIS system is worse than old-- When generating a map for viewing/printing, the system doesn't seem to work properly with any browser except Safari. - I cant click on abutting properties to view them, and have to start the search process all over again for the abutting property)
- Decrease taxes=flat tax fire tax,limit fire tax to realestate, give decreased % of taxes to 55 and older with cap on total \$ reduction(limited to \$x\$) not tied to income. Expand school choice by adding alternative education funding - charter/magnet-cirriculum enhancement similar to hartford academy(offer to both public+private schools to aid cirriculum initially partial day then as programs build adjust to full day). Early childhood enhanced program Pre-K-first grade/ Montessori method or other method.
- Tax incentives, will help reduce costs of doing business
- Tax abatement or deferral

### Marketing, Programs, & Public Events Responses-11 (15%)

- Middletown has an emerging business identity but I would suggest increasing efforts to promote it - a visible ad campaign.
- Attract retail establishments (other than restaurants) to the downtown. Encourage our schools, organizations and city agencies to patronage local businesses wherever possible.
- Try a little harder to steer business locally. I don't feel the love!
- Promote nonprofits and foundations and their contributions to the community and business and the economy.
- Increase ways of local businesses to communicate their services and needs with one another - not just to the general public; create a broad-based bartering initiative, as well.
- Look at any means to improve the economy and bring people into town.
- Create Middletown into an activity hub. Besides the auto, bike & regatta, what else puts Middletown on the map?
- Offer job training and teach professional skills at the high school level ie: telephone etiquette, the alphabet, typing, the importance of being ready to work at the time they are scheduled to work by arriving at work, getting coffee, using the bathroom, etc. prior to the scheduled work time
- Provide additional support to education and training.
- Encourage and stimulate spending.
- Bring in retail downtown to increase foot traffic.

#### Grants & Financing Responses- 10 (14%)

- Offer small business incentives to keep local companies and Middletown.
- Offer incentives to local residents to purchase in our area, or offer discounts to public employees to buy in the town they work in.
- More support and tax breaks for small business owners.
- Make zoning more open and easier, grant more tax exemptions, advertise Middletown Community businesses.
- Increase funding
- Small business grants.
- Incentives for expansion. Get out and meet the business owners, see what makes us tick.
- Assist minority businesses with minimal initial start-up funding.
- The City of Middletown has been very supportive with getting Becky Thatcher to Connecticut but I do need a Grant to complete this project .This 220ft vessel will help bring the riverfront to Main Street with more commerce.
- Increase available funding for non profit organizations that work to improve the lives of the residents of the City of Middletown.

#### Parking & Public Infrastructure Responses- 7 (9%)

- Plan for more parking by and near businesses.
- Fix infrastructure and build necessary improvements.
- For my location, put in more signs directing people down the walk way, maybe tables in the warmer months for people to sit.
- Put up a parking garage. AND Bring in a BIG BOX store....for basic shopping needs downtown. Move Destinta theater .... and utilize that area. AND for FAR in the FUTURE. Utilize the WATERFRONT on the CT RIVER!!
- Improve traffic flow on Newfield Street.
- Help the state expand Newfield St.

- Clean up downtown and make it safe

#### Other Policies Responses- 18 (24%)

- I don't think local government is a significant factor in this particular economic climate.
- Populate the vacant auto dealerships.
- No specific suggestions.
- Speak to Legislators and Senators on how the REDUCTION of Government Funding is hurting the Health Care Industry.
- I think local government is limited in its options.
- Continue to make it more affordable for business to come to Middletown.
- Middletown has a vital and interesting Main Street. It would be wonderful to have more local people access and support the type of musical fare that the Greater Middletown Chorale offers and has for over 30 years. Our membership in the local Chamber of Commerce, although interesting, has not resulted in the hoped for audience-building due to GMC's visibility at meetings, etc. We realize that we are not a "typical" business, but many of our members do, on a regular basis, support the businesses in town and the fine restaurants that are present.
- You in local government have your own agenda which business owners like myself have little or no control over. All I can say is - strive to do right by the people who have to live with your choices.
- Stand behind the business community and address their needs.
- Keep supporting local business.
- I have no idea.
- NOTHING FOR OUR COMPANY
- Remove so much of the red tape
- Review every new request for changes to laws, permit processes, insurance, etc., to ensure that it won't hurt the business climate. Unintentional consequences still hurt.
- Keep smiling, you're doing great!
- Encourage diversity in growth of retail business, develop plans for nurturing new, small business in the commercial/industrial area.
- On bids for services, take the time to explain to unsuccessful bidders reasons for not being selected or short listed.
- Support local businesses by facilitating opportunities.