

BUSINESS CLIMATE SURVEY REPORT

SPRING 2021



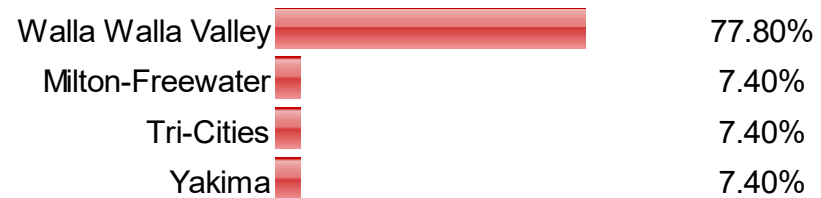
BAKER BOYER

BUSINESS CLIMATE SURVEY - 2021

Baker Boyer is conducting a biannual survey focusing on the economy in Eastern Washington to help better serve businesses in understanding how they are navigating and adapting to the local economic environment. This survey covers areas like employee compensation, revenue trends, and capital spending. All of which you can use to help your business.

(Please note the below is a summary of all the survey respondent's answers and we intentionally omitted respondent's comments from this shared file for sake of anonymity.)

1. Is your business in Walla Walla Valley, Milton-Freewater, Tri-Cities, or Yakima? Check all that apply.

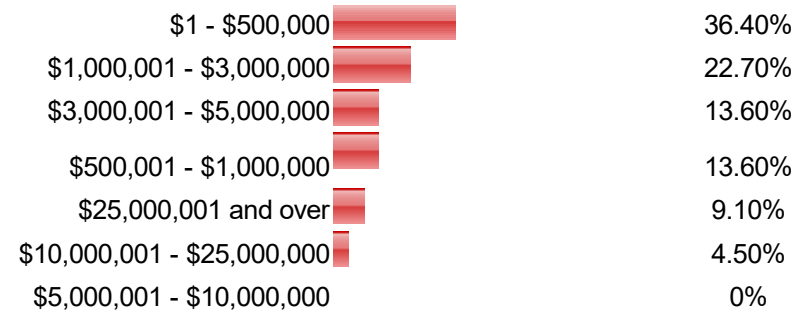


2. What is your current average employee FTE (full-time equivalent) count?

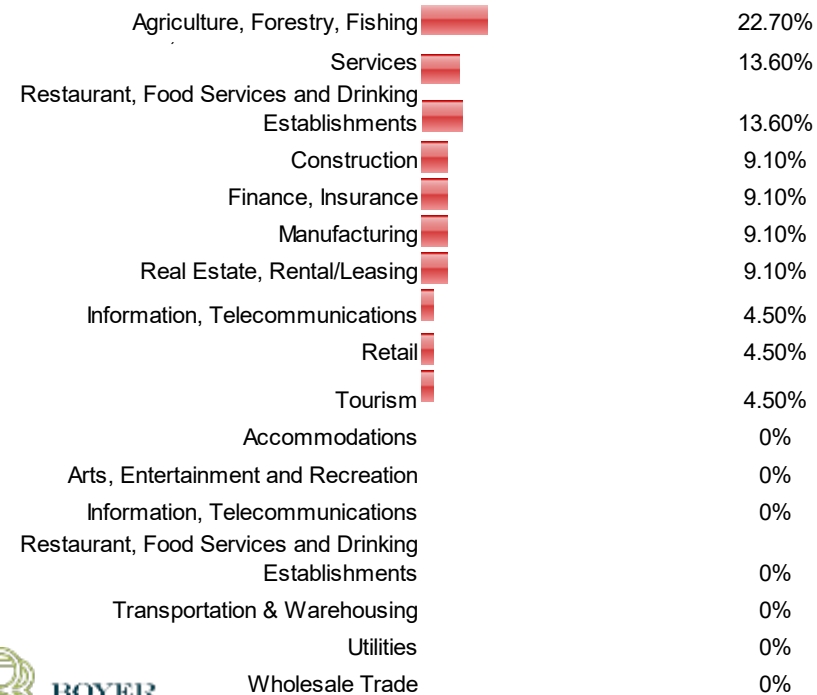


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3. What is your average annual gross revenue?

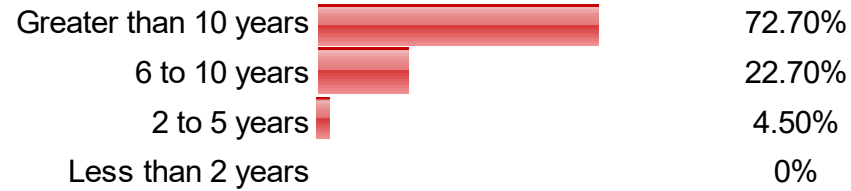


4. Which sector best describes your business category?

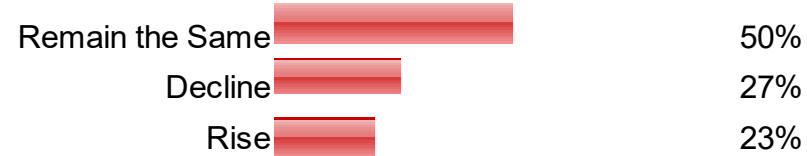


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5. How long has your company been in business?



6. Do you expect profit margins at your company, and other businesses that you are familiar with, to decline, remain the same, or rise in 2021?



7. What factors are most important for your profit outlook in 2021? Check all that apply.



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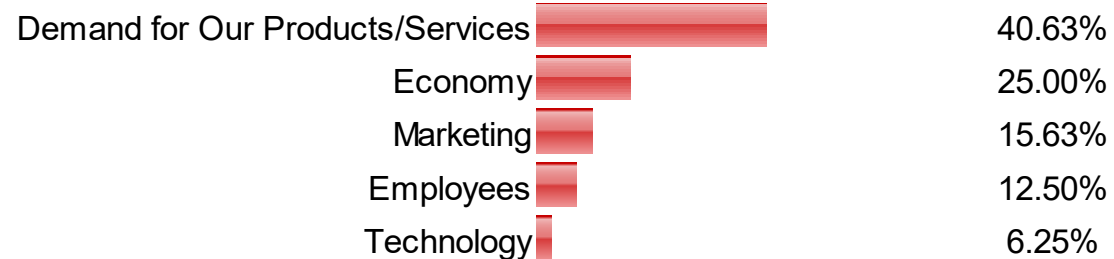
8. Are you increasing or decreasing your capital spending?



9. Are terms and availability of credit influencing current capital spending plans for your business or the businesses you are familiar with?

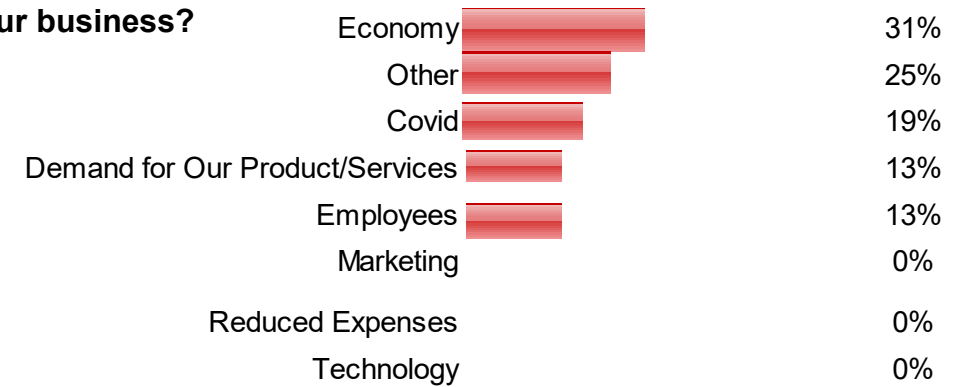


10. If applicable, what factors have contributed to modest or high revenue growth at your business?



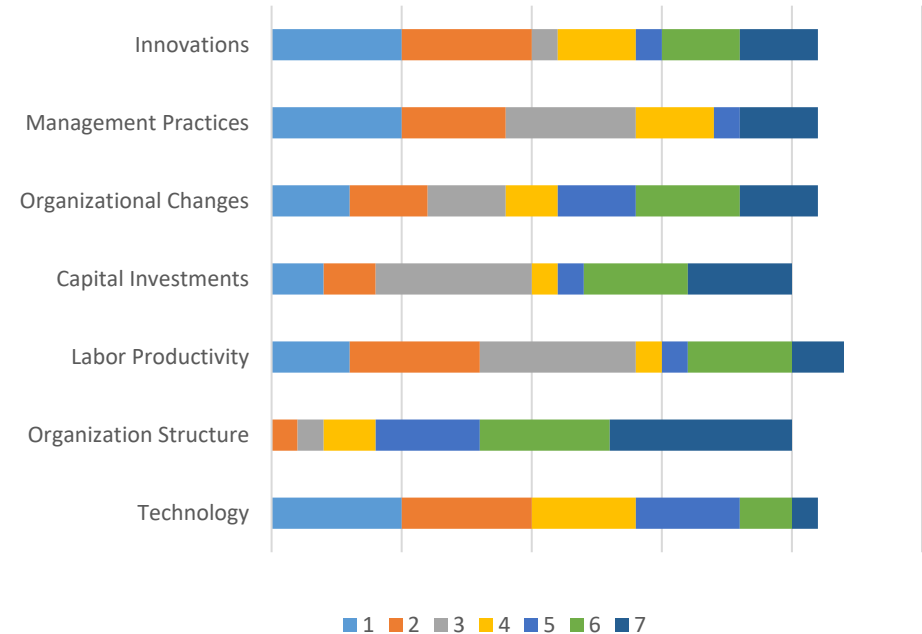
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11. If applicable, what factors have contributed to a lack of revenue growth at your business?



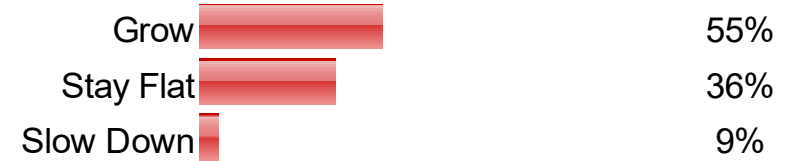
12. Which of the following will have the greatest impact on improving productivity and efficiency going forward? Rank in order of importance (1 being most important & 7 being least important):

*Most important featured in blue (left) to least important, dark blue (right)



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13. In the first half of 2021, did the profitability of your business(es) stay flat, grow or slow down?



14. Are you planning any changes in the second half of 2021 related to your business strategies?



15. Are you planning any changes in the second half of 2021 related to your prices?



16. Are you planning any changes in the second half of 2021 related to your hiring?



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17. Are you planning any changes in the second half of 2021 related to employee compensation?



18. Are you planning any changes in the second half of 2021 related to your business investment?

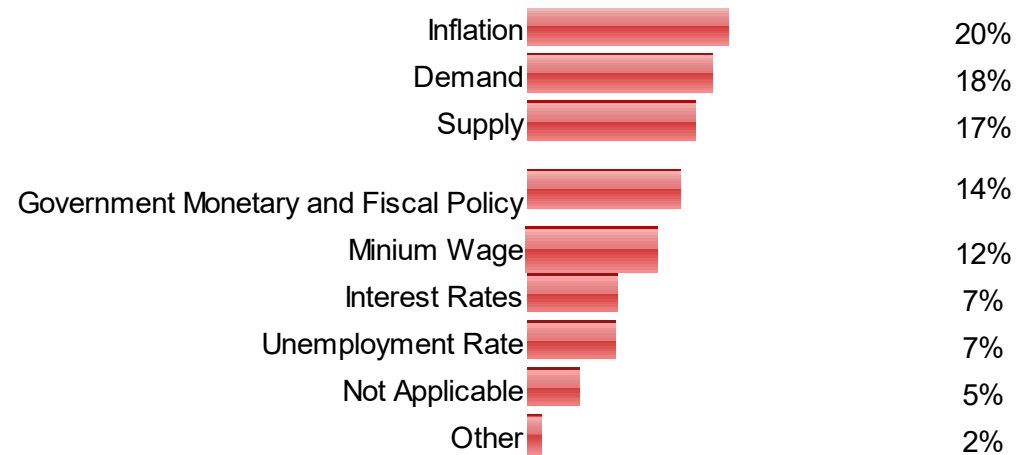


19. Do you expect any changes in prevailing price trends in your industry or others you are familiar with going forward?



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20. What factors underlie these recent and expected pricing patterns?



21. Have you observed any recent changes that might affect hiring activity in your business or industry?



22. Have you observed any recent changes that might affect capital spending activity in your business or industry?

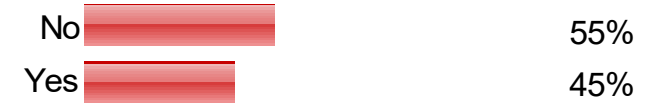


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23. Do you expect uncertainty about future economic policy to be a significant factor in near-term decisions?



24. When it comes to new hires is your firm experiencing more significant compensation pressure?



25. When it comes to skilled workers is your firm experiencing more significant compensation pressure?



26. Is your company experiencing wage compensation pressure overall?



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27. Is your company experiencing non-wage compensation pressure (health benefits, etc.)?



28. What are your expectations for sales growth for your business and industry over the remainder of the year?



29. Do you expect sales or revenues to accelerate, remain stable, or slow down compared with 2020?



30. How does the recent pace of voluntary turnover at your business, and those that you are familiar with, compare with that in 2020 and 2021?



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