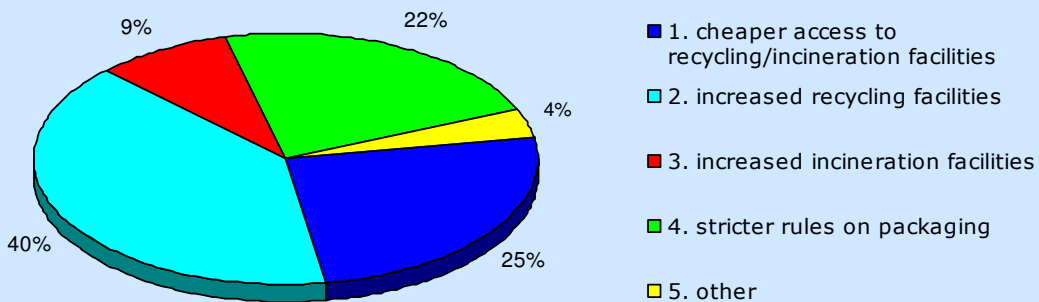


KEYNOTES FROM FEBRUARY

Waste, what is the best way forward?

In terms of the waste accumulated and generated by your business, what do you think would be the best way forward?



About the respondents:

In the February 2006 survey 138 respondents were drawn with the following population characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
26.1%	8.0%	65.9%	100.0%

Turnover (£)			
< 1 M	1M-3M	>3M	Total
70.3%	17.4%	12.3%	100.0%

Number of Full-time Employees					
1-10	11-20	21-50	51-100	100+	Total
61.6%	23.9%	7.2%	3.6%	3.6%	100.0%

The Panellist's view:

“The ultimate way to control waste is through the price mechanism. Supermarkets should be taxed on their waste and the consumer should also be made to pay more for non-essential packaging.”

> THE QUESTIONS FEBRUARY 2006

Energy prices, price setting, diversity training, and waste are among the topics explored this month.

Q1. To what extent do you expect the recent increase in energy prices to impact upon your business?

Q2. Which of the following is the main influence upon the prices you charge? .

Q3. Diversity training is widely believed to bring benefits to business, such as improved team-working, motivation and productivity.

Do you feel that such training has benefited/would benefit your organisation?

Q4. To what extent do you use team building activity as a means of ensuring a more effective workforce?

Q5. Approximately how much of your expenditure is devoted to oil, gas and electricity costs expressed as a proportion of turnover?

Q6. Approximately how much of your expenditure is devoted to Research and Development expressed as a proportion of turnover?

Q7. Job centres are currently offering a 'work/trial' scheme, which allows individuals currently receiving benefits to be given a work trial for up to 15 days. During the trial, the potential employee remains on benefits, and there is no need to put them onto the payroll until a job offer is made at the end of the trial. If you had a vacancy, would this be a practical proposition for your business?

Q8. Recent reports suggest that larger businesses in the UK have increased the average payment time to 80.6days. To what extent is late payment an issue for your business?

Q9. If seeking substantial additional finance for your business, which of the following sources would be your preferred choice?

Q10. This month, parliament voted to impose a complete ban on smoking in public places.

When implemented, do you foresee a need to monitor staff time taken up with cigarette breaks?

Q11. Last month, the DTI's Small Business Service kicked off its Enterprising Britain competition, the government's annual search for the town, city, place or area in the UK that best encourages enterprise. The competition criteria state that candidate towns/cities/places/areas must demonstrate how they have supported and promoted enterprise over the last three years and encouraged an entrepreneurial spirit within the community. Do you consider that your area would be strongly placed in the competition?

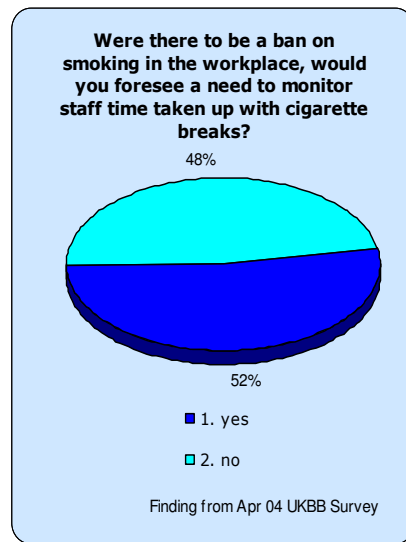
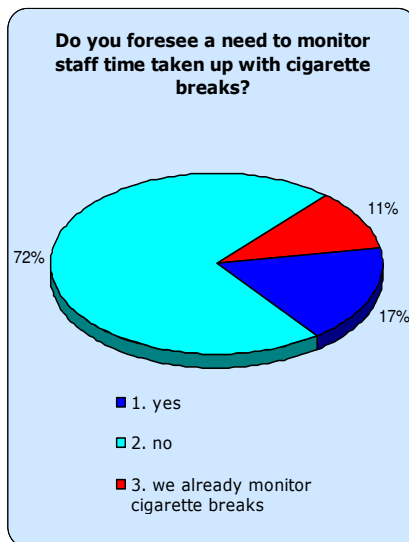
Q12. Government is keen to make homes and businesses more responsible for the reduction of waste and, is considering increasing the number of incinerators to create 'energy from waste'. In terms of the waste accumulated and generated by your business, what do you think would be the best way forward?

Smoking Ban in public places

Do businesses feel the need to monitor staff cigarette breaks?

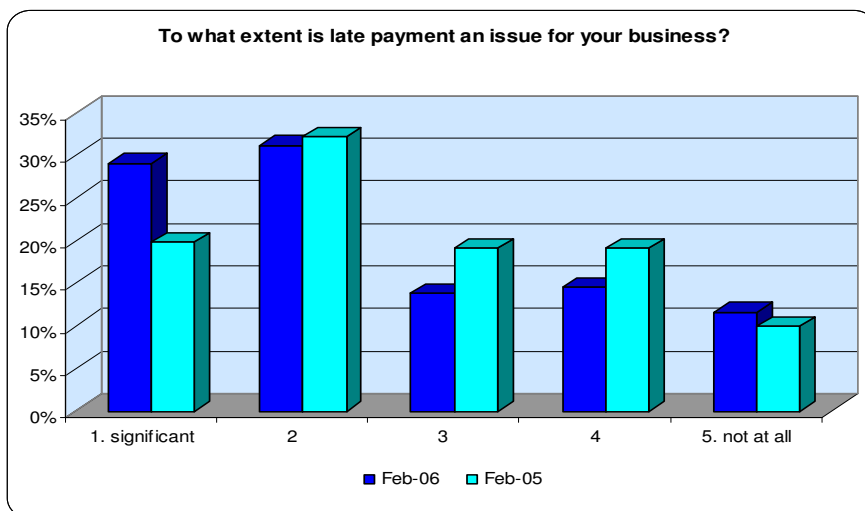
In February, parliament voted to impose a complete ban on smoking in public places, including workplaces.

UKBB respondents showed that although 28% of either already monitor their employees' cigarette breaks, or see the need to do so, 72% don't foresee the need. This has risen from 48% two years ago.



LATE PAYMENT

Year on year comparison shows no improvement.



The Panellist's view:

"We only do business on 30 days and will refuse business from any company which demands a longer period. Recently a large US owned company demanded 90 days and we negotiate 30 days. 80 days is a scandal and hurts small businesses disproportionately."

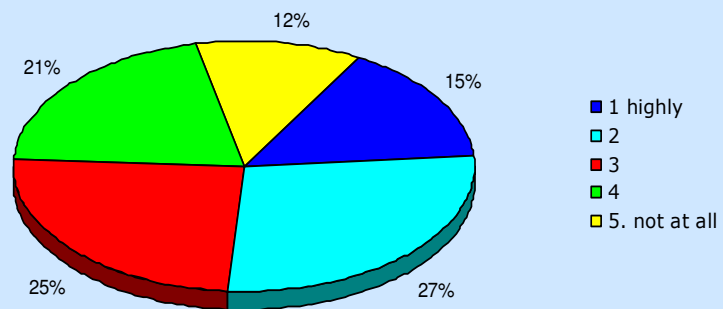
> ANALYSIS FOR FEBRUARY 2006

SME'S BRACE THEMSELVES FOR FURTHER INCREASES IN ENERGY PRICES

Expected rises to have major financial impact

Just over a quarter of the UKBB panel are in Production and Manufacturing, a sector that has seen 2005 price rises of 24–26 per cent for gas and 21–31 per cent for electricity. These further expected increases are likely to have a significant impact.

To what extent do you expect the recent increase in energy prices to impact upon your business?



MORE FINDINGS FOR FEBRUARY

A round up of further issues explored on the Barometer Project.



Benchmarking key issues for smaller businesses

February's UKBB survey also asked for panellists' views on: price setting, diversity training, team

building, fuel expenditure, research & development expenditure, the Job Centre's 'work/trial' scheme, seeking additional finance and 'Enterprising Britain'.

To access the full version of the February analysis visit www.ukbb.ac

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