

**UKBB/UKBAB press release January 2008 reflecting November 2007 findings BB114/BAB63**

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**Business enthusiasm wanes  
over expansion of the EU**

The biggest-ever enlargement of the European Union has not been good news for smaller UK businesses, according to an internet survey run by The University of Nottingham Institute for Enterprise and Innovation (UNIEI).

Responding to the latest UK Business Barometer (UKBB), 52 percent of smaller business owners said the addition of 10 new countries to the EU had not opened up new markets or presented new opportunities for their companies. Those with a negative view outnumbered those who thought EU expansion had brought benefits by more than four to one.

When asked if EU expansion had opened up new possibilities for supply, they were similarly negative – with 59 per cent of UKBB respondents saying there had been no new opportunities compared to only four per cent who took a positive view.

The latest survey follows up on a similar set of questions asked in May 2004, when 10 new countries – Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia – joined the EU in its single largest expansion to date.

In 2004, business people were more positive about the move. But that enthusiasm has waned in the subsequent three-and-a-half years, latest findings suggest.

The effects of continued turbulence in the financial markets continues to be felt, with 57 per cent of business advisers responding to the parallel UKBAB survey that their clients have found it more difficult to access external finance over the last six months, while only two per cent have found it easier.

Respondents to the UKBAB were asked about their clients' cash flow positions compared to the same time last year. Only 10 per cent thought it was more favourable, compared with 42 per cent who thought it was less favourable.

Business advisers were also worried about their clients being affected by falling house prices, with 53 per cent believing their clients will be affected 'negatively' or 'very negatively' by the slump in the housing market. Only eight per cent thought their clients would benefit.

The UKBB and UKBAB (UK Business Advisers Barometer) are run by The University of Nottingham and operate over the web to generate very rapid results. The surveys have unique software that enables results to be processed and posted on their respective websites immediately they arrive.

The surveys assess current business conditions through a series of topical questions aimed at smaller businesses and their advisers. The surveys are issued bi-monthly and more information, including results and analyses, can be found on the web at [www.ukbb.ac](http://www.ukbb.ac) and [www.ukbab.ac](http://www.ukbab.ac). Businesses and advisers wishing to contribute as panellists on the project should visit the appropriate Business Barometer website to register.

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Notes to editors: The University of Nottingham is ranked in the UK's Top 10 and the World's Top 70 universities by the Shanghai Jiao Tong (SJTU) and Times Higher (THES) World University Rankings.

It provides innovative and top quality teaching, undertakes world-changing research, and attracts talented staff and students from 150 nations. Described by The Times as Britain's "only truly global university", it has invested continuously in award-winning campuses in the United Kingdom, China and Malaysia. Twice since 2003 its research and teaching academics have won Nobel Prizes. The University has won the Queen's Award for Enterprise in both 2006 (International Trade) and 2007 (Innovation - School of Pharmacy).

Its students are much in demand from 'blue-chip' employers. Winners of Students in Free Enterprise for three years in succession, and current holder of UK Graduate of the Year, they are accomplished artists, scientists, engineers, entrepreneurs, innovators and fundraisers. Nottingham graduates consistently excel in business, the media, the arts and sport. Undergraduate and postgraduate degree completion rates are amongst the highest in the United Kingdom.

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