

News

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FOR IMMEDIATE RELEASE

SECOND KEY4WOMEN CONFIDENCE INDEX FINDS IMPROVEMENT IN IMPORTANT BUSINESS INDICATORS

In new Center for Women's Business Research Poll of Women Business Owners, 42 Percent of Respondents see a Rebound in Business Earnings

WASHINGTON, D.C., December 2, 2009 – Women business owners surveyed by the Center for Women's Business Research for the second Key4Women Confidence Index in late October 2009 are seeing the beginnings of the recovery, as sales and net earnings show improvement. But the glass is still only half full, as nearly half of the respondents report that the recession is still significantly or considerably affecting their businesses.

These women business owners clearly believe the economy is on the mend, with only 7 percent of the respondents saying that they believe the economy will get worse in the next six months, while 54 percent believe business conditions will improve. And 42 percent of the respondents are already seeing improvement in net earnings, while 40 percent saw an increase in sales.

"The results of the second Key4Women Confidence Index provide interesting insight into how the **recession** is playing out for a diverse group of women business owners," said Gwen Martin, PhD, director of research and interim executive director of the Center for Women's Business Research. "For example, though the overall economy continues to shed jobs, the women business owners responding to our survey have maintained and plan to continue to maintain a stable workforce."

Only 13 percent of respondents had decreased the total number of employees in their business in the third quarter of 2009 and only 8 percent planned additional decreases in the next three months, while 26 percent planned to hire in the next three months.

Despite signs of improvement, these women business owners don't feel they have significant pricing power, with 58 percent of respondents saying they kept their prices about the same in the

third quarter of 2009 and 60 percent expected to keep prices at current levels through the end of the year.

The Center for Women's Business Research partners with KeyBank on the Key4Women Confidence Index to investigate how women-owned firms are faring in the larger economy. The survey is conducted in the spring and fall each year in order to track trends on specific variables of importance to business sustainability and growth.

"The Key4Women Confidence Index helps us understand how women business owners are thinking about their companies, responding to economic climate and using business services," said Maria Coyne, executive vice president and founder of the Key4Women program. "When we see, for example, that 46 percent of these women business owners haven't sought credit in more than a year, it suggests that we still need to get the message out about borrowing and using credit strategically."

The survey for the current Key4Women Confidence Index was conducted in October, with 90 women business owners responding from a pool of more than 400 members of the W-Biz Insight panel. The W-Biz Insight panel is a diverse group of women business owners, including new and veteran business owners from a range of industries, whose companies have annual revenues from less than \$25,000 to more than \$15 million. The companies range from being sole proprietorships to those with more than 100 employees. The panel includes, but is not limited to, Key4Women members.

"The Index shows that women business owners are a resilient group, who pay careful attention to their business and to the trends in the larger economy," said Beverly Holmes, chair of the Center for Women's Business Research. "They are focused on improving their marketing, networking, products and services to survive now and position their businesses for ongoing success. At the Center for Women's Business Research, we seek to understand how women business owners are running their businesses to allow us to better inform policy decisions at the national level."

About the Center for Women's Business Research

The Center for Women's Business Research provides data-driven knowledge that advances the economic, social and political impact of women business owners. The Center does this by setting the national agenda; creating insight on the status and achievements of women business owners; altering perceptions about the economic viability and progress of women-owned enterprises; and driving awareness of the economic and social impact of this vital business sector. The Center is continuing to accept new members of the W-Biz Insight panel. Women who own at least 25 percent of a business and would like to participate in future surveys can register at www.womensbusinessresearch.org.

About Key4Women

Key4Women is a KeyBank program dedicated to helping women business owners achieve success by providing them access to capital, customized solutions, ongoing education, and networking opportunities. The program is grounded in research and insights that show women business owners face distinct challenges from, and do business differently than, their male counterparts. Key4Women is delivered to the client by a dedicated team of Key4Women

Relationship Managers throughout KeyBank's 13-state footprint. Passionate about helping women business owners achieve success, Key4Women has, since 2005, lent \$3 billion to qualified women-owned businesses, and has pledged to lend another \$3 billion to women-owned businesses by 2012. Key4Women increases resources to women business owners through national and local partnerships, including those with the Women's President Organization (WPO), the Center for Women's Business Research and the National Association of Women Business Owners (NAWBO). For more information, visit <https://www.key.com/women>.

For more of Maria Coyne's thoughts on the Key4Women Confidence Index and other business topics, visit her Maria on Money blog at: www.mariaonmoney.com.

About KeyCorp

Cleveland-based KeyCorp is one of the nation's largest bank-based financial services companies, with assets of approximately \$98 billion. *BusinessWeek* magazine recently named Key the top bank on its 2009 "Customer Service Champ" list, ranking Key 11th out of 25 companies known for customer service acumen. Key companies provide investment management, retail and commercial banking, consumer finance, and investment banking products and services to individuals and companies throughout the United States and, for certain businesses, internationally. For more information, visit <https://www.key.com/>.

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Note to Editors: For a copy of the full survey report contact Marylee A. Gotch at (216) 689-5254 or marylee_a_gotch@keybank.com.