

**NEW INDEX REVEALS AMERICA'S SMALL BUSINESSES  
ARE OPTIMISTIC ABOUT THEIR FUTURE**  
*Majority of 1,000 Small Business Owners Surveyed Were Profitable in 2008,  
Believe Success will Continue or Even Improve This Year*

**Herndon, VA – March 12, 2009** – Network Solutions® ([www.networksolutions.com](http://www.networksolutions.com)) and the University of Maryland's Robert H. Smith School of Business ([www.rhsmith.umd.edu](http://www.rhsmith.umd.edu)) announced today the launch of the Small Business Success Index®, an ongoing measurement of the overall health of U.S. small businesses based on a telephone survey of 1,000 small business owners. The benchmark survey, which gathered data used to create the Small Business Success Index, was conducted in December 2008 and January 2009 and found that **69% of small businesses were profitable in 2008.**

The Small Business Success Index also revealed the **majority (69%) of those who showed a profit in 2008 said their success was equal to or better than the previous year** and **70% of small businesses expect their firms to still be operating in five years as opposed to being closed, sold or transferred.** Regardless of the current economic downturn, nearly half of small businesses surveyed believe the economy will improve or at least remain unchanged in 2009. In fact, small businesses are still investing in their companies with **67% planning to spend the same or increase overall business spending,** according to survey results.

According to the U.S. Census Bureau, there are more than 27 million small businesses in the United States, employing more than 40 million people<sup>1</sup>. "American small businesses are the bedrock of the U.S. economy, generating more new jobs than big corporations, but they find themselves without assistance from the government during these unsettling times," said Roy Dunbar, CEO of Network Solutions. "Network Solutions believes it is especially important now to establish a way to monitor the health of this vital segment of our economy, so that all who serve this constituency will be able to better address their needs and help them succeed."

Small businesses included in the study were privately owned (not publicly traded), for-profit, had fewer than 100 employees and had a payroll and/or contributed to at least 50% of the owner's household income. The resulting Small Business Success Index identifies and measures the factors that lead to success. A small business can compare its company to its peers by taking the survey and receiving a quantitative analysis in return at [www.growsmartbusiness.com](http://www.growsmartbusiness.com).

"Small business owners' optimism during the current economic downturn has a correlation to how competitive they are in being customer oriented," said P.K. Kannan, director of the Center for Excellence in Service at the University of Maryland's Robert H. Smith School of Business. "Those that are more engaged in understanding their customer needs, creating relationships with customers and increasing the value of their customer base through marketing activities and innovations are also those that are the most optimistic."

#### **Key Findings from the Small Business Success Index:**

- **Small businesses are succeeding despite the economic downturn.**
  - 69% of small businesses made a profit in 2008
  - 7% of small businesses report that they broke even
  - The majority (69%) of those who showed a profit in 2008 indicated it was equal to or better than 2007
  - 70% of small businesses expect their firms to still be operating in 5 years as opposed to being closed, sold or transferred, and of these, 66% expect to be bigger in size

<sup>1</sup> U.S. Small Business Administration, Office of Advocacy

- **Small businesses are optimistic, regardless of the current gloomy economic situation.**
  - 23% of small businesses believe the economy will improve in 2009
  - 26% of small businesses believe it will remain unchanged in 2009
  - 48% of small businesses expect a decline in 2009
  
- **Small businesses are still investing in their companies, in spite of the 48% of small business owners expecting the economy to be in decline in 2009.**
  - 25% plan to increase their overall business spending
  - 42% plan to spend the same
  - 31% plan to decrease their spend
  - 23% plan to increase spending on professional development of employees
  - 26% plan to increase their internet marketing budgets, including online advertising and website development

For more information about the Small Business Success Index, please visit [www.growsmartbusiness.com](http://www.growsmartbusiness.com).

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#### **About Network Solutions, LLC**

As the leading provider of Web solutions for small business, Network Solutions offers a full range of services that include easy to build websites, hosting, web design, e-commerce software, search engine marketing, SSL certificates, e-mail services, and domain name registration. Network Solutions draws on 30 years of experience to make it simple and affordable for customers to build and manage an online presence through a one-stop Web solutions provider. [www.about.networksolutions.com](http://www.about.networksolutions.com)

#### **About the Robert H. Smith School of Business**

The Robert H. Smith School of Business is an internationally recognized leader in management education and research. One of 13 colleges and schools at the University of Maryland, College Park, the Smith School offers undergraduate, full-time and part-time MBA, executive MBA, MS in business, PhD and executive education programs, as well as outreach services to the corporate community. The school offers its degree, custom and certification programs in learning locations on three continents — North America, Europe and Asia. [www.rhsmith.umd.edu/about/](http://www.rhsmith.umd.edu/about/)

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