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Almost All (92%) Say There are More Rewards than Downsides
in Running their Business*

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Markham, ON -- A new Ipsos Reid poll of Canadian small business owners, conducted on behalf of American Express, finds that nine in ten (89%) 'agree' (38% strongly/51% somewhat) that they 'love to get up every day' to do what they do. In fact, eight in ten (83%) 'agree' (31% strongly/52% somewhat) that 'since they started their own business, they have enjoyed a better quality of life'. Despite being exposed to many risks as a result of opening their own business, nine in ten (91%) indicate that there are more rewards than risks associated with running their business. Clearly enjoying what they do, 93% say that they would do it all over again.

Looking at the pros and cons of running their business, six in ten (62%) say that it's the independence and control that keeps them motivated to stay in business. And while four in ten (41%) suggest that the potential financial gains and profits motivate them, for others it's simply loving the work that they're doing (29%), their personal drive for success (22%), a commitment to their employees and customers (21%), encouragement from family and friends (3%) or a fear of failure (3%).

There is no doubt, however, that running a small business can be a demanding job, with 78% of respondents 'agreeing' (26% strongly/ 52% somewhat) that running their own business is 'stressful'. Small business owners work, on average, 45 hours a week, with nearly half (45%) working more than 50 hours in a typical week.

It's not just the demanding hours and commitment that are weighting on small business owners, but also the 'wary and cautious' attitude of most (65%) when it comes to the current state of the economy. Moreover, nearly seven in ten small business owners (68%) 'agree' (strongly 22%/somewhat 46%) that they worry about their future financial security, such as pension and retirement, compared with just 32% who 'disagree' (11% strongly/21% somewhat) that this is the case.

Why go It Alone?

The overwhelming majority (98%) of small business owners 'agree' (68% strongly/30% somewhat) that the independence and control to make their own decisions is rewarding, while close to nine in ten (88%) 'agree' (41% strongly/47% somewhat) that they are able to do the type of work they enjoy most.

It appears as though small business owners have enjoyed the freedom that comes with running their own business, with roughly half (55%) of those surveyed 'agreeing' (26% strongly/30% somewhat) that they would 'never work for anyone else again'. This is in comparison with the minority (45%) of small business owners who 'disagreed' (9% strongly/36% somewhat) with this statement.

The mystique of being ones own boss and making their own decisions (70%) appears to be the biggest reason why small business owners decided on the career path that they did, while



others cited 'making better use of my skills and knowledge' (46%). Interestingly, just four in ten (39%) said 'wanting to make more money' was a factor.

What is the Price of Success?

The majority of small business owners (77%) consider themselves to 'be someone who is able to balance work with relaxation', however 73% said that when they get time off, they still try to keep in touch with what's going on with the business. Conversely, only 35% say that when they get time off they 'shut it all down and take a complete break from business altogether'.

On average, small business owners take 2.7 weeks of vacation per year. Twenty eight percent take less than two weeks, while a similar proportion (28%) takes between 2 and 3 weeks. Only one in four (19%) manage to take 3 to 4 weeks off, while 4% take no vacation at all.

What Does it Take To Succeed?

One in ten (10%) small business owners considers themselves to be a 'high risk taker'. Nearly seven in ten (68%) say they are 'moderate risk takers', while 21% say that they are 'low risk' takers. However, a little luck never hurt anyone either. Over half (53%) of small business owners point to a 'breakthrough moment' that helped them propel their business to a higher level of success.

But it really appears to be all about the skills that entrepreneurs can bring to their business. Among the most often-mentioned traits needed to be an effective small business owner include being good with people (86%), organized (80%), being driven and committed (76%), and being willing to take risks (73%).

What Lies Ahead?

Nine in ten SBOs (89%) want to grow their business, but it appears that slow and steady wins the race. Fifteen percent have ambitions of growing their business dramatically, while 74% are in favour of more modest growth. Ten percent have no ambitions for future growth.

Looking at potential growth areas, 81% envision growing their business in the market they're currently in, while 19% plan on expanding in other areas of Canada. One in ten (12%) plans on expanding internationally, while an additional 11% plan to expand to the United States. Five percent (5%) also plan on growing by acquisition.

When looking ahead to the future, 37% of small business owners say that they plan to work as long as they can. Just under two in ten (16%) plan to sell the business off and retire, while an identical proportion (16%) plan to let others run it while still being involved somehow. Fewer plan to keep the business in the family and pass it off to a family member (11%), or have their employees buy it out (2%).

Valuable Lessons...

It appears that small business owners are generally happy with the decisions they've made, since six in ten (59%) say they wouldn't have done things any differently. However, four in ten (41%) would make some changes if they could do it all over again, offering answers ranging from having more education (6%) to conducting better market research (3%), hiring better staff (3%), or engaging in better financial planning (3%). Still, one half (49%) of those who would do something different don't know what that would be.

This survey was comprised of 762 Canadian Small Business Owners between August 28 and September 15, 2008. A recently released companion survey was conducted among 404 Small Business Owners from September 29 to October 6, 2008 to gauge their reactions to recent events in the

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economy. Both surveys were among Canadian small business owners having between 2 and 100 employees were conducted via Ipsos Reid's Ipsos I-Say National Online Panel. Statistical margins of error are not applicable to online polls, however, an unweighted probability sample of 404, with a 100% response rate, would have an estimated margin of error of +/- 5.0 percentage points, and +/- 3.9 percentage points for the sample of 762, 19 times out of 20, had the entire small business community in Canada been polled.

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