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## Press Release

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# **SANTANDER BANK AND GREATER PROVIDENCE CHAMBER OF COMMERCE HOST ECONOMIC OUTLOOK MEETING FOR RHODE ISLAND BUSINESS COMMUNITY**

## ***Real-Time Survey Finds that 82% of Business Leaders Believe Rhode Island's Economy Will Be in Better Shape in the Next 12 Months***

**PROVIDENCE, RI, March 28, 2017** – [Santander Bank](#) and the Greater Providence Chamber of Commerce (GPCC) hosted their 17<sup>th</sup> annual Economic Outlook Breakfast today for the state's business community. This annual meeting gives Rhode Island's civic and business leaders a forum to discuss the local economy and recent development projects in the Providence area. Approximately 350 corporate executives and business leaders were in attendance and participated in a real-time survey about the local and national economy in 2017 and challenges facing the Ocean State.

"As the Rhode Island economy continues to improve, it's important to bring together our leaders to discuss ways to build upon this momentum to further promote economic growth," said Mike Lee, Head of Commercial Banking at Santander US. "Prominent companies are moving or expanding in Rhode Island and there are a number of development and real estate projects in the Providence area, signaling a positive shift in our local economy," he added. "With its close proximity to Boston and New York and a more affordable cost of living, Rhode Island is attracting big businesses and a young, skilled workforce who are helping to stimulate the state's economy."

Governor Gina Raimondo delivered welcoming remarks, marking the third year in a row that she has addressed the audience at this popular event. Attendees then responded to a series of economic and business climate-related questions during a real-time survey.

The survey revealed that 60 percent of business leaders believe the U.S. economy will be in better shape over the next 12 months, while 28 percent believe it will stay about the same. Forty-six percent of those surveyed cited revenue and sales growth as the most challenging issues their businesses expect to face in the next year, while 18 percent noted talent shortage, and 14 percent chose regulatory requirements.

Thinking about their specific businesses, 61 percent of respondents believe it is in better shape this year than last year, while 11 percent said it is in worse shape today. More than 42 percent of those surveyed expect to increase their business's capital expenditure spending this year, compared to 48 percent who said it will not change.

More than 55 percent of those surveyed said that they will be hiring over the next year. Twenty-five percent indicated they will be hiring because current staffing levels cannot meet demand, while 19

percent cited projected sales growth, and another 15 percent noted they would be hiring because their current staff does not possess all of the skills they need. In terms of the current workforce, those surveyed cited technology skills and team building/group dynamics as the top two areas that need development by 33 percent and 23 percent respectively.

“As confidence in the local economy continues to improve, we must stay focused on helping businesses thrive in Rhode Island and maximizing the full potential of our economic assets. Today’s conversation underscores just how vital a modern and efficient infrastructure, a healthy business climate, private capital investment, outstanding higher education and world-class research institutions are to propelling our state forward,” said Laurie White, president of the Greater Providence Chamber of Commerce. “Thanks to the collaboration between Santander Bank and the Chamber, we are able to facilitate these important discussions among our leaders and to gather real-time insights from the business community about what they are seeing on the horizon.”

Following the survey, White moderated a panel discussion about regional business issues with panelists Iftikhar Ahmad, President and CEO, Rhode Island Airport Corporation; Tom Dziki, SVP, Real Estate and Sustainability, United Natural Foods, Inc.; Richard Galvin, President and Founder, CV Properties; Sylvia Maxfield, Ph.D., Dean, Providence College School of Business; and Peter Snyder, Ph.D., SVP, Chief Research Officer, Lifespan Hospital System.

## **Santander - Greater Providence Chamber of Commerce 2017 Economic Outlook Survey Results**

**1. Thinking about the U.S. broadly, over the next 12 months how do you think the economy will be in comparison to today?**

	<b>Responses</b>
Much better shape	10.27%
Somewhat better shape	49.81%
About the same	27.76%
Somewhat worse shape	9.89%
Much worse shape	2.28%
<b>Totals</b>	<b>100%</b>

**2. Thinking only about Rhode Island, over the next 12 months how do you think the economy will be in comparison to today?**

	<b>Responses</b>
Much better shape	25.18%
Somewhat better shape	56.93%
About the same	16.79%
Somewhat worse shape	1.09%
Much worse shape	0%
<b>Totals</b>	<b>100%</b>

**3. Thinking only about your business today versus one year ago, is it in:**

	<b>Responses</b>
Much better shape	22.80%
Somewhat better shape	38%
About the same	28.80%
Somewhat worse shape	9.60%
Much worse shape	0.80%
<b>Totals</b>	<b>100%</b>

**4. Thinking only about your business a year from today, do you expect it will be in:**

	<b>Responses</b>
Much better shape	20.16%
Somewhat better shape	48.45%
About the same	27.13%
Somewhat worse shape	3.88%
Much worse shape	0.39%
<b>Totals</b>	<b>100%</b>

**5. Thinking only about your business, what is the most challenging issue you expect to face in the next year?**

	<b>Responses</b>
Revenue and sales growth	45.63%
Managing labor costs	8.33%
Talent shortage	18.25%
Regulatory requirements	14.29%
Cost of borrowing/interest rates	4.76%
Managing “big data” and cybersecurity	2.78%
Taxes	5.16%
Environmental compliance	0.79%
<b>Totals</b>	<b>100%</b>

**6. Which of the following best describes your hiring plans for the next 12 months?**

	<b>Responses</b>
Significant increase	7.69%
Slight increase	47.77%
No change	38.06%
Slight decrease	6.07%
Significant decrease	0.40%
<b>Totals</b>	<b>100%</b>

**7. If you plan to hire, what are the most important factors behind this decision? Please select up to three.**

	<b>Responses</b>
Projected sales growth	19.20%
Current staffing levels cannot meet demand	25.22%
Need skills not possessed by current staff	15.34%
Reasonable labor costs	3.50%
Government incentives	1.45%
Economic outlook has improved	6.77%
Expanding into a new segment or market	9.81%
Firm's financial health has improved	4.69%
No plans to hire	14.01%
<b>Totals</b>	<b>100%</b>

**8. Which of the following best describes your business’s capital expenditure spending plans in 2017, taking into consideration the possibility of rising interest rates?**

	<b>Responses</b>
Significant increase	8.33%
Slight increase	33.77%
No change	47.81%
Slight decrease	8.33%
Significant decrease	1.75%
<b>Totals</b>	<b>100%</b>

**9. How likely are you to expand your business outside of the United States over the next year in light of the new Administration’s stated opposition to existing trade agreements?**

	<b>Responses</b>
Highly likely	4.44%
Likely	4.89%
Not sure	16%
We have no plans to expand our business globally	74.67%
<b>Totals</b>	<b>100%</b>

**10. What might inhibit your international expansion plans? Please select up to three.**

	Responses
Federal policies that discourage foreign investment	20.12%
Lack of access to local market intelligence in geographic target areas	20.39%
Securing legal, accounting or financial experts who are experienced in foreign trade	9.10%
Managing currency risk	10.75%
Language barriers	9.27%
Lack of available workers experienced in global trade	10.53%
Geopolitical risks	10.86%
We are already fully prepared to expand internationally	8.99%
<b>Totals</b>	<b>100%</b>

**11. Thinking about your current workforce, please select two top areas that need development.**

	Responses
Technology skills	33.16%
Team building and Group Dynamics	23.27%
Problem solving	18.90%
Written and Oral Communications	19.22%
Mathematical competency	5.46%
<b>Totals</b>	<b>100%</b>

**12. Is the country headed...**

In the right direction

Down the wrong path

	Responses
In the right direction	35.17%
Down the wrong path	64.83%
<b>Totals</b>	<b>100%</b>

**13. T. F. Green Airport is continually meeting with airlines in the effort to bring more air service to the community. Which of the following domestic destinations would you use, if offered from Green Airport - PVD? Choose your top three destinations.**

Dallas

Houston

Denver

Phoenix

Los Angeles

Minneapolis

San Francisco

Seattle

San Diego

	Responses
Dallas	9.69%
Houston	6.10%
Denver	14.36%
Phoenix	9.33%
Los Angeles	18.93%
Minneapolis	2.92%
San Francisco	19.04%
Seattle	8.38%
San Diego	11.24%
<b>Totals</b>	<b>100%</b>



**14. Are the Red Sox going to win the World Series this year?**

	Responses
Yes	69.88%
No	30.12%
<b>Totals</b>	<b>100%</b>

**DISCLAIMER:**

The survey results expressed herein do not necessarily reflect the views of Santander Bank, N.A. (“SBNA”) and are not intended to represent SBNA’s position on any of the issues referenced therein.

**About Santander Bank**

Santander Bank, N.A. is one of the country’s top retail and commercial banks by deposits and a wholly owned subsidiary of Banco Santander, S.A. - one of the most respected banking groups in the world. With its corporate offices in Boston, Santander Bank’s more than 675 branches and nearly 2,100 ATMs are principally located in Massachusetts, New Hampshire, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania and Delaware. The Bank’s 9,500 employees are committed to helping our 2.1 million customers make progress toward their financial goals with the support of our call centers, interactive online banking platform and easy-to-use mobile app. Madrid-based Banco Santander (NYSE: SAN) serves more than 125 million customers in the U.K., Europe, Latin America and the U.S. Through its local affiliates, including Santander Bank, Banco Santander is the largest corporate contributor to higher education in the world, investing over \$165 million annually in colleges and universities across more than 20 countries, including the U.S. For more information on Santander Bank, please visit [www.santanderbank.com](http://www.santanderbank.com).

**About Greater Providence Chamber of Commerce**

The GPCC is Rhode Island’s only statewide chamber of commerce. We are the hub of connections for Rhode Island businesses of all sizes, in all industries and in all sectors. We connect business professionals with peers who can provide real-time, actionable advice to help with significant issues like managing growth, finding the right talent, and knowing when and how to innovate. You won't find that commitment to connectivity anywhere else in the state. Our mission is to ensure every GPCC member is prepared to become or continue to be a thriving Rhode Island business. [www.provchamber.com](http://www.provchamber.com)

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