



Press Release

350 LOCAL BUSINESS LEADERS DISCUSS RHODE ISLAND ECONOMY AT SANTANDER AND GREATER PROVIDENCE CHAMBER OF COMMERCE EVENT

Nearly 29% of attending corporate executives and business owners believe Rhode Island economy will improve over the next 12 months

BOSTON, March 6, 2014 – Santander Bank, N.A., one of the 25 largest retail banks in the United States by deposits, and the Greater Providence Chamber of Commerce today hosted its 14th annual meeting for the business community focused on the region’s economic outlook. Three hundred and fifty attendees were surveyed in real time regarding their expectations for the local economy in 2014 as well as plans for their respective businesses over the coming year.

“We’re pleased to support this important forum which brings local businesses of all sizes and disciplines together to discuss the issues they face and to identify the best the path forward to sustainable growth in the great state of Rhode Island,” said Roman Blanco, president and CEO of Santander US. “While 2014 brings its own set of challenges, by remaining focused on our respective business goals and working together to create an environment that nurtures economic growth, I’m confident we will soon see more robust results given the Ocean State’s considerable assets: a location conducive to regional and global commerce; a cluster of thriving colleges and universities; and a well-educated and diligent workforce.”

After sharing his observations about the Rhode Island economy and commercial real estate market, Mike Lee, managing director of commercial banking and real estate at Santander, facilitated a survey of audience members.

Nearly 29% of respondents believe the economy in Rhode Island will improve over the next 12 months while nearly 62% see their own business improving during the same period. The poll was conducted in real-time with attendees using automated response devices. In addition to questions about the U.S. and Rhode Island economies, the survey queried attendees about their local and international business expansion plans, employer hiring plans and top challenges facing regional enterprises.

Following the survey, attendees listened to a panel discussion about regional business issues moderated by Laurie White, president of the Greater Providence Chamber of Commerce. The panel included Jan Brodie, executive director of the I-195 Redevelopment Commission; Russell Carey, executive vice president for Planning and Policy at Brown University; Jeffrey Grybowski, CEO of Deepwater Wind; and Charlie Kroll, founder and CEO of Andera.



About Santander

Santander Bank, N.A. is a top 25 retail bank in the United States by deposits, with a principal presence in Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania and Rhode Island. Santander’s 9,469 employees serve the financial goals of American consumers and businesses through its 706 branches and 2,084 ATMs. With its main corporate offices in Boston, Santander is supervised by the Office of the Currency of the Comptroller and is FDIC insured under its legal name, Santander Bank, N.A. Santander in the United States is a wholly-owned, financially autonomous subsidiary of the Santander Group, a global commercial and retail bank. For more information about Santander in the United States, visit www.santanderbank.com or call 877-768-2265.

Santander Providence Economic Outlook Breakfast Results

1. Which best describes your position in your company?

	Responses (percent)
Principal owner or partner	19.53%
President/CEO	9.77%
Senior management	33.49%
Middle management	19.53%
Line/staff	17.67%
Total	100%

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

	Responses (percent)
Much better shape	4.92%
Somewhat better shape	50.82%
About the same	36.07%
Somewhat worse shape	7.79%
Much worse shape	0.41%
Total	100%



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

	Responses (percent)
Much better shape	2.48%
Somewhat better shape	26.45%
About the same	53.31%
Somewhat worse shape	15.70%
Much worse shape	2.07%
Total	100%

4. Thinking only about your business, over the next 12 months how do you think your business will be in comparison to today?

	Responses (percent)
Much better shape	19.05%
Somewhat better shape	42.86%
About the same	34.20%
Somewhat worse shape	3.46%
Much worse shape	0.43%
Total	100%

5. What do you think are the top challenges facing this state? Please select up to three.

	Responses (percent)
Attracting & retaining businesses	23.88%
Unemployment/job creation	19.55%
Affordable housing	2.08%
Competition from neighboring states	8.33%
The skills gap	8.49%
Deteriorating infrastructure	7.21%
Cost of healthcare	5.93%
Overall cost of living	5.61%
Performance of public education	6.41%
Corporate & personal taxes	12.50%
Total	100%

6. Thinking about your business, what are the most challenging issues you expect to face in the next two years? Please select up to three.

	Responses (percent)
Regulatory costs and burdens	12.44%
Cost of fuel and energy	4.09%
Cost of health insurance/other employee benefits	16.04%
Attracting new customers	24.39%
Retaining existing customers	13.58%
Hiring qualified employees	12.60%
Pressure from larger competitors	9.82%
Corporate taxes	7.04%
Total	100%

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

	Responses (percent)
Significant increase	5.99%
Slight increase	40.09%
No change	49.77%
Slight decrease	4.15%
Significant decrease	0%
Total	100%

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

	Responses (percent)
Projected sales growth	15.66%
Current staffing levels cannot meet demand	18.58%
Need skills not possessed by current staff	15.87%
Reasonable labor costs	3.34%
Government incentives	1.04%
Economic outlook has improved	9.19%
Expanding into a new segment or market	16.70%
Firm's financial health has improved	7.31%
No plans to hire	12.32%
Total	100%



9. Which of the following best describes your business's capital expense spending plans in 2014?

	Responses (percent)
Significant increase	12.98%
Slight increase	34.13%
No change	43.75%
Slight decrease	5.77%
Significant decrease	3.37%
Total	100%

10. How likely are you to expand your business outside of the United States over the next year?

	Responses (percent)
Highly likely	7.85%
Likely	12.04%
Not sure	7.33%
We have no plans to expand our business globally	72.77%
Total	100%



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

	Responses (percent)
Lack of access to local market intelligence in geographic target areas	22.42%
Securing legal, accounting or financial experts who are experienced in foreign trade	16.36%
Managing currency risk	8.48%
Language barriers	10.91%
Lack of available workers experienced in global trade	11.52%
Geopolitical risks	16.36%
We are already fully prepared to expand internationally	13.94%
Totals	100%

12. Did you explore the array of health insurance options available at HealthSource RI (Rhode Island’s health benefits exchange) even if you didn’t ultimately purchase from the exchange?

	Responses (percent)
Yes	22.75%
No	68.25%
Not sure	8.99%
Totals	100%

13. Should the State of Rhode Island have any role in providing financial support for the reuse of Providence’s Superman building?

	Responses (percent)
Yes	32.73%
No	57.27%
Not sure	10%
Totals	100%



14. Do you expect that the recently announced proposed State Pension settlement will effectively end the litigation around pension reform?

	Responses (percent)
Yes	12.21%
No	72.77%
Not sure	15.02%
Totals	100%

15. Do you think raising the estate tax exemption threshold from the current level of \$921,655 to \$2 million will be an effective tool for stemming the population loss?

	Responses (percent)
Yes, \$2 million is sufficient	36.97%
No, it needs to be more	42.65%
Not sure	20.38%
Totals	100%

16. Do you think that 2014 will be a repeat year for the World Series Champions Boston Red Sox?

	Responses (percent)
Yes	50.66%
No	41.92%
Not sure	7.42%
Totals	100%

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