



News Release

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Business Leaders Expect Solid Start to New Year

Iowa Business Council Releases Fourth Quarter Economic Outlook Survey Results

Des Moines, Iowa – (December 1, 2005) – Economic optimism continues to grow among members of the Iowa Business Council (IBC) as more chief executives of the state’s largest employers are forecasting an increase in sales during the first six months of 2006. In results released today, the IBC’s Economic Outlook Survey for the fourth quarter indicates a continued increase in sales, a trend that began over a year ago.

Todd Raba, Chair of the Iowa Business Council and President of MidAmerican Energy Company, said, “It appears that the Iowa economy will sustain the strong performance it has had during 2005 well into the coming year. Our member companies are providing strong evidence that the Iowa economy continues to be in a promising growth mode.”

With a 100% response rate from IBC’s 20 corporate members, 90% of the survey respondents expect an increase in sales after the start of the new year. In the previous quarter’s survey results, released September 1, 2005, 84% of the CEOs projected higher sales levels. Seventy-nine percent projected higher sales a year ago in the December 1, 2004 survey.

Although capital spending forecasts remain sound, the number of IBC companies expecting an increase in spending is 60%, down 14% from last quarter and down 4% from one year ago. At the same time 35% expect no change over the next six months.

Employment levels are steady among IBC companies, with 50% of the CEOs indicating an increase in hiring over the next six months. This represents a small downturn from 53% in the third quarter and 64% this time last year. However, a smaller number of IBC businesses expect to decrease employment levels, with only 5% indicating a decrease in hiring after the start of the year compared with 15% last quarter and 14% a year ago.

	Increase			No Change			Decrease		
	2005		2004	2005		2004	2005		2004
	Q4	Q3	Q4	Q4	Q3	Q4	Q4	Q3	Q4
1. Change in sales next 6 mos.?	90%	84%	79%	10%	16%	14%	0%	0%	7%
2. Change in capital spending next 6 mos.?	60%	74%	64%	35%	21%	29%	5%	5%	7%
3. Change in hiring levels next 6 mos.?	50%	53%	64%	45%	32%	22%	5%	15%	14%



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The IBC Economic Outlook Survey monitors forecasts from the 20 corporate members of the Iowa Business Council. The survey is conducted quarterly by the IBC to help inform Iowans and Iowa businesses about projected trends in the state's economy, which may prove useful for business and economic planning purposes.

Founded in 1985, the Iowa Business Council is a non-profit, non-partisan organization whose members include the top executives of 20 of the largest businesses in the state, the three Regent university presidents, and a state banking association. Collectively, these companies and institutions employ more than 180,000 Iowans and have made over \$20 billion worth of capital investments in the state. The purpose of the Council is to engage the personal commitment of these executives in active leadership roles on major initiatives that offer opportunities to enhance Iowa's overall economic vitality. For more information, please visit the Iowa Business Council's Web site at www.iowabusinesscouncil.org.

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