

June 29, 2009



Small Businesses Rely on Themselves, Not Government, To Succeed

Intuit Payroll Survey Finds Entrepreneurs Will Cut Own Pay to Stay Ahead;

Still Plan to Invest in Growth

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small business employers in overwhelming numbers are relying on themselves - and not government - to weather the economic climate, according to a new survey of [Intuit Payroll](#) customers (Nasdaq: INTU).

Some 94 percent of those responding say the health of their business depends more on what they can do for themselves rather than on what the government can do for them. In addition, 86 percent do not believe the [federal economic stimulus plan](#) will directly benefit their business, while 75 percent do not believe the government offers them enough support.

Saving money tops the lists of concerns among 94 percent of those surveyed, with payroll comprising between 25 and 50 percent of operational costs for many of these employers. Some 47 percent have already reduced their own pay or have not paid themselves at all, while just 22 percent have laid off employees.

"Small businesses succeed or fail based on their ability to understand and react to economic changes," said Cameron Schmidt, director of marketing, Intuit Employee Management Solutions. "Their up-close-and-personal relationship with consumers and their employees gives them a street-level perspective of what's happening. This study reflects our close relationship with these employers. By talking to them and understanding their needs, we can be a partner in their success."

Payroll regulations also dominated employers' concerns, with 84 percent of respondents worried about staying in compliance with federal, state and local regulations to avoid penalties. Their concerns seem justified. This is notable as, according to a recent [government report](#) American small businesses are behind on their payroll taxes - to the tune of about \$58 billion.

"With more than 1 million payroll customers preparing \$251 billion in paychecks annually, we are uniquely positioned to understand their concerns and support them in solving problems such as being compliant or managing costs," Schmidt said.

Bullish About Growth Despite Bear Economy

Even with the downbeat economy, employers remain upbeat about growth prospects. Sixty-one percent expect their business to grow in the next 12 months. They plan to invest to fuel that growth, in everything from advertising and marketing (65 percent), employee training

and development (55 percent) and new equipment (48 percent). One-third believe it's important to invest in business or financial software in the coming year to help better manage their business.

But this bullish appraisal does not translate into broader optimism. Some 56 percent of respondents believe the recession will last another two years or more.

"Small business owners are bullish on their own abilities, but bearish on the factors they can't control," said Schmidt. "It's a classic example of the mindset of the American entrepreneur. Self-reliance trumps government hand-outs, and even in the gloomiest economy there are opportunities to seize."

For more information and additional results, please visit the [Small Business United Blog](http://www.smallbusinessunitedblog.com) at: www.smallbusinessunitedblog.com.

Resources:

[Intuit Payroll](http://www.payroll.com): <http://www.payroll.com>

[Small Business United Blog](http://www.smallbusinessunitedblog.com): <http://www.smallbusinessunitedblog.com>

[Intuit Press Room](http://about.intuit.com/about_intuit/press_room/): http://about.intuit.com/about_intuit/press_room/

[Intuit on Twitter](http://twitter.com/intuit): <http://twitter.com/intuit>

Survey Methodology

[Global Strategy Group](http://www.globalstrategygroup.com) conducted the web-based poll for Intuit Employee Management Solutions, surveying 1,022 Intuit Payroll customers from May 20 - 27. The margin of error was plus or minus 3.1 percentage points. Additional results and analysis are available at www.smallbusinessunitedblog.com.

About Intuit Inc.

Intuit Inc. is a leading provider of business and financial management solutions for small and mid-sized businesses; financial institutions, including banks and credit unions; consumers and accounting professionals. Its flagship products and services, including QuickBooks(R), Quicken(R) and TurboTax(R), simplify small business management and payroll processing, personal finance, and tax preparation and filing. ProSeries(R) and Lacerte(R) are Intuit's leading tax preparation offerings for professional accountants. The company's financial institutions division, anchored by Digital Insight, provides on-demand banking services to help banks and credit unions serve businesses and consumers with innovative solutions.

Founded in 1983, Intuit had annual revenue of \$3.1 billion in its fiscal year 2008. The company has approximately 8,000 employees with major offices in the United States, Canada, the United Kingdom, India and other locations. More information can be found at www.intuit.com.

Intuit and the Intuit logo, among others, are registered trademarks and/or registered service marks of Intuit Inc. in the United States and other countries.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=5996191&lang=en>

Source: Intuit Inc.