Monday 6th August 2013

**InterTradeIreland Business Monitor reveals all-island business stabilisation**

InterTradeIreland’s latest quarterly Business Monitor (April-June 2013) published today indicates that over 64% of businesses have either maintained or increased their sales over the last quarter. These are the most positive quarterly sales performance figures since Q2 2011. The number of firms reporting a decrease in employees is at its lowest (10%) over that same period.

This quarter’s report also shows exporters and cross-border traders to be outperforming those relying solely on their home market. Twice as many businesses (41%) who are involved in cross-border trade report that their sales have increased this quarter as opposed to 21% of businesses reliant on the domestic market.**.**

Commenting on the Q2 2013 Business Monitor findings, Aidan Gough, Strategy and Policy Director at InterTradeIreland said: *“The road to recovery has proven to be long and challenging but there are now some positive trends emerging from our survey of businesses both North and South this quarter. The business environment is stabilising, with over half of companies describing their business as stable (51%), the haemorrhaging of jobs has stemmed and exporters are doing well. However there is still a long way to go in terms of companies experiencing growth, with only 13% indicating that they are in expansion mode at the moment. Nevertheless, the results point to an expectation of a potential uplift in sales and employment numbers which are good indicators of business confidence.*

*There remain however potential stumbling blocks on the road to full recovery. The issue of rising costs particularly energy costs and the costs of overheads is posing a real challenge to businesses while cashflow problems related to repayment of debt and access to finance could yet derail the undoubted upward momemtum. We are now at a critical juncture. From stabilisation, you can build recovery and so this positive movement of firms into a different place in the business cycle means that businesses can now focus more on strategy and striving for growth again. That doesn’t happen when you are contracting or trying to survive at all costs.*”

The Business Monitor also revealed that more than half (51 per cent) of firms across the island don’t have a formal business plan in place. “*Although this can be time consuming, having a strategic plan pays off in the long-run as it ensures firms are focusing their resources in the right areas of the business. A more structured approach will help SMEs to move forward and agencies such as InterTradeIreland can support firms that are ready to find new markets, develop new products or services or expand their offerings*,” Aidan concluded.

InterTradereland’s quarterly Business Monitor survey is the largest and most comprehensive business survey on the island covering business owner’s views both Northern Ireland and Ireland from interviews conducted with more than 1,000 SMEs. It differs from other surveys in the fact that it is seen to be the ‘voice of local businesses’ feeding directly from telephone interviews conducted with a robust sample of businesses across a range of sectors.

**ENDS**

A copy of the Executive Summary can be viewed at [http://www.intertradeireland.com/researchandpublications/publications/name,18193,en.php](http://www.intertradeireland.com/researchandpublications/publications/name%2C18193%2Cen.php)

**For further information:**

Morwenna Rice/Karen Ferris

Drury

01 260 5000 / 086 1940069 (MR) / 086 317 1248 (KF)