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Alberta's small businesses most optimistic, least globally competitive

SMBs in Alberta, B.C., Ontario Perceived as Most Competitive

Mississauga, ON, October 3, 2007 — Alberta's booming energy sector is pushing small and medium-sized business owners (SMBs) in the country's fastest growing province into a state of complacency, shows a recent study on Canadian business leaders.

According to the UPS Business Monitor™ *Canada*, a UPS-commissioned survey of small and medium-sized business decision makers, entrepreneurs in Alberta are far behind their competitors — particularly in neighbouring British Columbia — in the international selling and sourcing of goods.

While one-third of SMBs in B.C. currently source abroad and 26 per cent sell beyond domestic borders, only seven per cent and eight per cent respectively of Alberta's small business owners engage in cross-border or international trade.

"Alberta's entrepreneurial drive to grow beyond our borders has softened in the face of the skyrocketing loonie, our economic prosperity and a veritable boom in the province," said Mike Tierney, President of UPS Canada. "International sourcing and selling is a business strategy that many provinces have benefited from. Given their current economic position, Alberta SMBs have a unique opportunity to capitalize on global trade."

Nevertheless, Alberta's small business owners remain the envy of all their peers throughout Canada, 46 per cent of which believe SMBs in the oil heartland to be more competitive than businesses in their own province.

Yet, according to Tierney, relying solely on the regional boom sweeping the prairies will be to the detriment of Alberta's SMBs long-term growth prospects.

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“While many Canadian SMBs admire the competitiveness of their Albertan counterparts, what many fail to realize is that the province’s booming energy sector is forcing its small businesses to fall into regional complacency,” he said. “In light of the labour shortages and other challenges that have resulted from the economic ascent, Alberta should incorporate international trade to offset its domestic focus.”

Quick Regional Facts

- 62 per cent of Albertans see their economic position as better than a year ago
- 81 per cent of Albertans and 79 per cent of British Columbians are optimistic about growth in the coming year
- Only seven per cent of Albertan SMBs source internationally while only eight per cent sell internationally
- U.S. SMBs are believed to be the greatest competition to Canadian SMBs with Alberta’s small businesses falling a close second
- British Columbians are the most optimistic about growth in China
- 56 per cent of Atlantic Canadians say their economic position has improved
- Atlantic Canadian SMBs were rated the most laid back in Canada (21 per cent) followed closely by British Columbians (17 per cent)
- Quebeckers are the least optimistic about Canada’s economic growth with only 58 per cent believing Canada’s economy will improve
- Canadian SMBs believe the four most important industries to their province in the next three years will be energy and utilities, construction, information technology and telecommunications, and transportation
- Both Asia and Europe are seen to have more competitive SMBs than most Canadian provinces and regions

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Tierney is joining UPS colleagues in discussing the UPS Business Monitor™ *Canada* study and the impact of these trends in a webinar set to take place at 11:30 a.m. EST on October 3.

English version

To join the English webinar, participants must dial 1-866-226-1799 for audio access. To follow along with the accompanying visual slideshow, participants must click the following link:

<https://www119.livemeeting.com/cc/bellconfpro/join?id=KN9CTN&role=attend&pw=dXj-2%5DG> (Local Toronto participants may call 416-641-6131.)

French version

To join the French webinar, participants must dial 1-866-696-5911 for audio access. To follow along with the accompanying visual slideshow, participants must click the following link:

<https://www119.livemeeting.com/cc/bellconfpro/join?id=PQW4PN&role=attend&pw=C%2Cm%3C.6n>

To obtain additional information, schedule an interview or obtain a copy of the material discussed in the webinar, please contact APEX Public Relations at the information provided at the top of this release.

The UPS Business Monitor™ *Canada* study was conducted by TNS Canadian Facts on behalf of UPS Canada between March and April 2007. Research involved surveying 637 strategic decision-makers in Canadian SMBs throughout the country in both English and French. The overall margin of error is +/- 3.9 percent.

UPS, which celebrates its 100th anniversary in 2007, is the world's largest package delivery company and a global leader in supply chain services, offering an extensive range of options for synchronizing the movement of goods, information and funds. Headquartered in Atlanta, Ga., UPS serves more than 200 countries and territories worldwide. UPS's stock trades on the New York Stock Exchange (UPS) and the company can be found on the Web at UPS.com. To get UPS news direct, visit pressroom.ups.com/RSS.

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