

EXECUTIVE SUMMARY

The National Statistical Office carried out the Business Trade and Services Survey every two years, the 2010 survey is the 24th round. The main purpose of the survey is to collect the basic business information to be used by both public and private sectors for policy formulation and planning development. The survey covered business establishments engaged in wholesale trade, retail trade, hotels and restaurants, real estate activities, recreational and other services activities throughout the country.

The field work was conducted during May 1 to August 31, 2010. The data presented in this report was the information on business operation during January 1 to December 31, 2009 of the establishments located in **Northeastern region**. The major findings are as follows:

1. Number of establishments by division of business industry

The survey result showed that there were in total 403,019 establishments in Northeastern region. Most of them (about 54.3 percent) were engaged in *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods*. This was followed by those engaged in *hotels and restaurants* and those engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* which had a similar proportion of about 13.2 percent and 13.1 percent respectively. The business establishment engaged in other service activities was found 8.8 percent. The other divisions of business industry not mentioned above had rather low proportion; each division had less than 3.2 percent of the total.

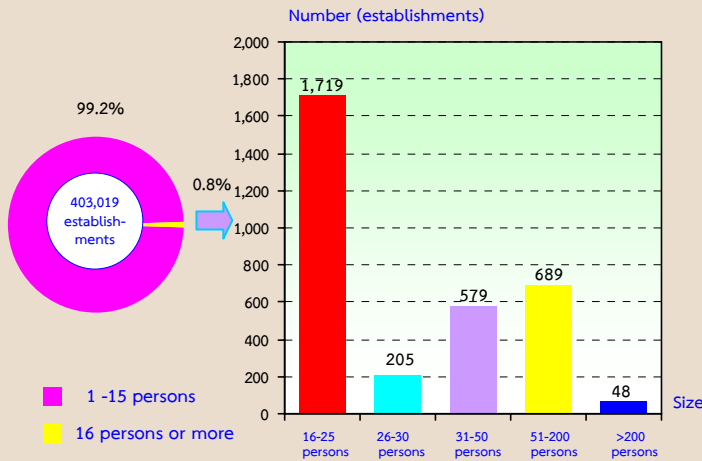
Table 1 Number and percentage of business establishments by division of business industry

| Division of business industry | Number | % |
|--------------------------------------------------------------------------------------------------|---------|-------|
| Total | 403,019 | 100.0 |
| Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel | 52,961 | 13.1 |
| Wholesale trade and commission trade, except of motor vehicles and motorcycles | 12,730 | 3.2 |
| Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods | 218,661 | 54.3 |
| Hotels and restaurants | 53,292 | 13.2 |
| Real estate activities | 8,368 | 2.1 |
| Renting of machinery and equipment without operator and of personal and household goods | 5,687 | 1.4 |
| Computer and related activities | 757 | 0.2 |
| Other business activities | 8,238 | 2.0 |
| Recreational, cultural and sporting activities | 6,882 | 1.7 |
| Other service activities | 35,443 | 8.8 |

2. Size of establishment

The business establishments located in Northeastern region, most of them (about 399,779 establishments or 99.2 percent) were establishments with 1-15 persons. Those with more than 15 persons engaged were about 3,240 establishments or 0.8 percent. Of this number, establishments with 16-25 persons, 51-200 persons, 31-50 persons, and 26-30 persons amounted to 1,719 establishments, 689 establishments, 579 establishments, and 205 establishments respectively. The establishments with more than 200 persons engaged, was found only 48 establishments.

Figure 1 Number of business establishments by size of establishment (number of persons engaged)

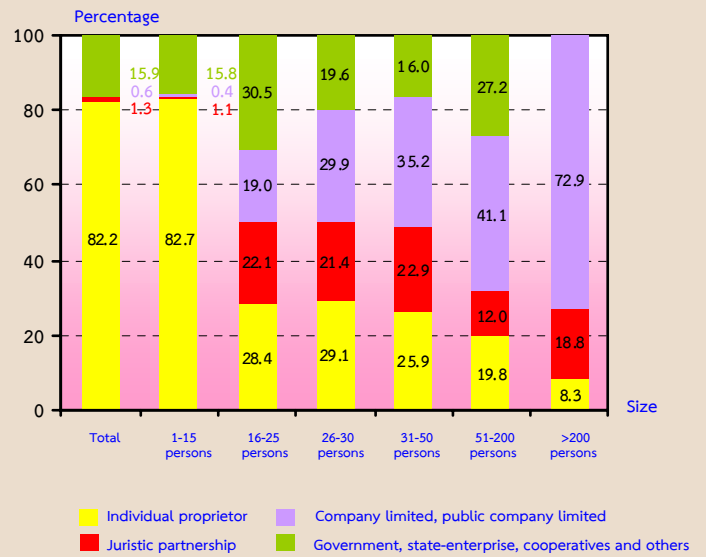


3. Form of legal organization

Most establishments (about 82.2 percent) were individual proprietor. The establishments as juristic partnership and company limited and public company limited had similar proportion, of about 1.3 percent and 0.6 percent respectively. Those, which were in the form of government, state-enterprise, cooperatives and others, were about 15.9 percent.

Considering by size of establishment, it was found that a high proportion of the establishments with 1-15 persons engaged (about 82.7 percent) was in the form of individual proprietor. While a high proportion of about 72.9 percent of establishments with more than 200 persons engaged was in the form of company or public company limited.

Figure 2 Percentage of business establishments by form of legal organization and size of establishment

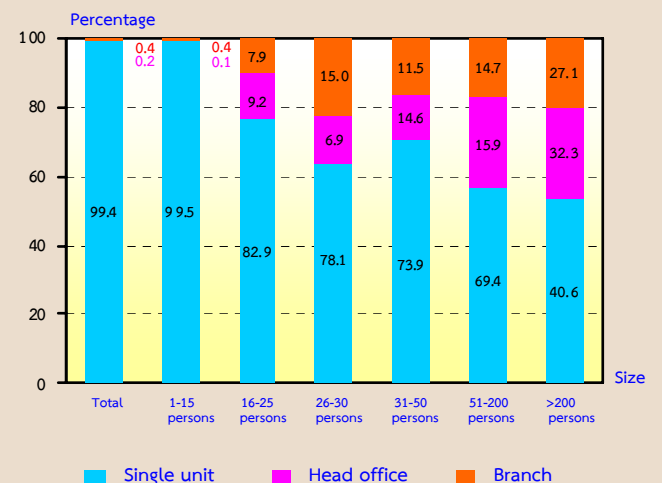


4. Form of economic organization

The majority of establishments in Northeastern region (99.4 percent) was in the form of single unit. About 0.4 percent was an office branch or subsidiary, and the rest of about 0.2 percent was a head office.

Considering the form of economic organization by size of establishment, it showed that there was a higher proportion of single unit form in all sizes of establishment.

Figure 3 Percentage of business establishments by form of economic organization and size of establishment

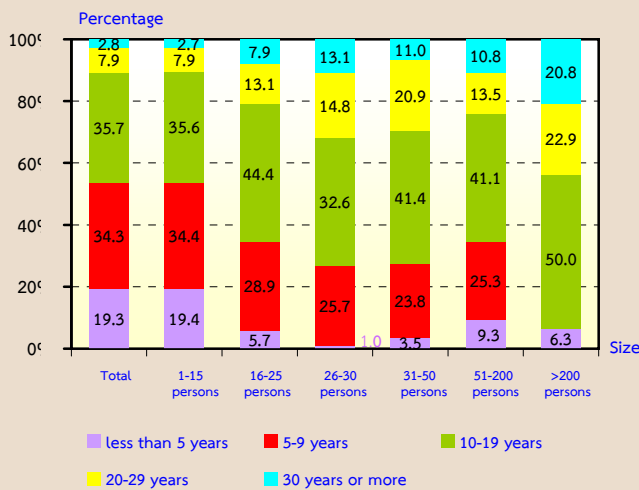


5. Registered capital

Most of the establishments (about 35.7 percent) have operated their business for 10-19 years. The establishments operated their business for 5-9 years were about 34.3 percent. Those with operation less than 5 years and 20-29 years were about 19.3 percent and 7.9 percent respectively. The establishments operated their business for 30 years or more had the lowest proportion, of about 2.8 percent

Considering by size of establishment, (persons engaged), it was found that more than half of establishments in all sizes have operated their business for 10 years or more. For the establishments with 1-15 persons engaged, about 53.8 percent have operated their business less than 10 years.

Figure 4 Percentage of business establishments by period of operation and size of establishment

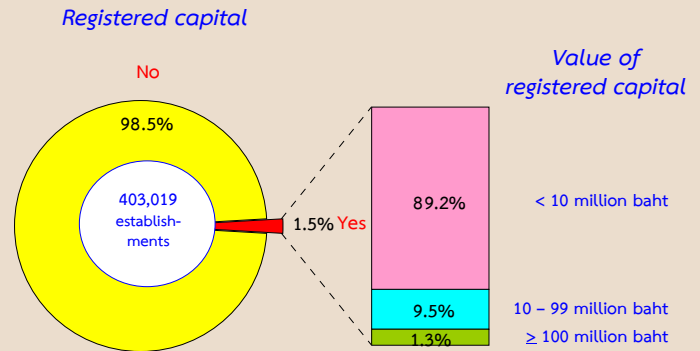


6. Registered capital

The number of business establishments with registered capital amounted to 6,172 establishments or about 1.5 percent of the total. Most of them (about 89.2 percent) had less than 10 million baht of registered capital. Those with 10-99 million baht of registered capital

were about 9.5 percent. The establishments with 100 million baht and over of registered capital were about 1.3 percent.

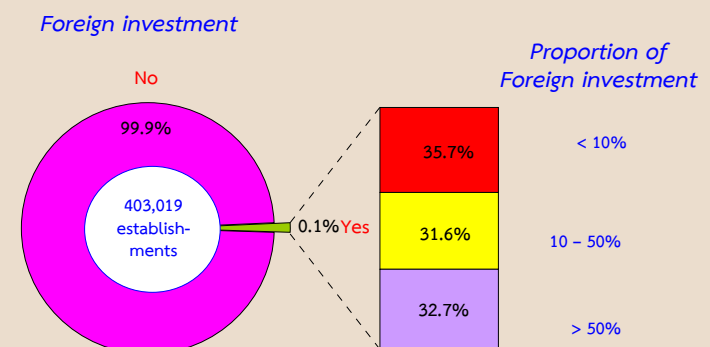
Figure 5 Percentage of business establishments by registered capital



7. Foreign investment or foreign share holding

The majority of business establishments in Northeastern region (99.9 percent) had no foreign investment or foreign share holding. For business establishments with foreign share holding, about 35.7 percent had foreign share holding less than ten percent while about 32.7 had foreign share holding over fifty percent. The rest of about 31.6 percent had foreign investment with a share 10-50 percent.

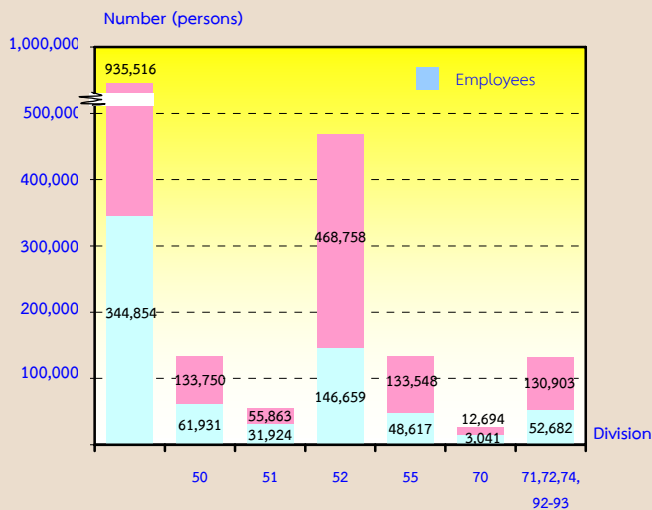
Figure 6 Percentage of business establishments by foreign investment or foreign share holding



8. Number of persons engaged and employees

In 2009, the number of persons engaged in the business establishments in Northeastern region amounted to 935,516 persons. Of this figure, the number of employees was 344,854 persons. Considering by division of business industry, it was found that most of employees engaged in *retail trade, (except of motor vehicles and motorcycles) and repair of personal and household goods* of about 146,659 persons or 42.5 percent. This was followed by those engaged in *sale, maintenance and repair of motor vehicles and motorcycles*, which accounted for 61,931 persons or 18.0 percent. Employees engaged in *hotels and restaurants* were about 48,617 persons or 14.1 percent. The rest engaged in other business industries.

Figure 7 Number of persons engaged of business establishments by division of business industry



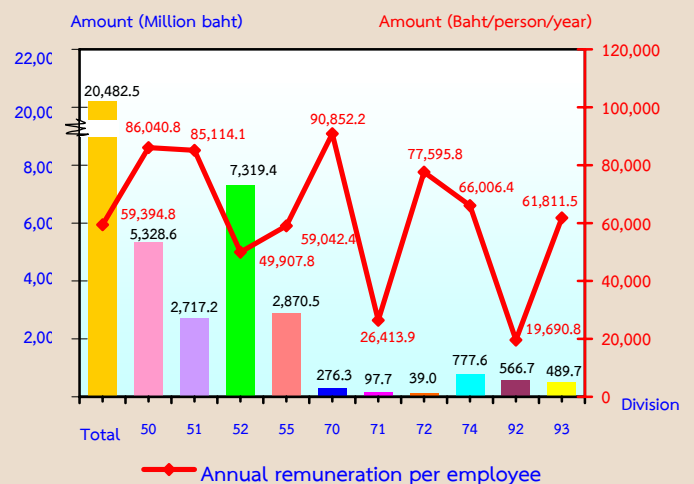
Persons engaged refer to owners or juristic partnerships, unpaid workers and employees

- Division 50 Sale, maintenance and repair of motor vehicles and motorcycles
- Division 51 Wholesale trade and commission trade, except of motor vehicles and motorcycles
- Division 52 Retail trade, (except of motor vehicles and motorcycles etc.)
- Division 55 Hotels and restaurants
- Division 70 Real estate activities
- Division 71 Renting of machinery and equipment
- Division 72 Computer and related activities
- Division 74 Other business activities
- Division 92 Recreational, cultural and sporting activities
- Division 93 Other service activities

9. Remuneration

Remuneration of all employees engaged in business establishments in Northeastern region was about 20.5 billion baht or about 59,395 baht per person per annum. Employees engaged in *real estate activities* received the highest annual remuneration of about 90,852 baht. This was followed by those engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* which received the annual remuneration of about 86,041 baht per person. Employees engaged in *wholesale trade and commission trade (except of motor vehicles and motorcycles)* and those engaged in *computer and related activities* received the average annual remuneration of about 85,114 baht and 77,595.8 baht per person respectively. Employees engaged in *recreational, cultural and sporting activities* received the lowest annual remuneration of about 19,691 baht per person.

Figure 8 Remuneration and annual remuneration per employee by division of business industry



10. Receipts, expenditures and value added

In 2009, the value of receipts, expenditures and value added of business establishment in Northeastern region amounted to 611.0 billion baht, 433.0 billion baht and 178.0 billion baht respectively. The ratio of the value added to the receipts was about 29.1 percent. For the average value of receipts per establishment and per person engaged, it was about 1.5 million baht and 653,100 baht respectively. Meanwhile, the average value added per establishment and per person engaged amounted to 441,700 baht and 190,300 baht respectively.

Considering by division of business industry, the result showed that most of the

receipts and value added were from *retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods* which had the highest proportion of about 247.8 billion baht and 77.1 billion baht respectively. This was followed by those engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* which contributed the receipts and value added of about 227.8 billion baht and 49.6 billion baht respectively. However, the establishments engaged in *computer and related activities* had the lowest amount of receipts and value added of about 431.1 million baht and 187.2 million baht respectively.

Table 2 Receipts and value added of business establishments by division of business industry

| Division of business industry | Receipts | | | Value added | | | Value added per receipts (%) |
|--------------------------------------------------------------------------------------------------|----------------------|--------------------------------------|---------------------------------------|----------------------|--------------------------------------|---------------------------------------|------------------------------|
| | Value (Million baht) | Per establishment (In Thousand baht) | Per person engaged (In Thousand baht) | Value (Million baht) | Per establishment (In Thousand baht) | Per person engaged (In Thousand baht) | |
| Total | 610,985.1 | 1,516.0 | 653.1 | 178,010.0 | 441.7 | 190.3 | 29.1 |
| Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel | 227,755.8 | 4,300.4 | 1,702.8 | 49,562.6 | 935.8 | 370.6 | 21.8 |
| Wholesale trade and commission trade, except of motor vehicles and motorcycles | 73,078.1 | 5,740.6 | 1,308.2 | 20,301.2 | 1594.8 | 363.4 | 27.8 |
| Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods | 247,817.8 | 1,133.3 | 528.7 | 77,061.6 | 352.4 | 164.4 | 31.1 |
| Hotels and restaurants | 40,838.6 | 766.3 | 305.8 | 16,272.9 | 305.4 | 121.9 | 39.8 |
| Real estate activities | 6,558.9 | 783.8 | 516.7 | 5,119.6 | 611.8 | 403.3 | 78.1 |
| Renting of machinery and equipment without operator and of personal and household goods | 1,165.3 | 204.9 | 100.0 | 641.2 | 112.8 | 55.1 | 55.0 |
| Computer and related activities | 431.1 | 569.4 | 276.1 | 187.2 | 247.2 | 119.9 | 43.4 |
| Other business activities | 5,011.5 | 608.3 | 207.0 | 3,695.2 | 448.6 | 152.6 | 73.7 |
| Recreational, cultural and sporting activities | 2,797.8 | 406.5 | 59.3 | 1,736.1 | 252.3 | 36.8 | 62.1 |
| Other service activities | 5,530.2 | 156.0 | 119.4 | 3,432.4 | 96.8 | 74.1 | 62.1 |

11. Conclusions and recommendations

The results of the 2010 Business Trade and Services survey showed that there were in total 403,019 business establishments in Northeastern region. Most of them (about 99.2 percent) were establishments with 1-15 persons. The major business was *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods*, accounting for 54.3 percent. Persons working in business establishments amounted to 935,853 persons in total. Out of this, 344,599 persons were employees receiving the average annual remuneration about 59,395 baht per person. Moreover, the establishments in this region contributed value of receipts, expenditures and value added of about 611.0 billion baht, 433.0 billion baht and 178.0 billion baht respectively.

- **Problems and obstacles of establishments**

About 21.9 percent of business establishments reported their problems and obstacles. The main issues were the business competition, high production cost, lower purchasing power and economic crisis.

- **Aid needed from the government**

About 20.6 percent of business establishments expressed their opinion on aid needed from the government. The main issues were the need for a low loan interest rate, a tax reduction scheme, a good prices control and a developments of knowledge workers.