

I established Touchstone Research, Inc. a Marketing Research firm, in 1991 in the depth of the recessions then when the company I worked for collapsed. Since that time I have brought in tens of millions of dollars to the local and state economy and the business has grown to the point where we now have about 15 employees--these are highly paid professional positions: starting salary for someone right out of college is \$45,000.00 and within a year or two they are at \$60-80,000.00 and more from there. We hire numerous interns (we pay them) from UCONN and Quinnipiac. Many we offer full-time positions upon graduation--our most recent will be a UCONN graduate this May--he will be able to move right into a professional position starting at 45,000.00. We provide our employees health, life insurance, a 401K plan with an automatic 3% contribution even if they do not participate, a profit share, generous PTO plan and other benefits. We have a diverse group of employees. We are exactly the kinds of business other states want and one of the very few in this state who provide the kind of opportunities that we do to young people.

It is a very competitive environment and the economy is not that great, we have many challenges right now. Just within the last few weeks we were contacted by one of our clients: Mattel and they asked us to reduce our fees for servicing them by 5% or they would have to terminate the relationship due to their poor results, we also have had similar contract reviews and budget pressures from Viacom--one of our biggest customers. It is a tough environment for our customers and that means it is a tough one for us. We are under pressure and being squeezed hard.

While I love living in CT it is a very difficult place to have a business--so many costs are so high and put us at a disadvantage with competitors. If this sales tax on service Marketing Research goes through it will be impossible for us to be competitive--none of our competitors have this cost and our clients will not pay it. This could be enough to bring us down which will leave me no choice but to relocate the business along with all my well-paid tax paying employees. All of our clients are out of state and everything is online so, while I would hate to be forced into that it is eminently doable and if that is what it takes that is what I will do. I have to do what is necessary for the business survival.

Please stop this business and jobs killing planned sales tax increase on service businesses.

Thank You for your consideration.

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Sincerely,
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