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Small Business Report

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ADP SMALL BUSINESS REPORT SHOWS 44,000 SMALL BUSINESS JOBS ADDED IN JULY

ROSELAND, New Jersey – August 2, 2007 – Private employment among small businesses (U.S. companies with fewer than 50 employees) increased by 44,000 in July, according to the [ADP Small Business ReportSM](#) released today. The *ADP Small Business Report* is based on data from the *ADP National Employment ReportSM*, created by ADP in partnership with Macroeconomic Advisers, LLC. In addition to providing monthly information on small business [employment trends](#), the *ADP Small Business Report* includes information about short-term movements in the goods-producing and service-providing industry sectors.

Small Business Employment Highlights – July Report:

- Total small business employment: +44,000
- Goods-producing sector: - 7,000
- Service-providing sector: +51,000

“ADP is committed to helping small companies succeed by providing services that help their business,” said Don McLoughlin, Vice President of Marketing, ADP Small Business Services. “The *ADP Small Business Report* ensures the small business community has regular access to timely, accurate data, providing a pulse on the small business employment climate.”

“Nonfarm private employment among small businesses grew 44,000 from June to July of 2007 on a seasonally adjusted basis, according to the *ADP Small Business Report*,” said Joel Prakken, Chairman of Macroeconomic Advisers, LLC. Prakken added, “This month’s *ADP Small Business Report* suggests a deceleration of employment. The three-month average change in nonfarm private employment from May to July is 63,000, which is very close to the report’s year-to-date average monthly employment change of 62,000.”

Prakken added, “July’s advance in total nonfarm private employment was more than accounted for by small businesses, which added 44,000 jobs. In contrast, employment among medium- and large-size businesses increased just 4,000. These gains in employment at small businesses were concentrated in the service-providing sector of the

economy, which showed a gain of 51,000. However, employment among small businesses in the goods-producing sector fell 7,000.”



Small Business Report

US Nonfarm Private Employment by Selected Industry Sector and Business Size

Derived from ADP Payroll Data
(In thousands)

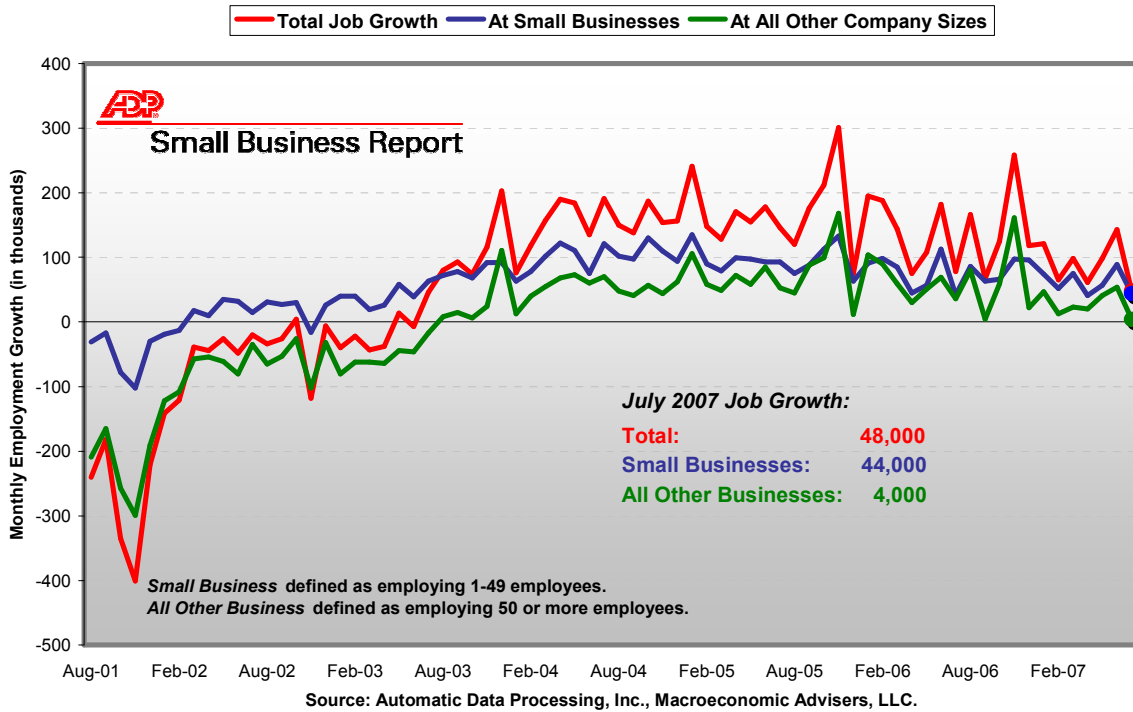
Industry / Business Size	Seasonally Adjusted						Change from: Jun. 2007 - Jul. 2007p
	Feb. 2007	Mar. 2007	Apr. 2007	May. 2007	Jun. 2007	Jul. 2007p	
Total nonfarm private	115,119	115,217	115,278	115,376	115,519	115,567	48
Small Business (1-49)	50,425	50,500	50,541	50,598	50,687	50,731	44
All Other Sizes (50+)	64,694	64,717	64,737	64,778	64,832	64,836	4
Goods-producing	22,416	22,390	22,347	22,321	22,303	22,262	-41
Small Business (1-49)	8,117	8,120	8,108	8,102	8,107	8,100	-7
All Other Sizes (50+)	14,299	14,270	14,239	14,219	14,196	14,162	-34
Service-providing	92,703	92,827	92,931	93,055	93,216	93,305	89
Small Business (1-49)	42,308	42,380	42,433	42,496	42,580	42,631	51
All Other Sizes (50+)	50,395	50,447	50,498	50,559	50,636	50,674	38

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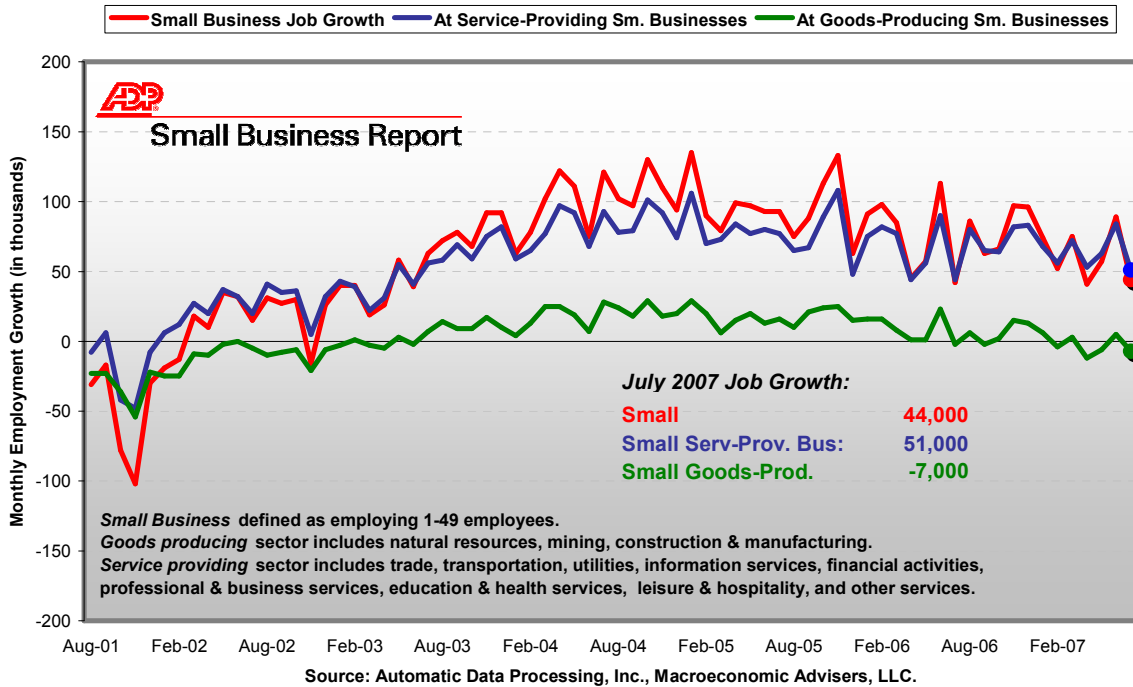
Small Business defined as employing 1-49 employees.
All Other Business defined as employing 50 or more employees.

Good producing sector includes natural resources, mining, construction & manufacturing.
Service providing sector includes trade, transportation, utilities, information services, financial activities, professional & business services, education & health services, leisure & hospitality, and other services.

US Nonfarm Private Employment - Monthly Job Growth by Company Size



US Nonfarm Private Employment - Monthly Small Company Job Growth by Industrial Sector



Additional charts on monthly job growth and job levels, along with historical data, are available at <http://www.smallbusinessreport.adp.com>.

ADP Small Business Services provides payroll and business solutions for businesses with fewer than 50 employees. For more information on ADP Small Business Services, please visit: <http://www.smallbusiness.adp.com>.

The August 2007 *ADP Small Business Report* will be released on Thursday, September 6, 2007.

About the *ADP Small Business Report*SM

The *ADP Small Business Report* is a monthly estimate of private nonfarm employment among companies in the United States with 1-49 employees. In partnership with Macroeconomic Advisers, LLC, the *ADP Small Business Report* is produced on a monthly basis by ADP[®] Small Business Services, a provider of payroll, tax management, human resources, professional employer organization (PEO) and administrative services outsourcing (ASO) solutions to small businesses across all industries. ADP Small Business Services is part of ADP Employer Services, a leader in outsourced payroll, HR and benefits administration solutions. The information included in the *ADP Small Business Report* is based on data from the *ADP National Employment Report*, a measure of employment derived from an anonymous subset of 500,000 U.S. business clients. During the first six months of 2007, this subset represented approximately 383,000 U.S. business clients and nearly 23 million U.S. employees working in all private industrial sectors. The data is collected for pay periods that can be interpolated to include the week of the 12th of each month, and processed with statistical methodologies similar to those used by the U.S. Bureau of Labor Statistics to compute employment from its monthly survey of establishments. Due to this processing, this subset is modified to make it indicative of national employment levels; therefore, the resulting employment changes computed for the *ADP National Employment Report* and the *ADP Small Business Report* are not representative of changes in ADP's total base of U.S. business clients or ADP's total base of U.S. small business clients. The *ADP National Employment Report*, created by ADP[®] Employer Services, a division of Automatic Data Processing, Inc. (ADP), in partnership with Macroeconomic Advisers, LLC, is based on actual payroll data and measures the change in total nonfarm private employment each month

For a description of the underlying data and the statistical properties of the series, please see “*ADP National Employment Report: Development Methodology*” at <http://ADPEmploymentreport.com/methodology.aspx>.

About ADP

Automatic Data Processing, Inc. (NYSE: ADP), with nearly \$8 billion in revenues and more than 570,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging more than 55 years of experience, ADP offers the widest range of HR, payroll, tax and benefits administration solutions from a single source. ADP's cost-effective, easy-to-use solutions for employers provide superior value to companies of all types and sizes. ADP is also a leading provider of integrated computing solutions to

auto, truck, motorcycle, marine and recreational vehicle dealers throughout the world. For more information about ADP or to contact a local ADP sales office, reach us at 1.800.225.5237 or visit the company's Web site at www.ADP.com.

About Macroeconomic Advisers, LLC

Macroeconomic Advisers, LLC (MA) has been the most trusted source for U.S. macroeconomic forecasts and commentary, monetary and fiscal policy analysis, and econometric modeling for 25 years. MA's clients include leading financial service firms, nonfinancial corporations, key policymaking agencies of the U.S. government, as well as State and Foreign Government agencies. Additional information on Macroeconomic Advisers, LLC is available on the company's Web site, www.MacroAdvisers.com.

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