

Best Markets for Lighting Rebates

Lighting industry veteran Leendert Jan Enthoven founded BriteSwitch (www.briteswitch.com) in 2008 to help businesses take advantage of all the rebates and incentive programs that exist across the U.S. and Canada.

The BriteSwitch database helps electrical contractors, distributors, manufacturers and end users find lighting rebate programs in their region. Enthoven recently published the following lighting rebate update. Contact him at leendert.enthoven@briteswitch.com for more information on BriteSwitch.

The top question we get is, “Where are the best lighting rebates in the U.S.?” Customers with multiple locations, nationwide distributors and contractors all want to focus on those regions with the highest rebates. It’s not an easy question to answer because rebates vary so much.

High population doesn’t necessarily equal great rebates. In an ironic twist, the three states with the highest populations are the least beneficial for rebates. When people think of green initiatives, California usually comes to mind first. Over the past few years, their commercial lighting programs have dwindled as they have shifted their focus towards energy efficiency legislation rather than providing incentives. Texas’ utility rebate programs are traditionally geared toward large projects and require several extra steps that add complexity for both the customer and the contractor. Florida’s utilities offer meager rebate opportunities; only a few rebate programs are available and their incentive levels are typically low. For

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Prefabricated Electrical Products & Modular Construction Starting to Spark Big Changes

For savvy electrical contractors with an eye on working smarter on job sites, using prefabricated electrical products or systems they build in their own shops or purchase from electrical manufacturers is nothing new.

But at this year’s NECA Show in Las Vegas, it seems like more exhibitors than ever were promoting prefabricated products. Whether the products were somewhat simple, like ground wires pre-installed in metal boxes, fixture whips, or boxes with screws already backed out, the electrical manufacturers seemed to have the same goal in mind — help electrical contractors work faster, safer, and more profitably on job sites.

At least one electrical manufacturer thinks using prefabricated electrical products and adopting some LEAN concepts of project management won’t be optional in the future, because new competitors in the construction market can produce modular

buildings much faster than contractors employing traditional building methods.

In his NECA seminar, “Embracing Lean and Improving Profitability with Prefab,” ABB’s eFab Group Director Colin Ross said that many electrical contractors still rely on inefficient installation and project management methods developed decades ago. As a former general contractor, he was already familiar with many of the pain points contractors experience on job sites, including coordination of deliveries with suppliers, wasting time hauling product packaging from jobs and other inefficient tasks. ABB hired him to build a prefab operation that would solve many of these issues. His team works closely with electrical contractors, distributors and others in the supply and construction process to eliminate inefficiencies. One solution they developed for an electrical contractor working on Apple’s

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State-Level GDP Data Offers Insight into Concerns Over Industrial Market Slowdown

You hear about U.S. Gross Domestic Product (GDP) all of the time in the general business press, because folks use it as a quick-and-easy reference point for the overall health of the national economy.

In most cases GDP covers a bit too much ground to have a direct correlation to the electrical economy, because the two customer segment that dominate the electrical wholesaling industry — construction (4% of GDP) and manufacturing (11% of GDP) — only account for a combined total of 15% of the U.S. All Industry GDP Total, according to the most recent data available from the U.S. Bureau of Economic Analysis. And most data is often a quarter or two behind the time period you may want to measure.

However, the regional GDP on data for specific market segments, like Manufacturing GDP data in the chart on page 2, gives you a glimpse of which states are

lagging in the industrial market. Another revelation with this data is that when you break out GDP by state and Metropolitan Statistical Area (MSA) and county, as well as the various industry and business types available at www.bea.gov, you begin to see some interesting relationships between these areas, and the differences in the mix of businesses in these areas.

At the state level, it always surprises me how a relative handful of states can account for so much of the national total. With Total Industry GDP, 14 states account for 67% of the U.S. total (listed from most to least): California, Texas, New York, Florida, Illinois, Pennsylvania, Ohio, New Jersey, Georgia, Massachusetts, North Carolina, Washington, Michigan and Virginia.

I have done the calculations across a variety of economic and demographic

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QUARTERLY % CHANGE IN STATE-LEVEL GDP: Q1 2019

Area	Postal Code	All Industry GDP Total	Construction GDP	Manufacturing GDP	Q1 Total GDP (\$ Millions)	% of U.S. GDP
United States	US	3.1	0.1	4.4	21,060,062	
Alabama	AL	2.7	0.2	4.4	226,631	1.1
Alaska	AK	3.9	2.7	13.2	54,585	0.3
Arizona	AZ	3.8	9.3	4.2	360,032	1.7
Arkansas	AR	2.5	0.3	8.1	130,800	0.6
California	CA	2.7	-0.8	3.6	3,051,623	14.5
Colorado	CO	3.6	1.4	2.8	380,684	1.8
Connecticut	CT	2.2	0.1	3	282,002	1.3
Delaware	DE	3.9	-0.8	5.8	77,084	0.4
District of Columbia	DC	1.4	NA	NA	144,051	0.7
Florida	FL	2.9	-0.1	4.9	1,072,672	5.1
Georgia	GA	3.1	1.1	5.5	608,058	2.9
Hawaii	HI	1.2	-2	3	94,364	0.4
Idaho	ID	2.7	-3.8	1.1	79,500	0.4
Illinois	IL	2.9	-2.1	5.7	888,233	4.2
Indiana	IN	2.9	2.7	4.2	374,664	1.8
Iowa	IA	2.3	-12.2	4.2	193,726	0.9
Kansas	KS	3.1	-2.9	4.9	171,215	0.8
Kentucky	KY	2.5	1.6	5.3	213,313	1
Louisiana	LA	3.8	-8	12.4	256,450	1.2
Maine	ME	2.6	-6.4	7	66,022	0.3
Maryland	MD	1.8	-1.1	5.8	421,874	2
Massachusetts	MA	2.7	-1.4	3.9	581,718	2.8
Michigan	MI	2.6	0.7	2.8	542,760	2.6
Minnesota	MN	2.6	0.1	1.9	378,047	1.8
Mississippi	MS	1.9	-3.9	4.8	116,584	0.6
Missouri	MO	2.3	-1.5	3.5	326,020	1.5
Montana	MT	3.2	-6.7	3.9	50,038	0.2
Nebraska	NE	3.4	-1.5	2.9	125,959	0.6
Nevada	NV	4	12.6	7.3	171,134	0.8
New Hampshire	NH	2.6	1.9	0.9	87,009	0.4
New Jersey	NJ	1.8	0.4	1.1	639,841	3
New Mexico	NM	4.6	5.3	7	101,904	0.5
New York	NY	3.8	4.4	4.1	1,720,788	8.2
North Carolina	NC	2.8	-0.4	5	580,187	2.8
North Dakota	ND	3.9	11.5	3.8	55,604	0.3
Ohio	OH	3.5	-0.9	5.5	694,830	3.3
Oklahoma	OK	3.9	2.1	-1.4	202,555	1
Oregon	OR	3.1	1	5.8	246,186	1.2
Pennsylvania	PA	2.9	1.4	3.2	809,311	3.8
Rhode Island	RI	2.2	NA	3.7	61,928	0.3
South Carolina	SC	2.5	-1.4	4.9	236,753	1.1
South Dakota	SD	3.6	6.8	3.6	53,075	0.3
Tennessee	TN	2.4	-2.3	4	377,088	1.8
Texas	TX	5.1	-0.3	6.7	1,828,042	8.7
Utah	UT	4.2	-2.4	6.4	183,163	0.9
Vermont	VT	2.5	-4.1	4.6	34,515	0.2
Virginia	VA	2.7	1.9	10.1	549,997	2.6
Washington	WA	3.1	-3.7	-4.2	584,034	2.8
West Virginia	WV	5.2	4	7.3	79,482	0.4
Wisconsin	WI	2.9	1.6	2.7	345,390	1.6
Wyoming	WY	3.3	3.6	NA	39,428	0.2

Source: U.S. Bureau of Economic Analysis, Q1 2019 data

NECA Panel Discussion on Smart Cities Explores Contractor Opportunities

Electrical contractors may be in a better position than they realize to develop a profitable presence in the emerging Smart City market. Panelists at the NECA Show session, “What is a Smart City and Why Should You Care?” agreed that many electrical contractors already do 80% of the electrical and VDV work necessary for most Smart City applications. The other 20% is expected to be in the installation and commissioning of various control systems, work that for the most part is in their grasp with the proper training, said Terry Coleman, who helps coordinate training for NECA’s electrical training ALLIANCE. “It is work we know how to do,” he said.

The Smart City concept includes street-lighting, electric vehicle charging stations, traffic management systems, various municipal services (including water, safety, cyber security and mass transit), new 5G control systems, inter building electrical control systems and other applications that require the installation of various sensors to send data to cloud-based data management systems that city, facility and building managers are developing to manage municipal operations.

Electrical contractors now installing connected streetlights, electric vehicle charging stations, photovoltaic systems, energy storage systems and 5G networks are already working on integral parts of

the Smart City infrastructure, said Kelly Waters, director of Power Connect, Columbus, OH, a consortium of about 50 Ohio electrical contracting firms that focus on infrastructure improvements and electrical technology developments in that region.

She said electrical contractors who want to go after Smart City work should start establishing contacts within local municipal, county and state governments, as well as economic development organizations, commercial developers, hospitals, schools and universities, and other public and private entities that may utilize smart city technology.

Along with elected officials in these areas and executives who make decisions on infrastructure investments, Waters said contractors should search for contacts who have an interest in sustainability, net zero building, and the electrical grid, and try to get a seat at the table of committees and other civic or private planning groups that support the Smart City Concept.

Waters and Coleman agreed that the Smart City is a legitimate business opportunity for electrical contractors, it’s important that they are proactive and get involved with projects early, and not to leave the market open to other specialty contractors or other entities from outside the electrical construction industry.

— Jim Lucy, Las Vegas

NECA Show Report: Prefab Electrical Products & Modular Construction Could Revolution Installations

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new headquarters in Cupertino, CA, a few years back was to prefabricate the cable tray being installed and to eliminate much of the packaging by shrink-wrapping the tray to pallets.

Ross urged electrical contractors to study the new competitors in the construction market that offer modular building solutions, including pre-built walls with core mechanical, electrical & plumbing (MEP) already installed. One example he gave is Menlo Park, CA-based Katerra (www.katerra.com). The company is currently building thousands of multi-family housing units in the United States using modular construction techniques and construction components pre-manufactured at its factories.

A case study on the Katerra website offers details on how the company was able to construct a basic multi-unit apartment building in Las Vegas in less than 90 days, when it would take more than 140 days to build a similar structure using traditional construction processes.

Katerra’s factories are heavily automated, and it uses robots and other automated equipment to cut and shape marble counter tops, produce wall panels and eliminate other labor-intensive tasks. Ross says the company even owns its own forest to harvest the lumber it needs for projects, and a quarry for some of the stone products it uses.

He notes that contractors can learn from how these new companies have streamlined the construction process. “There’s a better way to be doing this,” he adds.

Around the Industry

IBEW applauds federal energy ruling

International Brotherhood of Electrical Workers (IBEW) President Lonnie Stephenson said in a press release that IBEW approves of the Federal Energy Regulatory Commission’s plan to modernize the implementation of the Public Utility Regulatory Policies Act (PURPA) of 1978.

“America’s energy industry has dramatically changed since Congress first passed PURPA more than 40 years ago,” said Stephenson. “Renewables, for example, now account for more than 17% of U.S. electrical generation, and they keep growing as costs continue to decline.

“This makes modernizing PURPA to meet the demands of our changing energy system more vital than ever. Under PURPA’s current rules, developers have figured out ways to game the existing system in order to crowd out less expensive renewable projects, which hurts workers and customers alike.

“FERC Chairman Neil Chatterjee’s move will introduce more competition into renewable power projects, slashing prices for energy consumers while encouraging more opportunities for IBEW members to modernize the energy grid. It’s a win for workers, consumers and the environment, and we commend it.”

Eaton’s lighting business spinoff to be named Cooper Lighting Solutions

Cooper Lighting Solutions will be the company name and brand that will represent Eaton’s lighting business as an independent, publicly traded company following the anticipated spin-off of the business later this year.

Toungue Associates works with Pompeo Group in sale of Optic Arts

Toungue Associates, Portland, ME, in affiliation with The Pompeo Group, Carlsbad, CA, advised Optic Arts in the sale of the company to Luminii, Niles, IL, which produces customizable, specification-grade commercial LED lighting products. Optic Arts is a manufacturer of specification-grade linear LED lighting fixtures

Paul Pompeo, founder of the Pompeo Group, said in the press release, “Today’s lighting industry is rapidly changing with many strategic players, some private equity-backed, who are looking to grow through acquisitions to enhance product lines and build market share.”

Industry Events

October 20-22

IMARK Annual Meeting

Orlando, FL; IMARK Group, www.imarkgroup.com

October 28-30

AD Electrical North American Meeting

Aurora, CO; Affiliated Distributors, www.adhq.com

October 31

2020 Dodge Construction Outlook

Chicago, IL; Dodge Data & Analytics, www.construction.com

November 6-7

NEMA Annual Meeting

Naples, FL National Electrical Manufacturers Association (NEMA), www.nema.org

November 11-13

NAED Eastern Region Conference

Tampa, FL; NAED, www.naed.org

November 20-21

Rockwell Automation Fair

Chicago; Rockwell Automation, www.rockwellautomation.com

November 20-22

Greenbuild 2019

Atlanta; Informa Exhibitions/U.S. Green Building Council, www.greenbuildexpo.com

December 2-5

NEMRA 2019 Executive Development Program at Northwestern University

Evanston, IL; National Electrical Manufacturers Representatives Association, www.nemra.org

January 20-22, 2020

NAED Western Region Conference

Phoenix, AZ; National Association of Electrical Distributors, www.naed.org

January 28-30, 2020

NAW Executive Summit

Washington, DC; National Association of Wholesaler-Distributors (NAW), www.naw.org

January 29-February 1, 2020

NEMRA Annual Conference

Orlando, FL; National Electrical Manufacturers Representatives Association, www.nemra.org

August Housing Start Data Surprises Analysts with +12.3% Monthly Increase

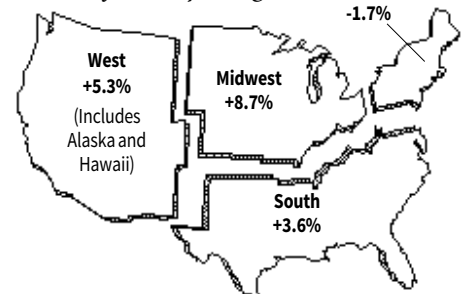
The double-digit increase in August housing starts made national news this week. Privately-owned housing starts in August were at a seasonally adjusted annual rate of 1,364,000, +12.3% above the revised July estimate of 1,215,000 and +6.6% above the Aug. 2018 rate of 1,279,000. U.S. Census Bureau data said single-family housing starts in August were at a rate of 919,000, +4.4% above the revised July figure of 880,000.

"Housing has been on an upswing in recent months as the pace of permits and starts has been rising since spring," said Robert Dietz, chief economist for the National Association of Home Builders (NAHB). "While

these are positive developments, single-family starts are down -2.7% year-to-date as the catch-up process continues."

Housing Starts by Region

(% of monthly change)



New Privately Owned Housing Units Started

(Thousands of units, seasonally adjusted annual rate)

Period	Total	1 Unit	5 Units or more	Northeast	Midwest	South	West
Aug. 2019 ₁	1,364	919	424	59	137	484	239
July 2019 ₁	1,215	880	324	60	126	467	227
Jun. 2019 ₂	1,233	864	358	47	122	481	214
May 2019	1,264	814	438	50	111	472	181
Apr. 2019	1,270	862	385	66	117	450	229
Mar. 2019	1,199	833	361	57	102	480	194
Aug. 2018	1,279	889	373	66	118	478	227

1-Preliminary; 2-Revised; Note: Detail may not add to total because of rounding.

Source: U.S. Bureau of the Census

Lighting Leads EPI Increases in August

Residential Lighting (+4.6%) and Lamps (+10.1%) led an otherwise quiet Electrical Price Index in August. These dramatic increase may reflect concern over the import of LEDs from China. The Total Index was up +0.4% for the month and +2.6% year-over-year. EM's EPI was quiet otherwise, with few categories showing a change of more than 1%: Pole-Line Hardware (-1.8%); Conduit Fittings (+1.9%); and Nonmetallic Conduit (+1.5%).

Note: All EPI series represent Global Insight aggregates of Bureau of Labor Statistics' (BLS) producer price indices (PPIs). The revised data partly reflect redefinitions of specific PPIs by the BLS, but mostly reflect the rebenchmarking of all EPI price series to a 1997 base year. The four following EPI series have been affected by BLS redefinitions: boxes, conduit (fittings), nonmetallic conduit, and generators. Sources: U.S. Bureau of Labor Statistics; Global Insight

Electrical Price Index — August 2019

1997=100	Aug. 2019	Jul. 2019	Aug. 2018	% Change 1 Mo.	% Change 1 Yr.
Building Wire & Cable	189.0	189.0	189.0	0.0	0.0
Power Wire & Cable	208.3	209.8	215.8	-0.7	-3.5
Telephone	180.8	180.8	180.8	0.0	0.0
Hand & Power Tools	140.1	140.1	137.1	0.0	2.2
Elec. Heating Equip.	144.1	144.1	139.9	0.0	3.0
Residential Lighting	151.5	144.9	134.2	4.6	12.9
Industrial Fixtures	141.6	141.1	131.7	0.4	7.5
Fans & Blowers	165.6	165.4	159.7	0.2	3.7
Wiring Devices & Connectors	134.8	135.5	133.8	-0.5	0.8
Pole Line Hardware	161.6	164.5	157.7	-1.8	2.4
Boxes	170.2	171.6	167.4	-0.8	1.7
Conduit Fittings	163.3	160.3	153.4	1.9	6.5
Metal Conduit	183.5	184.3	180.8	-0.4	1.5
Nonmetallic Conduit	165.8	163.4	156.9	1.5	5.7
Motors	163.5	163.5	159.0	0.0	2.9
Generators	152.9	152.9	149.3	0.0	2.4
Ballasts	153.6	153.6	149.8	0.0	2.6
Elect. Meas. & Integ. Inst.	129.0	127.9	126.5	0.9	2.0
Transformers	137.9	137.2	135.5	0.5	1.8
Panelboards & Switches	171.2	171.3	168.6	0.0	1.6
Circuit Breakers	178.1	178.3	176.0	-0.1	1.2
Switchgear	168.3	167.7	162.1	0.4	3.8
Fuses	159.0	158.7	155.1	0.2	2.5
Industrial Controls	162.7	162.8	160.7	0.0	1.3
Lamps	158.7	144.1	142.9	10.1	11.0
Appliances	113.0	112.4	108.1	0.6	4.5
Air Conditioners	155.1	153.8	142.8	0.8	8.6
Fasteners	155.2	155.5	151.5	-0.2	2.4
Total Index	153.8	153.2	149.8	0.4	2.6

Electrical Marketing's Leading Economic Indicators

Building permits surge in August with +7.7% increase.

Privately-owned housing units authorized by building permits in August were at a seasonally adjusted annual rate of 1,419,000, +7.7% above the revised July rate of 1,317,000 and is +12% above the August 2018 rate of 1,267,000. The U.S. Census Bureau said single-family authorizations in August were at a rate of 866,000, +4.5% above the revised July figure of 829,000.

Architecture Billings Index drops again in August.

Demand for design services in August took a markedly downward swing compared to July's already soft score, according to the American Institute of Architects (AIA), Washington, DC. AIA's Architecture Billings Index (ABI) score of 47.2 points in August showed a significant drop in architecture firm billings compared to the July score of 50.1 points. Any score below 50 points indicates a decrease in billings. The design contracts score also declined to 47.9 points in August, representing a rare dip for this indicator.

"The sizeable drop in both design billings and new project activity, coming on the heels of six months of disappointing growth in billings, suggests that the design expansion that began in mid-2012 is beginning to face headwinds," said AIA Chief Economist Kermit Baker. "Currently, the weakness is centered at firms specializing in commercial/industrial facilities as well as those located in the Midwest. However, there are fewer pockets of strength in design activity now, either by building sector or region than there have been in recent years."

Purchasing Managers Index falls into negative territory.

The August PMI registered 49.1%, a -2.1% decrease from the July reading of 51.2%. The New Orders Index registered 47.2%, a decrease of 3.6 percentage points from the July reading of 50.8%.

Timothy Fiore, chair of the Institute for Supply Management, Tempe, AZ, said in the press release for the August PMI data, "Comments from the panel reflect a notable decrease in

business confidence. August saw the end of the PMI expansion that spanned 35 months, with steady expansion softening over the last four months.

The Marketplace : Key Figures

	Month	Latest month	Previous month	Month-over-month % change	Year ago	Year-over-year % change	2018 annual
CONSTRUCTION							
Total	JUL	1288.79	1288.07	0.1	1324.8	-2.7	1298.82
Offices	JUL	68.55	68.31	0.3	64.38	6.5	63.47
Industrial	JUL	72.25	70.9	1.9	69.68	3.7	64.55
Housing Starts (Thousands of units, SAAR) ²	AUG	1364	1215	12.3	1279	6.6	1250
Single-unit	AUG	919	880	4.4	889	3.4	873
Mobile Home Shipments ³ (thousands of units, SAAR)	JUL	91	93	-2.2	92	-1.1	97
Employment, Construction Workers (thousands) ⁴	AUG	7764	7750	0.2	7587	2.3	7289
Employment, Electrical Contractors (thousands) ⁴	JUL	969.9	967.1	0.3	936.3	3.6	924.8
Hourly Wage, Electrical Contractors ⁴	JUL	30.76	30.55	0.7	29.89	2.9	29.76
PRODUCTION							
Industrial Production Index (1967=100) ⁵	AUG	109.9	109.2	0.6	109.5	0.4	108.6
Construction Supplies Production Index ⁵ (1977=100-SA)	AUG	116.5	115.5	0.9	115.3	1	114.9
Employment in Electrical Equipment & Supplies Mfg. Production workers (Thousands) ⁴	JUL	148.1	145.7	1.6	141.2	4.9	141
Weekly Hours	JUL	42.2	42.3	-0.2	44.1	-4.3	44.2
Hourly Wage	JUL	19.69	19.94	-1.3	20.75	-5.1	20.73
Electric Power Output Index (1967=100) ⁵	AUG	103.4	102.8	0.6	105.1	-1.7	104
Machine Tool Orders* (millions of dollars) ⁶	JUL	373.12	353.98	5.4	380.74	-2	437.56
Industrial Capacity Utilization (percent, SA) ¹	AUG	75.7	75.4	0.4	77	-1.7	76.58
TRADE							
Electrical Mfrs' Shipments	JUL	3,217	3,221	-0.1	3,109	3.5	3,074
Electrical Mfrs' Inventories (millions of dollars, SA) ²	JUL	5,712	5,737	-0.4	5,196	9.9	5,229
Electrical Mfrs' Inventory-to-Shipments Ratio	JUL	1,776	1,781	-0.3	1,671	6.2	1,702
Electrical Mfrs' New Orders (millions of dollars, SA) ²	JUL	3,245	3,242	0.1	3,125	3.8	3,060
Electrical Mfrs' Unfilled Orders (millions of dollars, SA) ²	JUL	8,024	7,975	0.6	7,758	3.4	7,749
Exports, Electrical Machinery (f.a.s. value in millions of dollars) ²	JUL	6,419	6,504	-1.3	6,526	-1.6	79,903
U.S. Dollar vs. Other Major Currencies (1973=100) ⁵	AUG	130.37	127.85	2	125.33	4	122.91
PRICES & INTEREST RATES							
Industrial Commodities Wholesale Price Index (Bureau of Labor Statistics, 1967=100)	AUG	200.4	202	-0.8	206.1	-2.8	203.7
Electrical Price Index (Electrical Marketing, 1997=100)	AUG	153.8	153.2	0.4	149.8	2.6	149.5
Construction Materials Wholesale Price Index (Bureau of Labor Statistics, 1967=100)	AUG	252.1	251.6	0.2	249.2	1.2	247
Copper Prices (Metals Week, cents per pound)	AUG	257.24	268.66	-4.2	269.39	-4.5	292.57
Prime Rate ⁵	AUG	5.25	5.5	-4.5	5	5	4.9
Federal Funds Rate ⁵	AUG	2.13	2.4	-11.3	1.91	11.5	1.83
Mortgage Rate ⁵	AUG	3.62	3.77	-4	4.55	-20.5	4.54
*Several series related to employment are now being reported on a NAICS basis. Because of this change, some numbers are not directly comparable to previously reported data, but are consistent in year-over-year comparisons and comparisons shown in the table.							

Sources: ¹McGraw-Hill Construction/Dodge; ²Dept. of Commerce; ³Manufactured Housing Institute; ⁴Dept. of Labor;

⁵Federal Reserve Board; ⁶The Association for Manufacturing Technology; ⁷Federal Home Loan Bank Board.

Note: Some figures shown—prime rate, for example—are averaged for month. NYA—not yet available

SA—seasonally adjusted. SAAR—seasonally adjusted annual rate. Source for chart: Global Insight.

For further information about construction starts, please contact Dodge Analytics at 1-800-591-4462

Lighting Rebate Update

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instance, one of their incentives comes out to only \$0.05 per 4-ft LED tube.

Generous rebates in the Northeast – but with a catch. Traditionally, Northeastern utility providers have offered lucrative rebates, but the process is difficult and the fine print can seem daunting. Rebate applications in this area are typically outsourced to third-party organizations, questions are forwarded to call centers and the paperwork is redirected countless times before it's reviewed. This can make it difficult to follow up on a project and to find out when materials can be purchased or even for which incentive you will be eligible. All these steps also lead to a lengthy pre-approval period, sometimes taking as long as six to eight weeks. Some utilities have also started midstream rebates where the rebate is taken directly off the invoice. These types of programs can be problematic if businesses want to use a specific distributor or contractor not in the program.

Midwest & Northwest offer strong incentives but many variations. Some of the highest rebates can be found in the Midwest and Northwest regions. One challenge is to navigate the many different available rebate programs. For instance, Washington has 31 separate rebate programs, similar to Colorado and Minnesota. Each of the utilities' programs has their own incentive levels and product requirements, so what worked for one location may not be available just one town over.

Areas where funding goes quicker than anticipated. Rebate programs typically have set budgets, meaning that program funding can run out for a few months, a year or indefinitely. Typically, we've seen that between 10% to 20% of the rebate programs nationwide run out of funding at some point. While a few programs are currently out of funding, this year we've noticed that several rather large utilities are struggling to meet their program goals.

The type of product makes a big difference. The product being used will also influence where the best rebate areas are. For example, Avista Power in Idaho offers a \$610 rebate for a LED pole-mounted fixture replacing 1,000W HID; one of the best in the country. On the other hand, their \$6.50 4-ft tube rebate is close to the national average.

— *Leendert Jan Enthoven, BriteSwitch*

People

Parrish-Hare Electrical Supply (Irving, TX): **Greg Johnson** was recently promoted to the newly created general manager position at the Dallas location, overseeing all Parrish-Hare locations, Power-House and PHe-Services. Johnson has been with the company for seven years and comes with a background of over 37 years in the electrical industry.

Ideal Industries (Sycamore, IL): **Tony Randolph** joined the company's leadership team as a national account manager. He will lead Ideal sales through strategic national contractors, vocational schools and key channel partners by focusing on both key growth segments and driving new platform initiatives. Randolph joins Ideal from ABB Industrial Solutions where he was national account manager for switchgear products.

Orion Energy Systems, Inc. (Minitowoc, WI): Orion recently announced the appointment of three senior sales executives. **Leonard Costello** has worked as a sales executive for over 30 years, most recently at Soraa Lighting as corporate accounts manager. **Joni Mayo** joins Orion with over 25 years' experience and most recently served as senior corporate account manager with Acuity Brands. **Alexander Theetge** most recently served as marketing and sales director at Lights of America.

Obituary

Herm Isenstein, founder of DISC Corp., Orange, CT, passed away on Sept. 11 at the age of 86, after a battle with brain cancer. He was known throughout the electrical market as the leading economist in the business and was a long-time contributing writer for *Electrical Wholesaling*. Isenstein founded DISC in 1985 and ran it for 34 years, before selling it recently to Christian Sokoll.

According to his obituary in the *Boston Globe*, Isenstein was preceded in death by his first wife Joalit Isenstein in 1974, and was the devoted and loving father of Sheri Isenstein Schonfeld and her husband Mark Schonfeld of Boston, MA, and Gil M. Isenstein and his wife Lisa Waters of Malibu, CA. He was the caring and committed grandfather to Jonathan S. Isenstein and Mabel J. Isenstein and loyal brother of the late Stanley Isenstein. He is also survived by his loving wife Deborah Isenstein, who was by his side at many electrical industry functions over the years.

Utilizing State GDP Data

Continued from page 1

metrics, including electrical contractor employment, building permits and population. States, metros and counties often account for a consistent percentage of these metrics when compared to the U.S., or their state or metro. For example, California accounted for 14.5% of BEA's U.S. All Industry Total GDP in Q1 2019, and accounts for 12% of the total U.S. population; and 12% of private employment. It did come in a few points lower in electrical contractor employment at an estimated 10.4%.

While U.S. Bureau of Economic Analysis' state and local GDP data have some limitations as economic metrics, it's still a useful gauge of overall economic conditions when you need to factor in a quarterly or annual change in GDP. It also helps reveal where your company's business is concentrated so you can deploy your salespeople, inventory and capital investments accordingly.

— *Jim Lucy*

Electrical Marketing

Telephone: (913) 967-1951

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Jim Lucy, Content Director, (913) 967-1743
Ellie Coggins, Associate Content Specialist, (913) 967-1951
David Eckhart, Art Director
Sonja Trent, Audience Marketing Manager
Sue Boehlke, Group President, Industry

In Memoriam:

George Ganzenmuller, 1924-1986
Thomas Preston, 1927-1991

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