

Electrical Marketing[®]

THE ELECTRICAL INDUSTRY NEWSLETTER

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People on the Move

Leviton (Melville, NY): One of the most familiar faces in the electrical market over the past few decades, **Bill Marshall**, senior VP of distribution sales and marketing, is retiring on Dec. 31. He has served the lighting, electrical and data communications industries in various sales and marketing roles for more than four decades, including the last 26 years with Leviton.

Over the years, Marshall has received several prestigious industry awards, including the Edison Reports Lifetime Achievement Award, presented annually to individuals who have made outstanding contributions to the lighting industry over their careers, and the National Association of Electrical Distributors (NAED) Associate Award for his efforts on behalf of the electrical distribution industry and NAED.

Additionally, **Randy Mortensen** was hired to serve as Leviton's new senior VP of global distribution sales and marketing. In this newly created position, Mortensen will be responsible for the company's U.S. distribution channel, all international sales and the e-business channel.

Mortensen brings more than 25 years of experience in the electrical and network solutions industries. Most recently, he held several senior executive positions at Anixter International, where he was responsible for technology strategy, global marketing solutions, network solutions marketing and supplier relations.

G&G Industrial Lighting (Clifton Park, NY): **Chris Carpenter** and **Konner Kappelman** have joined the team as regional

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Coronavirus Slams Industry with -20% Sales Declines Common in Many Local Markets

To get a sense of the impact of the Coronavirus on the electrical market, earlier this week *EM's* editors surveyed electrical manufacturers, electrical distributors and independent manufacturers' reps on their experiences to date. Survey results are still coming in, but responses from more than 70 industry executives offer excellent but at times sobering insight into the impact of the COVID-19 virus. We realize this situation is changing day-to-day, but believe the following report is a solid pulse check for where the electrical industry is at right now.

The dramatic decline in sales. Of the 45 distributor and rep respondents to our survey, 62% had seen a slowdown. The impact was sudden and dramatic for these companies. The average decrease in business for the 31 respondents who provided data was -22%. Even more sobering was how quickly the downturn hit these companies, as 59% of them said they started

noticing the slowdown less than a week ago.

Surprisingly, manufacturer respondents had not yet seen such a dramatic impact. Of the 28 companies providing data, approximately 61% said their business had not yet slowed down because of the Coronavirus. For the electrical manufacturers who had seen a slowdown, the decrease was in the same ballpark as the decrease for distributor and rep respondents at -19%. The majority had also seen the decline just in the last week.

Legrand's John Hoffman, executive VP of sales and market development, said while the company's overall business had not yet slowed down, they had noticed a business disruption on the coasts, with sales off in Massachusetts, New York, New Jersey and California. He said projects were slowing down in New York City and that he expected construction to stop in

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Latest IHS Markit Forecast Says Global Economy is Headed for Recession

Note to our readers. One of the key benefits of an annual subscription to Electrical Marketing newsletter is access to a wealth of industry-specific pricing and economic data from IHS Markit, which produces our monthly Electrical Price Index (EPI) and Key Figures data. IHS also provides EM with regular macroeconomic reports. For this issue, IHS Markit Chief Economist Nariman Behravesh and Sara Johnson, executive director, Global Economics, offer expert insight into the impact they expect the Coronavirus to have on the global economy.

Disruptions to supply chains, demand, international trade flows and travel, along with lockdowns and collapsing stock prices, resulting from the coronavirus disease 2019 (COVID-19) virus have dealt a heavy blow to the global economy.

The United States, Europe and Japan are headed for recession and the IHS Markit forecast for world real GDP growth in 2020

has been revised down to -0.7% in response to the spread of the virus. Growth below 2% is classified as a global recession.

While the number of active world cases of the Coronavirus is assumed to top out by the third quarter, the result will be a U-shaped rather than V-shaped cycle, as a sharp reduction in near-term growth is followed by a slow recovery.

Forecast risks are overwhelmingly on the downside and depend crucially on how governments respond. Central banks have already taken emergency actions, but the fiscal response is more uncertain.

The recent sharp drop in oil prices will help energy consumers and hurt energy producers. The net effect on global growth is likely to be negative, but small.

United States. A recession will start in the second quarter. Incoming data point to solid growth at the start of 2020.

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Coronavirus to Spark Sharp but Relatively Short Global Recession According to IHS

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Fear and financial stress stemming from the spread of the COVID-19 virus have swamped that good news. Volatility has surged, risks spreads have widened and equity values have fallen more than -25% year to date, wiping out trillions in household net worth.

Real GDP growth will be hurt badly in the second quarter as consumers spend more cautiously and businesses put some investments on hold until the outlook clears up. Bans on travel and public gatherings will also hurt. Growth is not expected to return until the end of the year. The U.S. Federal Reserve's emergency cuts of 150 basis points and liquidity measures will help. Nevertheless, fiscal relief will be needed. The net effect of the large oil price drop will be to cut growth a little, with consumers being helped, but oil producers and their suppliers being hurt. All told, U.S. real GDP should fall -0.2% on a calendar year basis in 2020.

Europe. A downturn is imminent. The Eurozone and UK economies were already in a weak state before the impact of the virus that causes COVID-19. Eurozone real GDP increased just +0.1% quarter-over-quarter and +1% year-over-year in the fourth quarter of 2019, the weakest performance in six years.

Germany's output was flat, while Italy and France suffered quarter-to-quarter contractions. The UK economy also stalled in the fourth quarter. IHS Markit expects the spreading virus will do serious damage via trade, travel and tourism, financial markets and sentiment. Italy is especially vulnerable, given its fragile economy, the

high incidence of COVID-19 and resulting restrictions on activity. Germany will be hit hard by a drop in exports to mainland China, especially the steep decline in light vehicle sales.

We now expect a recession in the Eurozone, with real GDP declining during much of the rest of 2020. For the full year, we expect Eurozone real GDP to fall -1.5% and UK real GDP to decrease -0.7%, before recovering weakly in 2021.

Japan. Already in recession. Japan's real GDP fell -7.1% quarter-to-quarter annualized in the fourth quarter of 2019, led by sharp declines in household consumption and private fixed investment. Real GDP is expected to drop again in the first quarter because of the impacts of the COVID-19 virus. Both foreign and domestic tourism have declined, and several major events have been scaled down, postponed or canceled. Nevertheless, our forecast assumes that the 2020 Tokyo Summer Olympics will go ahead. After a +0.7% expansion in 2019, Japan's real GDP is projected to contract -0.8% in 2020 before recovering +0.6% in 2021 and +0.5% in 2022. The Bank of Japan (BOJ) has repeated that it will not hesitate to introduce additional monetary easing if downside risks to the economy and inflation arise, but its actions so far have been limited.

China. First in, first out? While the incidence of the COVID-19 virus in mainland China has been concentrated in Hubei province, the economic damage has been more widespread because of supply-chain disruptions. Moreover, labor shortages have hampered work resumption, as a good portion of the workforce traveled to their home regions during Lunar New

Year and cannot return to work quickly owing to travel restrictions and local self-quarantine requirements. The data for January and February show a precipitous drop in economic activity.

The central government has announced a series of policies to limit the negative impacts of the outbreak on the economy. One key measure is to coordinate work resumption across regions. The authorities have also indicated they will intensify monetary stimulus and speed up and expand investment spending. IHS Markit projects mainland China's real GDP growth to slow from +6.1% in 2019 to +3.9% this year, with the economy contracting sharply year-over-year in the first quarter. We predict growth to rebound in 2021.

Other large emerging markets. Few safe harbors exist. The COVID-19 virus outbreak has created an even more challenging environment for emerging markets. Most do not have the financial or healthcare resources to deal with this pandemic. Fortunately, to date, only one country (Iran) in the emerging world has been hit hard. That could change very rapidly. Meanwhile, much lower global growth and commodity prices will hurt prospects everywhere. Few, if any, countries will be immune to the economic damage.

Bottom line. The rapid spread of the COVID-19 virus beyond mainland China has set the global economy up for the worst growth downturn since the 2008-09 financial crisis.

— *Chief Economist Nariman Behravesch and Sara Johnson, Executive Director, Global Economics*

IHS Markit: Forecasts for Global Growth

	2016	2017	2018	2019	2020	2021	2022	2023	2024
REAL GDP GROWTH (% CHANGE)									
World	2.8	3.5	3.2	2.6	0.7	2.4	3	3.1	3.1
United States	1.6	2.4	2.9	2.3	-0.2	0.8	2.6	2.8	2.7
Eurozone	1.9	2.7	1.9	1.2	-1.5	1	1.4	1.4	1.4
Japan	0.5	2.2	0.3	0.7	-0.8	0.6	0.5	0.8	1.1
China	6.9	6.9	6.7	6.1	3.9	6.6	5.7	5.3	5.1
EXCHANGE RATES (YEAR END)									
Dollar/euro	1.05	1.2	1.15	1.12	1.08	1.08	1.09	1.11	1.12
Yen/dollar	116.8	112.9	110.8	109.1	103.1	105	105.5	107.1	107.8

Electrical Marketing Survey Points to Rapid Impact of Coronavirus on Market

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San Francisco for three weeks. “Overall business is very strong,” he said. “This could be due to some people stocking up.”

China sourcing update. Hoffman added that the company was not experiencing any supply chain issues. “Our China operation is at nearly 100%, product has been shipping and no back orders,” he said in his response.

Several manufacturers said manufacturing is starting to come back online in China. Others commented that they were glad their companies manufactured or sourced most of their products in the United States or Mexico. Said an executive from one large manufacturer, “We have had a slight delay in shipping and receiving products produced in China, but suppliers are coming back up to speed and we only project a slight blip in supply volume in Q2.”

“We are lucky that we manufacture over 80% in US, and only manufacture very limited in China,” said another. “Our workers in China are back to work as of last week. We are hearing of backups in shipping and customs.”

Michael Billett, regional sales manager, Phoenix Support Systems, said his company was not experiencing any supply chain issues because of its domestic manufacturing capabilities. “Over 95% of our products are manufactured in Niles, OH, using domestic steel,” he reported. “The little that we import, we have sufficient inventory in place.”

Local market sales reports. Geographic market areas all over the United States are being impacted in one way or another by the Coronavirus, but judging from survey responses, it seems Boston, New York, Philadelphia, San Francisco and Seattle are being hurt the worst in the early days of the crisis. Distributor and rep respondents from all over the United States are doing many if not all of their sales contacts by phone or email because face-to-face sales meetings have all but stopped in many markets.

In Boston, which is in the middle of a transformative construction boom, this week’s decision by Boston Mayor Marty Walsh to shut down all construction jobs for several weeks rocked the market. One large New England rep has already taken a -25% hit to sales.

Jeff Jervah, regional vice president for Legrand, said the feedback he has been

getting from the field has been “all over the map.” “From construction being shut down to the local/state government and distributor personnel not allowed on site, and distributors not being allowed to conduct a traditional sales call face-to-face,” he said.

One Top 200 Texas distributor whose sales are down -15% over the last week said they were not allowing any reps in their building until further notice. “Our contractor customers are not allowing any salesmen in their buildings, either. Job sites, as of now, are still working,” he said.

And while the Coronavirus was top of mind for survey respondents from Texas, several commented on the dramatic decline in the oil market, which has severely cut demand for oil and is a major economic crisis in its own right.

Social distancing gets real. While every region of the country has its own unique set of economic challenges because of the Coronavirus, many respondents commented on some of the same issues. A big one was tied to social distancing. Said a large Ohio distributor, “Big impact in Ohio. Face-to-face calls have been reduced to emergencies only and counter business has slowed. Now hearing cases of contractors being asked not to return to job sites for two weeks; major manufacturer creating panic by encouraging distributors to order 30-day supplies; and concerns among employees.”

One East Coast independent rep said his agency’s 90 employees are all working remote. He added that distributors in Washington, DC, and Baltimore seem busy, but that it “seems like panic to finish jobs.” “All offices and job sites are not allowing visitors,” he said. “We are waiting for a full closure of DC. Engineers and architects are still busy.”

Philly: Hard times for a tough town. Several Philadelphia area reps and distributors reported sudden declines of -20% or worse. “The Philadelphia region has been hit hard,” he said. “Major construction sites are still open. But our sales are down -25% in two days.”

Another Philadelphia rep, whose sales are down -10% to date, said the main issue is “an inability to communicate.” “We have to do everything by phone or e-mail, so it’s slowing the process,” he said. “But as of today, we are still open, and our job sites are still active.”

Sean Healy, Colonial Electric Supply,

King of Prussia, PA, reported his company’s sales have dropped -20% over the past week. “We expect this to get worse before it gets better,” he said.

The Midwest also gets whacked. Several Midwestern distributors also reported big sales declines and a slowdown in construction. One distributor in the Minneapolis-St. Paul market said his company’s business is off -50%. “Our business is slowing on a daily basis, particularly at our will call counters,” he said “We are still making deliveries, but expect those to slow as well. Inspectors in some areas are not visiting job sites, so that in and of itself will slow the progress of construction.

“Many manufacturing facilities are taking steps to limit outside personnel into their buildings (drop shipments without entering or not taking deliveries at all)”

One of the larger distributors in the St. Louis market said that while Missouri has not yet been hit as hard as some other markets, he is hearing that some area universities and hospitals may shut down construction projects. He says his company is taking all precautions to minimize the effect of the Coronavirus and, if employees’ job responsibilities allow for it, they are now working at home. “Customers are starting to limit the electrical distributors from visiting,” he added.

The view from the West Coast. As one of the largest reps on the West Coast, the team at ElectroRep, Sausalito, CA, gets a good perspective on the current business climate in California, Pacific Northwest, and through the Intermountain states. Kelly Boyd, the company’s president and CEO, expects business in the Pacific Northwest and Northern California markets to take a -25%-plus hit in the next few months.

He has seen construction projects shut down in San Francisco, San Jose CA, and in the Pacific Northwest, and said major building owners including Facebook and Amazon have shut down major facilities and projects in many parts of the country for a few weeks.

However, Boyd sees some major sales opportunities — as well as supply chain challenges — when the Coronavirus crisis passes. “There will be an explosion of upturn when the time comes to turn back on the faucet,” he says. “That will create supply chain challenges and price opportunity.”

— Jim Lucy

Industry Events

Note to readers: COVID-19 has forced the cancellation of many key industry events for 2020. EM's editors are tracking the status of all events and will publish updates each issue. For up-to-date details about any event, contact the association at the websites provided below. Below is a status report for many of this year's largest events as of Mar. 19.

March 24-26, 2020

IMARK Showcase

IMARK, www.imarkgroup.org

Status: Cancelled for 2020. The 2020 IMARK Showcase will be held March 23-25, 2021.

April 15-16, 2020

Upper Midwest Electrical Expo

Minneapolis; North Central Electrical League, www.ncel.org

Status: Postponed with no new dates yet.

April 19-23, 2020

NAILD Convention

Biloxi, MS; National Association of Independent Lighting Distributors, www.naild.org

Status: Postponed with no new dates yet.

April 21-24, 2020

AHTD Spring Meeting

Scottsdale, AZ; Association for High Technology Distribution, www.ahtd.org

Status: Postponed with Fall Meeting scheduled for Oct. 14-Oct. 17 in Salt Lake City

April 28, 2020

Electric League Expo 2020

Kansas City, MO; Electric League of Missouri & Kansas, www.electricleague.org

Status: Discussing postponement.

May 5-7, 2020

LightFair Trade Show & Conference

Las Vegas; www.lightfair.org

Status: Postponed with new dates under discussion.

May 5-8, 2020

NAED National Conference

Philadelphia; www.naed.org

Status: Cancelled.

June 23-26, 2020

NAED Women in Industry

San Antonio; www.naed.org

Status: Still scheduled as of March 19.

February's Total Housing Starts Increase +39.2% Year-Over-Year to 1.599 Million

Privately-owned housing starts in February were at a seasonally adjusted annual rate of 1,599,000 -1.5% below the revised January estimate of 1,624,000, but +39.2% above the February 2019 rate of 1,149,000.

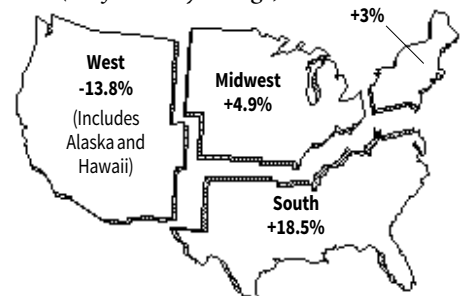
According to the U.S. Census Bureau, single-family housing starts in February were at a rate of 1,072,000, +6.7% above the revised January figure of 1,005,000.

Robert Dietz, chief economist for the National Association of Home Builders, said in a post on www.nahb.org, "Construction activity was accelerated earlier in the year due to warmer weather. Despite the strong start for 2020, significant and rising

headwinds exist for housing construction due to Coronavirus mitigation efforts."

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
Feb. 2020 ¹	1,599	1,072	508	68	151	616	237
Jan. 2020 ²	1,624	1,005	612	66	144	520	275
Dec. 2019 ²	1,601	1,057	524	66	164	589	238
Nov. 2019	1,381	940	422	65	111	516	248
Oct. 2019	1,340	914	414	39	117	534	224
Sept. 2019	1,266	902	353	60	117	516	209
Feb. 2019	1,149	792	352	44	111	465	172

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

Source: U.S. Bureau of the Census

Distribution Equipment Leads EPI Declines

While most of the declines in EM's Electrical Price Index (EPI) for February were fairly small, the Switchgear (-1.3%); Panelboards & Switches (-1.3%); Fasteners (-1.3%); and Air Conditioners (-2.1%) showed a change of more than 1% for the month. Power Wire & Cable (+1%) was the only category showing an increase in February. Lamps (+7.8%) and Residential Lighting (+7.1%) had the largest year-over-year overall increases.

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 — February 2020

1997=100	Feb. 2020	Jan. 2020	Feb. 2019	% Change 1 Mo.	% Change 1 Yr.
Building Wire & Cable	180.7	181.8	185.6	-0.6	-2.7
Power Wire & Cable	212.8	210.5	214.5	1.1	-0.8
Telephone	173.0	174.3	180.6	-0.8	-4.2
Hand & Power Tools	141.6	141.7	139.5	-0.1	1.5
Elec. Heating Equip.	145.8	145.8	141.7	0.0	2.9
Residential Lighting	150.9	151.0	140.9	0.0	7.1
Industrial Fixtures	142.6	142.6	138.5	0.0	3.0
Fans & Blowers	167.5	167.7	164.2	-0.1	2.0
Wiring Devices & Connectors	134.9	134.7	134.4	0.1	0.3
Pole Line Hardware	165.5	165.6	161.6	-0.1	2.4
Boxes	174.6	174.8	170.6	-0.1	2.4
Conduit Fittings	157.9	158.7	156.8	-0.5	0.7
Metal Conduit	184.7	184.5	182.6	0.1	1.1
Nonmetallic Conduit	162.6	163.1	160.6	-0.3	1.3
Motors	163.7	163.8	163.2	0.0	0.3
Generators	154.5	154.5	152.7	0.0	1.2
Ballasts	152.1	152.1	150.2	0.0	1.2
Elect. Meas. & Integ. Inst.	129.1	129.1	127.6	0.0	1.2
Transformers	138.8	138.9	136.3	-0.1	1.8
Panelboards & Switches	171.5	173.8	169.6	-1.3	1.2
Circuit Breakers	179.2	179.9	177.2	-0.3	1.2
Switchgear	171.6	173.8	164.7	-1.3	4.2
Fuses	161.5	161.5	157.1	0.0	2.8
Industrial Controls	163.7	163.7	161.8	0.0	1.2
Lamps	154.6	154.6	143.4	0.0	7.8
Appliances	113.1	112.1	111.8	0.9	1.2
Air Conditioners	148.3	151.4	146.7	-2.1	1.1
Fasteners	157.9	159.9	154.4	-1.3	2.3
Total Index	152.2	152.6	151.5	-0.3	0.4

Electrical Marketing's Leading Economic Indicators

Purchasing Managers Index declines in February. While the full impact of the Coronavirus pandemic is not reflected in the Institute for Supply Management's March report, it did still show a decline. According to Timothy Fiore, chair of the Tempe, AZ-based Institute for ISM Manufacturing Business Survey Committee, the February PMI registered 50.1%, down -0.8% from the January reading of 50.9%. Any reading at 50% or better indicates a positive industrial purchasing environment.

Baker Hughes rig count reflects slowdown in oil market. While the change in the latest total U.S. rig count didn't show a weekly change through March 13, the year-over-year (YOY) data is down -235 rigs from March 2019. The drop is due in large part to a big decline in the number of rigs operating in Texas and Oklahoma. There are 158 fewer rigs operating in these states as of last week than there were a year ago. Not all markets were down. New Mexico currently has 117 rigs in operation, 11 more than this time last year.

Current freight rail traffic data shows declines. With the impact of the Coronavirus on the shipping and trucking industries tough to decipher just yet, the American Association of Railroads (AAR) cautioned business leaders against reading too much into its weekly rail traffic report. For this week ending March 7, total U.S. weekly rail traffic was 462,303 carloads and intermodal units are down -9.1% compared with the same week last year. Total carloads for the week ending March 7 were 229,742 carloads, down -3.5% compared with the same week in 2019.

"Comparing rail traffic from one week to another must be done with caution because many different factors can come into play, especially in the winter when the weather can play a big role," said AAR Senior Vice President John Gray in the press release. "That said, rail intermodal loadings last

week were down noticeably more than the norm over the past year. With the number of ships arriving at West Coast ports from Asia down sharply due to the Coronavirus, it stands

to reason that railroads are beginning to feel an impact too, at least in terms of intermodal. It's impossible to quantify that impact with precision."

The Marketplace : Key Figures

	Month	Latest month	Previous month	Month-over-month % change	Year ago	Year-over-year % change	2019 annual
CONSTRUCTION							
New Construction Put in Place (billions of dollars, SAAR) ²							
Total	JAN	1369.22	1345.47	1.8	1282.49	6.8	1301.26
Offices	JAN	68.87	68.77	0.1	68.57	0.4	68.54
Industrial	JAN	76.45	75.43	1.4	72.78	5.0	72.59
Housing Starts (Thousands of units, SAAR) ²							
Total	FEB	1599	1624	-1.5	1149	39.2	1298
Single-unit	FEB	1072	1005	6.7	792	35.4	894
Mobile Home Shipments ³ (thousands of units, SAAR)	JAN	106	100	6.0	92	15.2	94
Employment, Construction Workers (thousands) ⁴	FEB	7270	7241	0.4	7062	2.9	7493
Employment, Electrical Contractors (thousands) ⁴	JAN	970.6	984.8	-1.4	942.2	3.0	960.3
Hourly Wage, Electrical Contractors ⁴	JAN	30.79	31.13	-1.1	30.54	0.8	30.62
PRODUCTION							
Industrial Production Index (1967=100) ⁵	FEB	109.6	109.0	0.6	109.6	0.0	109.4
Construction Supplies Production Index ⁵ (1977=100-SA)	FEB	118.2	118.7	-0.4	115.9	2.0	116.6
Employment in Electrical Equipment & Supplies Mfg. Production workers (Thousands) ⁴							
Weekly hours	JAN	146	148.3	-1.6	145.6	0.3	146.4
Hourly wage	JAN	43.0	43.8	-1.8	43.3	-0.7	42.7
Electric Power Output Index (1967=100) ⁵	JAN	20.10	19.94	0.8	21.08	-4.6	20.10
Machine Tool Orders* (millions of dollars) ⁶	FEB	103.0	97.1	6.1	101.5	1.4	102.6
Machine Tool Orders* (millions of dollars) ⁶	JAN	262.79	392.72	-33.1	392.86	-33.1	357.77
Industrial Capacity Utilization (percent, SA) ¹	FEB	75.00	74.99	0.0	76.29	-1.7	75.56
TRADE							
Electrical Mfrs' Shipments	JAN	3,064	3,046	0.6	3,075	-0.4	3,129
Electrical Mfrs' Inventories (millions of dollars, SA) ²	JAN	5,799	5,792	0.1	5,622	3.1	5,721
Electrical Mfrs' Inventory-to-Shipments Ratio	JAN	1,893	1,902	-0.5	1,828	3.5	1,829
Electrical Mfrs' New Orders (millions of dollars, SA) ²	JAN	3,106	3,045	2.0	3,149	-1.4	3,137
Electrical Mfrs' Unfilled Orders (millions of dollars, SA) ²	JAN	7,914	7,873	0.5	7,865	0.6	7,955
Exports, Electrical Machinery (f.a.s. value in millions of dollars) ²	JAN	6,546	6,410	2.1	6,313	3.7	72,940
U.S. Dollar vs. Other Major Currencies (1973=100) ⁵	FEB	107.60	106.35	1.2	105.94	1.6	128.62
PRICES & INTEREST RATES							
Industrial Commodities Wholesale Price Index (Bureau of Labor Statistics, 1967=100)	FEB	196.8	199.4	-1.3	200.3	-1.7	200.7
Electrical Price Index (Electrical Marketing, 1997=100)	FEB	152.2	152.6	-0.3	151.5	0.4	152.2
Construction Materials Wholesale Price Index (Bureau of Labor Statistics, 1982=100)	FEB	252.6	252.0	0.2	251.5	0.4	251.3
Copper Prices (Metals Week, cents per pound)	FEB	258.36	274.96	-6.0	285.57	-9.5	272.09
Prime Rate ⁵	FEB	4.75	4.75	0.0	5.5	-13.6	5.28
Federal Funds Rate ⁵	FEB	1.58	1.55	1.9	2.40	-34.2	2.16
Mortgage Rate ⁷	FEB	3.47	3.62	-4.4	4.40	-21.2	3.94

*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

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sales managers. With its team's expansion, G&G aims to penetrate markets such as auto wash, food processing, transit, automotive services and industrial applications.

Carpenter most recently served as regional sales manager for Dialight, with a focus on providing LED lighting to heavy industrial and hazardous locations customers. Kappelman comes to G&G with a background as a lighting controls specialist for The Foley Group, a lighting-focused manufacturers' rep agency. Their knowledge base and history servicing customers similar to G&G's target market will be beneficial in propelling the G&G brand forward.

Turtle & Hughes (Linden, NJ): The company promoted three of its branch managers to VP — **Brian Fitzgerald, Jeff Smith** and **John Donohue**. Fitzgerald joined Turtle & Hughes in 2008. He manages one of the company's largest electrical distribution branches in Bridgewater, NJ, as well as the company's New York City location. In addition, he directs the company's Data Communications specialty group, which provides network design, architecture and support. In his first five years managing the New York City location, he doubled sales. Under his leadership, the Bridgewater branch has experienced +15% sales growth over the last five years with significant growth at its busy counter. Fitzgerald is also leading the company's CRM integration.

Jeff Smith was named branch manager of the Hauppauge, NY, location in 2019. In addition to maintaining all of his original sales accounts, he also co-manages the company's New York lighting department. Smith joined Turtle & Hughes following the company's acquisition of Mid-Island Electrical Supply in 2013, where he worked for 10 years and served in an outside sales role. Previously, he spent five years at Graybar. He started his career as an electrician for IBEW Local 25.

Donohue joined Turtle & Hughes in 2015 as Levittown, NY, sales manager and was named branch manager in 2016. He had previously spent over a decade in outside sales at Valley Power Lighting Center and Electric Supply, where he rose to VP.

Sonepar USA (Charleston, SC): Vallen a subsidiary of the Sonepar Group, an-

nounced that **Jim Brzezinski** has been named VP Finance. Brzezinski will be responsible for leadership, strategy and oversight of Vallen's finance team and operations. With over 30 years of experience, he is well-versed in leading finance organizations and providing business partnership in distribution and supply chain businesses.

Cerrowire (Hartselle, AL): **Darrin Tyre** is the company's new director of human resources. With more than 20 years of human resources management experience, Tyre brings to the position a strong understanding of HR in the manufacturing environment. Previously, he served as the regional human resources manager for West Fraser Lumber Manufacturing; senior employee relations specialist for Hino Motors Manufacturing; chief human resources officer for Support Solutions; and manager of human resources at MINACT.

Omni Cable LLC (OmniCable) (West Chester, PA): **Gus White** was promoted to Atlanta regional manager. In this role, he will manage the day-to-day operations and leadership of OmniCable's Atlanta branch, which services electrical distributors in Alabama, Georgia, Mississippi, South Carolina, and western Tennessee. White brings more than 10 years of electrical distribution experience and has held several positions at OmniCable, most recently Atlanta sales manager. "Gus' exceptional sales skills, customer and vendor relationship strategies, and peer development make him an excellent fit for the Atlanta regional manager," said Bryan Dabruzzo, OmniCable's Eastern regional VP.

Rep News

Atkore International Group, Harvey, IL, expanded its offering of electrical solutions available through the **PRESSCO Electrical Agency** for the Arizona and Las Vegas, NV, markets.

Leading PRESSCO is Jeff Hoyt, principal, who has 30 years of electrical distribution experience managing branches, districts and international locations in the commercial, industrial, utility, datacom and solar markets and Vicki HERN, operations manager/inside sales, a 25-year industry veteran who has worked for Atkore customers partners in the Portland and Salt Lake districts.

Obituaries

Allen Ray, best known for his work with Trade Service Corp., consulting with David Gordon's Channel Marketing Group, articles in *Electrical Wholesaling* and love for his alma mater, Texas A&M University, passed away on Feb. 14 at the age of 81. Gordon said in his Electrical Trends blog that Ray retired from the industry in July 2016 to spend more time with his wife Carole, whom he called "his partner and best buddy." Ray helped many companies with his expertise in pricing and profitability and operational improvement strategies, and used this insight to co-found Electrical Trends and work with Gordon at Channel Marketing Group.

Donald Courtney, a member of the Encore Wire Corp.'s board of directors since 1989, McKinney, TX, passed away recently. He served on various board committees, including the audit, governance and compensation committees.

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In Memoriam: George Ganzenmuller, 1924-1986; and Thomas Preston, 1927-1991

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