

VRP Survey Reveals Economic Uncertainty

Results from the 3Q 2020 distributor survey by investment firm Vertical Research Partners (VRP) touched on the current uncertainty about future economic conditions and revealed some pockets of strength.

Electrical Wholesaling worked with Vertical Research Partners to survey electrical and utility distributors, electrical manufacturers and independent manufacturers' reps, and VRP's research team of Brett Linzey, Jeffrey Sprague, Nick Lipinski and Andrew Shlosh produced the report. VRP said one of the more universal themes of their findings were supply chain issues and product availability. Some of the respondents' comments on these topics included:

- "Factories still recovering from COVID; deliveries very slow."
- "Load center and beaker availability is horrendous."
- "The supply chain is a game of whack-a-mole — from PVC to circuit breakers — all in a state of shortage depending on the day."
- "Lead times are improving but in the last few months product availability was probably as much of a drag on performance as other COVID-19 implications."

"While some improvement was noted with customers expecting shorter lead times, there are still lingering kinks the supply chain is trying to iron out," said VRP's analysts. "In some areas like transportation it sounds like the supply chain was caught off guard by how quickly some areas improved. As for inventory levels, most of the contacts indicated that they were operating their branch networks with an adequate supply

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New Employment Data Identifies Markets Taking the Biggest Hits in Sales Potential

Whenever you ever want to get a feel for the health of a local electrical market, the latest electrical contractor and industrial employment data are two pretty good indicators.

Along with providing a measure of the employment situation in specific industries, this contractor and industrial data (available on a monthly basis from the U.S. Bureau of Labor Statistics (BLS)) can also be used to estimate potential sales on a sales-per-employee basis. *Electrical Marketing* publishes this information for its subscribers on a regular basis for these two important verticals, which typically account for a combined total of between 70% to 75% of the average full-line electrical business.

EM calls this combined total the "Core Electrical Potential," and our estimates for the 50 Metropolitan Statistical Areas (MSAs) with the largest Core Electrical

Potential are in a chart on page 2. The latest data for all 300-plus MSAs and 50 states is available at www.electricalmarketing.com.

As you can imagine, employment in these two important customer groups is way off in 2020 because of the COVID-19 crisis. As a point of comparison, let's look at them on a national basis first, before delving into the local data. On a national basis, electrical contractor employment was down -11.2% year-over-year (YOY) at its low point in April to 842,300 employees. Since that time, it's improved dramatically, averaging a -2.9% decline for the June, 2020–Aug. 2020 period. Industrial employment followed a similar pattern, dropping to a low of -10.5% in April to 11,432,000 before recovering to -5.8% for the same period.

While a surprising number of local markets were tracking much better than

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IHS Markit Report Spots Positive Indicators a Global Economy Still Reeling from COVID-19

The following global economic update was recently published in the IHS Markit World Flash for Oct. 2020.

Although the recent resilience in world trade has been encouraging, challenges to globalization remain daunting. The sharp rebound in global trade volume has been one of the bright spots in an unusually cloudy outlook. After precipitous declines in the spring, many indicators of world merchandise trade rose by record amounts during the summer. A specific example is the Port of Los Angeles, where container imports reached an all-time high in August.

More generally, while IHS Markit predicts the drop in global real GDP during the current crisis to be nearly three times as large as during the global financial crisis (-4.5% versus -1.7%), the decline in the exports of goods and services (in real terms) should be almost the same (-10.5% versus -9.6%).

The key reason for the relatively less dire performance of trade this time is the disproportionately large impact of the pandemic on nontraded services compared with manufacturing. This effect is evident in the smaller expected drop in industrial production in 2020 (-6%), versus 2009 (-9%). Another differentiating factor is the role of finance. During the financial crisis, trade finance froze up, severely hampering global commerce. The overwhelmingly large liquidity measures enacted by the U.S. Federal Reserve and other central banks in 2020 have limited the damage during this crisis. Finally, the early and strong rebound in mainland China's economy has boosted both its imports and exports, helping over-all world trade.

The fitness of global supply chains has been one very positive surprise during the pandemic. As borders were closed and

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Electrical Marketing's Top 50 Metros in Core Electrical Potential (\$ Millions)

Rank	Area	State	Core Electrical Potential	Electrical Contractor Sales Potential	Total Industrial Sales Potential	MRO Sales Potential	OEM Sales Potential
1	New York-Newark-Jersey City	NY-NJ-PA	4,887.51	3,175.80	1,711.71	784.82	820.09
2	Los Angeles-Long Beach-Anaheim	CA	4,535.56	2,139.38	2,396.19	1,098.65	1,148.03
3	Chicago-Naperville-Elgin	IL-IN-WI	3,643.07	1,540.56	2,102.51	964.00	1,007.33
4	Dallas-Fort Worth-Arlington	TX	3,421.08	1,955.69	1,465.38	671.88	702.08
5	Houston-The Woodlands-Sugar Land	TX	2,991.66	1,856.46	1,135.20	520.49	543.88
6	Seattle-Tacoma-Bellevue	WA	1,961.95	1,083.91	878.04	402.58	420.68
7	Atlanta-Sandy Springs-Roswell	GA	1,926.29	1,087.03	839.26	384.80	402.09
8	Boston-Cambridge-Nashua	MA-NH	1,856.25	933.49	922.77	423.09	442.10
9	Detroit-Warren-Dearborn	MI	1,841.04	638.06	1,202.98	551.57	576.36
10	Philadelphia-Camden-Wilmington	PA-NJ-DE-MD	1,840.77	916.43	924.34	423.81	442.86
11	Phoenix-Mesa-Scottsdale	AZ	1,813.26	1,130.54	682.73	313.03	327.10
12	Minneapolis-St. Paul-Bloomington	MN	1,720.24	721.66	998.59	457.85	478.43
13	Washington-Arlington-Alexandria	DC	1,696.23	1,411.47	284.76	130.56	136.43
14	Seattle-Bellevue-Everett	WA	1,677.33	886.29	791.04	362.69	378.99
15	San Francisco-Oakland-Hayward	CA	1,647.18	985.24	661.94	303.50	317.14
16	Miami-Fort Lauderdale-West Palm Beach	FL	1,642.12	1,195.94	446.18	204.58	213.77
17	Washington-Arlington-Alexandria	DC-VA-MD-WV	1,310.18	1,123.43	186.75	85.63	89.48
18	San Jose-Sunnyvale-Santa Clara	CA	1,303.32	434.19	869.13	398.50	416.41
19	Portland-Vancouver-Hillsboro	OR	1,296.85	662.51	634.34	290.84	303.91
20	Denver-Aurora-Lakewood	CO	1,292.21	901.93	390.28	178.94	186.99
21	San Diego-Carlsbad	CA	1,260.67	692.37	568.30	260.57	272.28
22	St. Louis	MO	1,179.29	574.65	604.64	277.23	289.69
23	Charlotte-Concord-Gastonia	NC	1,125.60	579.49	546.11	250.39	261.65
24	Tampa-St. Petersburg-Clearwater	FL	1,070.95	709.14	361.80	165.89	173.34
25	Baltimore-Columbia-Towson	MD	1,043.38	744.12	299.26	137.21	143.38
26	Cincinnati	OH	1,006.60	413.15	593.46	272.10	284.33
27	Orlando-Kissimmee-Sanford	FL	987.41	729.90	257.51	118.07	123.37
28	Austin-Round Rock	TX	964.46	618.72	345.73	158.52	165.64
29	Cleveland-Elyria	OH	963.69	357.13	606.56	278.11	290.61
30	Pittsburgh	PA	961.82	529.44	432.38	198.25	207.16
31	Indianapolis-Carmel-Anderson	IN	958.93	509.25	449.68	206.18	215.44
32	Milwaukee-Waukesha-West Allis	WI	888.39	313.63	574.76	263.53	275.37
33	Kansas City	MO	886.83	497.60	389.23	178.46	186.48
34	Grand Rapids-Wyoming	MI	790.87	247.38	543.49	249.19	260.39
35	Nashville-Davidson-Murfreesboro-Franklin	TN	789.00	417.41	371.59	170.37	178.03
36	San Antonio-New Braunfels	TX	751.46	489.07	262.40	120.31	125.72
37	Salt Lake City	UT	741.15	431.06	310.09	142.18	148.57
38	Sacramento-Roseville-Arden-Arcade	CA	735.66	560.43	175.22	80.34	83.95
39	Columbus	OH	734.56	365.95	368.62	169.01	176.61
40	Las Vegas-Henderson-Paradise	NV	733.32	601.95	131.37	60.24	62.94
41	Louisville/Jefferson County	KY-IN	658.49	245.67	412.82	189.28	197.78
42	Virginia Beach-Norfolk-Newport News	VA	639.18	339.22	299.96	137.53	143.71
43	Jacksonville	FL	560.17	392.11	168.06	77.06	80.52
44	Raleigh	NC	528.51	354.86	173.65	79.62	83.20
45	Baton Rouge	LA	517.57	366.80	150.77	69.13	72.23
46	Richmond	VA	501.74	344.34	157.40	72.17	75.41
47	Providence-Warwick	RI	486.62	227.19	259.43	118.95	124.29
48	Hartford-West Hartford-East Hartford	CT	477.59	168.90	308.69	141.54	147.90
49	Greenville-Anderson-Mauldin	SC	465.86	165.20	300.66	137.85	144.05
50	Buffalo-Cheektowaga-Niagara Falls	NY	465.59	186.24	279.35	128.08	133.84

Source: Sales estimates developed with *Electrical Wholesaling* magazine's sales-per-employee data from 2020 Market Planning Guide. Electrical Contractors: \$65,617 per employee. Industrial: Industrial MRO-\$801; Industrial OEM: \$837; Factory Automation: \$109. Employee data: U.S. Bureau of Labor Statistics June 2020 - Aug. 2020, using a 3-month quarterly average to smooth out monthly fluctuations. Sales estimates and employment data for more than 300 Metropolitan Statistical Areas (MSAs) and states available to subscribers at www.electricalmarketing.com.

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of inventory based on the demand outlook picture.

“Heavy industries such as oil and gas remain sluggish. Automotive and heavy-duty commercial vehicle markets continue to recover off lows. This was more of a production-related observation versus capital investment. It sounds like transmission and distribution utility work continues to be pretty solid with more projects staged for next quarter and even into 2021.

“Food and beverage was quoted as still strong by a handful of contacts. Nonresidential project activity that was halted during the depths of the pandemic resumed over the course of Q3 as work sites re-opened and access was restored. However, there are still select regions where some access is limited, particularly indoor.

“Financing for large projects is still avail-

able, but we had some contacts suggest new construction decisions are getting delayed until after the election. Growing budget gaps at the state and local level were also leading to some project push-outs and a few cancellations in certain regions. Once the ‘current crop’ of projects are completed respondents think it will take improving business confidence and a broader economic improvement for commercial related projects to pick back up. It is still a wait and see approach.”

All survey respondents get a free copy of the in-depth report, which includes insights into sales, pricing, inventory trends and an in-depth financial analysis of publicly held distributors and electrical manufacturers.

If you would like to participate in the next report, please contact Brett Linzey at bl@verticalresearchpartners.com.

The Global Economy—Better, But Still Not Out of the Woods

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factories locked down, there were early fears of a pervasive breakdown in supply chains. Fortunately, the network of world production has been flexible enough to adapt, supporting the strong recovery in trade and manufacturing.

Going forward, the picture remains murky. The welcome rally in trade could be part of the broader “bounce and fade” pattern of the global recovery. Similarly, the surge in mainland China’s imports and exports could be temporary. Mainland China’s current-account surplus is rising, suggesting its recovery is not helping other economies much. Most troubling of all, rising trade imbalances, along with trade and technology conflicts, could well lead to further actions to limit trade, not just by

the United States but also by key economies in Europe and Asia.

One measure of globalization, the ratio of world merchandise imports to GDP (in nominal terms), rose from around +12% in the mid-1980s to nearly +25% right before the global financial crisis. It has since stalled in the 20% to 22% range. During the coming decade, IHS Markit expects neither a collapse in globalization nor the type of boom we saw in the 1990s and 2000s. The downside risks are almost entirely related to protectionist policies. The upside risks are from technology (especially digitization) and the potential for closer and broader global trade integration.

—By Nariman Behraves, chief economist, IHS Markit & Sara Johnson, executive director, global economics, IHS Markit

Around the Industry

Electrical Wholesaling podcasts now available on Apple and Spotify apps

Like listening to podcasts while you are on the road and need quick access to them on your smartphone or tablet? You can now access all of *EW*’s podcasts on Apple Podcasts, Spotify and Google Play. Log into your podcast player of choice and type in “Electrical Wholesaling” into the search bar. These apps are free if you haven’t downloaded them yet.

EW’s most popular podcast right now is “Today’s Electrical Economy.” Sponsored by Champion Fiberglass and broadcast twice-a-month, the podcast offers a quick overview (typically 10-15 minutes) of key indicators that measure the health of the electrical market. The podcast has attracted thousands of page views since its launch in June, and the new exposure for it and other *EW* podcasts on the major podcast platforms will drive even more traffic. *EW* will also be launching a new series of podcasts in the coming weeks — “Executive Insights,” which will be 10-15 minute interviews with electrical executives on a broad range of topics.

NAHB/Wells Fargo Housing Index hits record heights

Builder confidence in the market for newly-built single-family homes increased two points to 85 points in October, further surpassing the previous all-time high of 83 points recorded in September, according to the latest NAHB/Wells Fargo Housing Market Index (HMI). These are the first two consecutive months the index has ever been above 80 points.

“Traffic remains high and record-low interest rates are keeping demand strong as the concept of ‘home’ has taken on renewed importance for work, study and other purposes in this COVID-19 era,” said NAHB Chairman Chuck Fowke. “However, it’s becoming increasingly challenging to build affordable homes as shortages of lots, labor, lumber and other key building materials are lengthening construction times.”

“The housing market continues to be a bright spot for the economy, supported by increased buyer interest in the suburbs, exurbs and small towns,” said NAHB Chief Economist Robert Dietz. “New single-family home sales are outpacing starts by a historic margin. Bridging this gap will require either a gain in construction volume or reductions in available inventory, which is already at a historic low in terms of months’ supply.”

Global Market GDP and Exchange Rate Estimates

	2019	2020	2021	2022	2023	2024
Real GDP growth (percent change)						
World	2.6	-4.5	4.4	3.7	3.2	3.2
United States	2.2	-3.5	3.7	3.2	2.8	2.7
Eurozone	1.3	-8.1	4.3	3.5	2	1.6
Japan	0.7	-5.6	2.2	1.3	1.1	1
China	6.1	1.9	7.3	5.5	5.4	5.3
Exchange rates (year end)						
Dollar/euro	1.12	1.16	1.16	1.18	1.24	1.26
Yen/dollar	109.1	105.4	104.2	100	95.9	94.1

Source: IHS Markit

Industry Events

Nov. 10, 2020

2021 Dodge Construction Outlook

Virtual event; Dodge Data & Analytics;
www.construction.com

Dec. 9-10, 2020

Upper Midwest Electrical Expo

Minneapolis; www.ncel.org
Status: Rescheduled from April

Jan. 18-20, 2021

NAED Western Conference

Palm Desert, CA; www.naed.org
Status: Still scheduled

Jan. 26-28, 2021

NAW Annual Conference

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

Feb. 3-5, 2021

NEMRA Annual Conference

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

Feb. 22-24, 2021

NAED South Central/Eastern Conference

Marco Island, FL; www.naed.org
Status: Combined conference with NAED's South & Eastern Regions

April 28-30, 2021

NAED Adventure

Baltimore; www.naed.org

May 18-20, 2021

Lightfair Trade Show & Conference

New York; www.lightfair.com

June 22-25, 2021

NAED Women in Industry Forum

San Antonio, TX; www.naed.org

Sept. 13-15, 2021

IDEA E-Biz

Dulles, VA;
www.idea4industry.org

Oct. 9-12, 2021

NECA Trade Show & Conference

Nashville, TN; National Electrical Contractors Association,
www.necashow.org

Single-Family Housing Hit 1.1 Million in September with +8.5% Bounce Over August

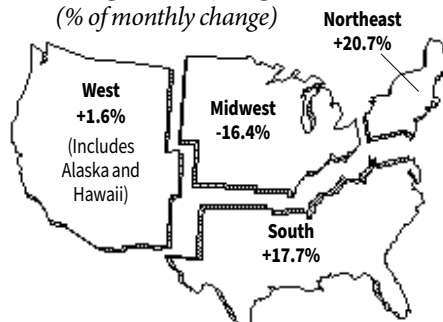
Privately-owned housing starts in September were at a seasonally adjusted annual rate of 1,415,000. This is +1.9% above the revised August estimate of 1,388,000 and is +11.1% above the Sept. 2019 rate of 1,274,000. Single-family housing starts were at a rate of 1,108,000, +8.5% above the revised August figure of 1,021,000. Multi-family starts with five units or more dropped to 295,000, a -14.7% decline.

“Home sales have exceeded for-sale home construction recently, which means additional home building in the near term,” said Robert Dietz, chief economist, National Association of Home Builders

(NAHB). “Demand is being supported by low interest rates, a suburban shift in demand and demographic tailwinds.”

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
Sept. 2020 ¹	1,415	1,108	295	70	133	645	260
Aug. 2020 ²	1,388	1,021	346	58	159	548	256
July 2020 ²	1,487	992	485	72	136	562	222
June 2020	1,265	891	367	76	135	481	199
May 2020	1,038	728	302	35	97	407	189
Apr. 2020	934	679	240	23	100	412	144
Sept. 2019	1,274	906	357	60	117	520	209

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

Source: U.S. Bureau of the Census

September EPI Jumps +2% Year-Over-Year

Nine product categories showed a monthly increase of one percent or better in *Electrical Marketing's* Electrical Price Index (EPI) for September, but the change over August for the total index was only +0.6%. At +4.6%, Power Wire & Cable had the biggest monthly increase, followed by Building Wire & Cable at +2.1%; Panelboards & Switches (+2.1%); Boxes (+2%); Pole-Line Hardware (+1.9%); and Switchgear (+1.8%).

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 — September 2020

1997=100	Sept. 2020	Aug. 2020	Sept. 2019	% Change 1 Mo.	% Change 1 Yr.
Building Wire & Cable	188.7	184.9	181.9	2.1	3.8
Power Wire & Cable	217.1	207.6	206.4	4.6	5.1
Telephone	178.0	175.2	174.5	1.6	2.0
Hand & Power Tools	143.0	142.7	140.2	0.2	2.0
Elec. Heating Equip.	147.1	147.1	144.1	0.0	2.1
Residential Lighting	150.4	150.1	150.9	0.2	-0.4
Industrial Fixtures	143.4	143.3	141.7	0.1	1.2
Fans & Blowers	167.0	167.2	165.7	-0.1	0.8
Wiring Devices & Connectors	136.4	135.9	134.5	0.3	1.4
Pole Line Hardware	170.1	167.0	164.4	1.9	3.4
Boxes	180.2	176.7	174.4	2.0	3.3
Conduit Fittings	167.8	166.2	157.5	1.0	6.6
Metal Conduit	187.3	186.0	184.0	0.7	1.8
Nonmetallic Conduit	170.5	169.2	161.8	0.8	5.4
Motors	163.7	163.7	163.5	0.0	0.1
Generators	153.6	153.6	152.9	0.0	0.5
Ballasts	152.4	152.1	151.5	0.2	0.6
Elect. Meas. & Integ. Inst.	128.0	129.1	129.0	-0.8	-0.8
Transformers	139.3	139.1	138.2	0.1	0.8
Panelboards & Switches	173.8	170.3	174.9	2.1	-0.6
Circuit Breakers	182.1	180.9	184.6	0.6	-1.4
Switchgear	171.3	168.2	170.5	1.8	0.5
Fuses	161.9	161.4	161.1	0.3	0.5
Industrial Controls	165.5	164.8	165.7	0.5	-0.1
Lamps	161.7	160.1	154.6	1.0	4.6
Appliances	115.5	116.4	114.1	-0.8	1.2
Air Conditioners	159.2	158.8	152.7	0.3	4.3
Fasteners	163.9	164.1	156.7	-0.1	4.6
Total Index	155.6	154.8	152.5	0.6	2.0

Electrical Marketing's Leading Economic Indicators

Building permits see nice bump in September. Privately-owned housing units authorized by building permits in September were at a seasonally adjusted annual rate of 1,553,000, +5.2% above the revised August rate of 1,476,000 and +8.1% above the September 2019 rate of 1,437,000. According to the latest housing data from the U.S. Census Bureau, single-family authorizations in September were at a rate of 1,119,000, +7.8% above the revised August figure of 1,038,000.

AIA report sees marked increase in billings at architecture firms in September. A slight improvement in business conditions has led to fewer architecture firms reporting declining billings, according to the latest Architecture Billings Index (ABI) from the American Institute of Architects (AIA), Washington, DC. AIA's ABI score for September was 47 points compared to 40 points in August (any score below 50 points indicates a decline in firm billings).

"Despite the multi-family residential sector showing signs of improvement, overall business conditions are recovering at a disappointingly slow pace," said AIA Chief Economist Kermit Baker. "Other sectors may begin to stabilize in the coming months, but across the board, improvement shouldn't be expected until the economic impact of the pandemic subsides significantly."

Leading Economic Indicators increase in September. The Conference Board's Leading Economic Index (LEI) for the U.S. increased +0.7% in September to 107.2 (2016 = 100), following a +1.4% increase in August and a +2% increase in July. "The U.S. LEI increased in September, driven primarily by declining unemployment claims and rising housing permits. However, the decelerating pace of improvement suggests the U.S. economy could be losing momentum heading into the final quarter of 2020," said Ataman Ozyildirim, senior director of

economic research for The Conference Board. "The U.S. economy is projected to expand in Q4, but at a substantially slower rate of +1.5% (annual rate) according to The Conference Board's

GDP forecast. Furthermore, downside risks to the recovery may be increasing amid rising new cases of COVID-19 and continued labor market weakness."

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	AUG	1412.82	1392.65	1.4	1378.96	2.5	1365.02
Offices	AUG	69.24	69.44	-0.3	76.73	-9.8	73.86
Industrial	AUG	76.59	74.95	2.2	80.30	-4.6	79.82
Housing Starts (Thousands of units, SAAR) ²							
Total	SEPT	1415	1388	1.9	1274	11.1	1295
Single-unit	SEPT	1108	1021	8.5	906	22.3	893
Mobile Home Shipments ³ (thousands of units, SAAR)	AUG	94	98	-4.1	96	-2.1	95
Employment, Construction Workers (thousands) ⁴	SEPT	7415	7461	-0.6	7700	-3.7	7492
Employment, Electrical Contractors (thousands) ⁴	AUG	964.4	953.7	1.1	988.0	-2.4	970.2
Hourly Wage, Electrical Contractors ⁴	AUG	31.61	31.41	0.6	30.67	3.1	30.66
PRODUCTION							
Industrial Production Index (1967=100) ⁵	SEPT	101.5	102.2	-0.6	109.5	-7.3	109.5
Construction Supplies Production Index ⁵ (1977=100-SA)	SEPT	109.6	109.5	0.1	117.1	-6.4	116.5
Employment in Electrical Equipment & Supplies Mfg. Production workers (Thousands) ⁴	AUG	133.4	135	-1.2	148.6	-10.2	146.9
Weekly hours	AUG	41.9	42.4	-1.2	42.4	-1.2	42.8
Hourly wage	AUG	21.37	21.10	1.3	19.73	8.3	20.10
Electric Power Output Index (1967=100) ⁵	SEPT	96.0	103.5	-7.3	105.0	-8.6	102.7
Machine Tool Orders* (millions of dollars) ⁶	AUG	289.42	331.81	-12.8	375.51	-22.9	368.44
Industrial Capacity Utilization (percent, SA) ¹	SEPT	70.51	70.69	-0.3	75.11	-6.1	75.57
TRADE							
Electrical Mfrs' Shipments	AUG	2,868	2,874	-0.2	3,340	-14.1	3,380
Electrical Mfrs' Inventories (millions of dollars, SA) ²	AUG	6,481	6,472	0.1	6,335	2.3	6,332
Electrical Mfrs' Inventory-to-Shipments Ratio	AUG	2.260	2.252	0.3	1.897	19.1	1.874
Electrical Mfrs' New Orders (millions of dollars, SA) ²	AUG	2,922	2,901	0.7	3,367	-13.2	3,385
Electrical Mfrs' Unfilled Orders (millions of dollars, SA) ²	AUG	8,642	8,561	0.9	8,712	-0.8	8,649
Exports, Electrical Machinery (f.a.s. value in millions of dollars) ²	AUG	6,143	6,199	-0.9	6,861	-10.5	79,291
U.S. Dollar vs. Other Major Currencies (1973=100) ⁵	SEPT	107.92	108.49	-0.5	108.56	-0.6	107.06
PRICES & INTEREST RATES							
Industrial Commodities Wholesale Price Index (Bureau of Labor Statistics, 1967=100)	SEPT	195.6	194.3	0.7	199.5	-2.0	200.7
Electrical Price Index (Electrical Marketing, 1997=100)	SEPT	155.6	154.8	0.6	152.5	2.0	152.2
Construction Materials Wholesale Price Index (Bureau of Labor Statistics, 1982=100)	SEPT	262.5	257.2	2.1	251.1	4.5	251.3
Copper Prices (Metals Week, cents per pound)	SEPT	302.28	291.76	3.6	259.74	16.4	272.25
Prime Rate ⁵	SEPT	3.25	3.25	0.0	5.15	-36.9	5.2825
Federal Funds Rate ⁵	SEPT	0.09	0.10	-10.0	2.04	-95.6	2.16
Mortgage Rate ⁷	SEPT	2.89	2.94	-1.5	3.61	-19.8	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

Local Metros Hit the Hardest

Continued from page 1

the percentage declines in the YOY national data basis through August, *Electrical Marketing's* editors found several MSAs being hit by a painful "double whammy" – YOY employment declines of more than -10% in both electrical contractor and industrial employment. These markets included the Youngstown-Warren-Boardman OH-PA MSA, with declines of -10.7% and -40.4% in industrial and electrical contractor employment, respectively; the Springfield, IL, MSA with an industrial decline of -20.2% and contractor decline of -29.7%; and the Burlington-South Burlington, VT MSA, with declines of -10.8% and -27.5%, respectively.

When we sorted the employment data by state, some definite regional patterns emerged, with many — and in some cases most — MSAs in the Louisiana, Massachusetts, upstate New York and Pennsylvania faring the worst. Texas' oil patch was also deep in the red with MSAs suffering through double-digit year-over-year declines in both contractor and industrial employment, and large areas of Michigan and Iowa also well below the national averages for these metrics.

However, our analysis revealed that the news wasn't all bad on the electrical contractor employment front, and that six MSAs are actually enjoying double-digit increases in employment: Walla Walla, WA; Niles-Benton Harbor, MI; Fond du Lac, WI; Sante Fe, NM; Panama City, FL; and Springfield, MO. On the industrial side, the five fortunate markets with double-digit employment increases were El Centro, CA; Wilmington, NC; Fairbanks, AK; Coeur d'Alene, ID; and Ithaca, NY.

When you use employment data along with the sales-per-employee multipliers provided annually in *EW's* Market Planning Guide, you quickly realize the importance of tracking employment in the key electrical contractor and industrial niches. Every 100 employees working for electrical contractors in a local market area represent \$6.56 million in market potential, and every 1,000 employees represents \$65.62 million. When measuring a market's MRO potential, every 100 employees represents \$80,100 in sales potential and every 1,000 industrial employees can potentially account for \$801,100 in sales.

— Jim Lucy

People

Power/mation (St. Paul, MN): **Sam Petty** became the company's president on Oct. 5. He served most recently at ABB as director of channel management for industrial automation, and had previous roles at Hirschmann (Belden), Rexel, Roxtec and Swagelock. As new president, Petty will continue to develop Power/mation's current initiatives including partnering with top suppliers and cultivating new talent with Power/mation's long-running Technical Sales Associate (TSA) program.

Power/mation is an industrial automation specialists serving Iowa, Illinois, Nebraska, North Dakota, South Dakota, Wisconsin and the upper peninsula of Michigan. Power/mation Solutions Group serves as the custom solutions provider for Power/mation, offering complete enclosure modification, kitting and custom fencing services.

Eurofase (Toronto, Ontario): **Nathen Bliss** joined this lighting manufacturer as national sales manager. Bliss is an experienced sales manager who joins Eurofase as part of what the company says is the "reasonably new" upper management team, which they say has a renewed customer-centric focus. For the past 30-plus years, Eurofase Lighting has provided showrooms, designers and architects lighting fixtures for both residential and commercial applications.

WAGO (Germantown, WI): **Daniel Ondik** was hired as the new regional sales manager for the company's Chicago region. Prior to joining WAGO, Ondik worked for Rockwell in the Nashville area for three years as a sales engineer before moving back to Illinois and working at Rittal for four years as an account manager. He is a graduate of Penn State University with a degree in electrical engineering.

Bridgeport Fittings (Stratford, CT): **Chris DeCesare** was promoted to engineering manager and is now responsible for the development and design of Bridgeport's new products, product maintenance and manufacturing support. His previous position was marketing manager. A graduate from the University of Connecticut in 2007 with a degree in mechanical engineering, DeCesare began work at Bridgeport in 2010 as a product engineer and was promoted to product manager in 2012 and to marketing manager in 2017.

Electro Federation of Canada (EFC) (Toronto, Ontario): EFC appointed **Mike**

Smith from Ideal Supply, Listowel, ON, as Ontario regional chair for the 2020-2022 term. **Zack Cvitak** from Prysmian Group finished his term at this post at the recent Ontario Gala Night. EFC represents more than 220 Canadian electrical manufacturers, electrical distributors and independent reps that employ more than 42,000 employees in 1,300 facilities across Canada.

Rep News

Integrated Component Sales (ICS) is now the authorized sales representative for Stahlin Enclosures' nonmetallic enclosure product line in all of Alabama, Georgia and Florida. Stahlin said the rep has more than 30 years of proven direct sales experience in market spaces served by its enclosures. In another rep appointment, Stahlin also announced that **TEC Sales** is now the authorized sales representative for its nonmetallic enclosure product line in New Mexico.

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