

Electrical Marketing®

THE ELECTRICAL INDUSTRY NEWSLETTER

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Around the Industry

C&K Switches officially joins Littelfuse's Electronics segment

Littelfuse completed its acquisition of C&K Switches, a designer and manufacturer of electromechanical switches and interconnect solutions with a global presence across a broad range of end markets, including industrial, transportation, aerospace and datacom. C&K has annualized sales of over \$200 million and will be reported within the company's Electronics reporting segment.

S&P Global Market revises 2022 U.S. GDP forecast to 1.4%

The economists at S&P Global Market Intelligence are tempering growth expectations for the year with a new forecast. Said Joel Prakken, co-head, US Economics, S&P Global Market Intelligence, "We project US GDP will decline for two consecutive quarters, the popular definition of a recession. However, over the first half of the year, other indicators considered by the NBER Business Cycle Dating Committee — industrial production, employment, hours and real personal income excluding transfers — all grew. So, while this episode might become a recession, it isn't one yet.

"After the June meeting, the FOMC communicated a more hawkish tone by dropping previous references to policy being consistent with strong labor markets—signaling the Fed is willing to risk a recession to keep inflation in check. In response, we revised our Fed call to show the federal funds rate reaching the restrictive range of 3.25% to 3.5% by year end."

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Rural Towns in Mountain Areas Seeing Most Growth According to Latest Census Data

While a fairly small handful of major metropolitan areas account for the lion's share of U.S. electrical sales, it still pays to track fast-growing small towns and rural areas.

Population data from the U.S. Census Dept. is one free tool you can use to analyze fast growing smaller markets, and *Electrical Marketing* provides this data to subscribers as part of an annual subscription. The U.S. Census Dept. recently released 2021 population data for micropolitan areas, have at least one urban cluster of 10,000 residents but less than 50,000, and *EM's* editors recently did some analysis of this data to see locate any new hot spots for potential electrical growth, (see chart on page 2). While some of these smaller towns may be too small to support a new branch location for an electrical distributor, when several thousand new residents move into an area in just one year, this type of growth

will definitely spark new construction of new homes and apartments, as well as related retail and commercial construction.

Many of the micropolitan areas growing the fastest, when analyzed by net migration (the difference between domestic in-migration to an area and domestic out-migration from the same area) are in the Intermountain states, near the coasts or in other vacation or retirement areas. The states with the most micropolitan areas in the Top 50 were Tennessee, North Carolina and Montana and Washington. Montana had two micropolitan areas in the Top 5 – Kallispell, MT, with 2021 net migration of 3,881 residents, and Bozeman, MT, with net migration on 2,881 residents. The other micropolitan markets with net migration of more than 2,500 residents were Jefferson, GA (+3,519); Lebanon, NH-VT (+3,268); Pinehurst-Southern Pines, NC

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Rep Megamergers Gain Momentum with JD Martin/I-Pro Alliance in 15-Plus States

Shortly after the news broke that Ewing-Foley had expanded into the Intermountain region from the West Coast with its acquisition of Denver's Ryall Group, another rep merger in that market is making headlines.

JD Martin, Houston, and I-Pro, Denver, have joined forces in the Rocky Mountain region to form I-Pro Martin, effective immediately. Tim Klinger is president & COO of I-Pro Martin while Greg Baker is CEO.

According to the press release, I-Pro and JD Martin represent many of the same manufacturers, and they believe the merger will accelerate the delivery of services and support for local channel partners and customers, while also expanding growth opportunities for the manufacturers and product portfolios they jointly rep in Colorado, Wyoming and Montana.

Greg Baker said in the press release, "The I-Pro leadership team has built a sol-

id, successful business. We share many of the same values and similar organizational cultures. Our decision to merge ensures that together we are better positioned to meet the needs of our customers and the manufacturers we represent in the Rocky Mountain region."

Tim Klinger, CEO and president of I-Pro, added in the release, "We are grateful for the opportunity to join forces with the JD Martin team. I-Pro's current leadership team, organizational structure and staff will remain intact while adding local head count to boost service within existing markets, and the company will continue to serve the commercial, industrial, residential, utility and emerging markets."

I-Pro has served the Colorado and Wyoming markets since 1995. I-Pro Martin will serve the electrical, electronic,

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50 FASTEST-GROWING SMALL TOWNS IN AMERICA: 2020-2021

Rank	Micropolitan Area	Population 2021	Population Change 2020-2021	Net Migration 2020-2021	YOY % Population Change
1	Kalispell, MT	108,454	3,681	3,881	3.5
2	Jefferson, GA	80,286	3,574	3,519	4.7
3	Lebanon, NH-VT	223,471	2,356	3,268	1.1
4	Bozeman, MT	122,713	3,211	2,881	2.7
5	Pinehurst-Southern Pines, NC	102,763	2,595	2,881	2.6
6	Granbury, TX	64,222	2,269	2,632	3.7
7	Cedar City, UT	60,519	2,879	2,512	5.0
8	Hilo, HI	202,906	2,160	2,471	1.1
9	Sandpoint, ID	49,491	2,101	2,302	4.4
10	Centralia, WA	84,398	1,924	2,159	2.3
11	Pahrump, NV	53,450	1,482	2,134	2.9
12	Cookeville, TN	115,777	1,590	2,079	1.4
13	Tullahoma-Manchester, TN	108,891	1,551	1,918	1.4
14	Brainerd, MN	97,909	1,548	1,845	1.6
15	Richmond-Berea, KY	108,758	1,704	1,831	1.6
16	Cullman, AL	89,496	1,452	1,827	1.6
17	Concord, NH	155,238	1,316	1,826	0.9
18	Shelton, WA	67,615	1,587	1,796	2.4
19	Crossville, TN	62,451	1,179	1,788	1.9
20	Traverse City, MI	154,685	1,169	1,745	0.8
21	Athens, TX	83,667	1,319	1,738	1.6
22	Fernley, NV	60,903	1,472	1,711	2.5
23	Helena, MT	84,693	1,467	1,703	1.8
24	Truckee-Grass Valley, CA	103,487	1,288	1,666	1.3
25	Port Angeles, WA	78,209	929	1,601	1.2
26	Huntsville, TX	77,977	1,434	1,596	1.9
27	Show Low, AZ	108,147	1,345	1,556	1.3
28	Roseburg, OR	111,978	743	1,547	0.7
29	Morehead City, NC	68,541	885	1,522	1.3
30	Heber, UT	79,266	1,782	1,446	2.3
31	Aberdeen, WA	76,841	1,030	1,424	1.4
32	Pottsville, PA	143,264	487	1,400	0.3
33	Augusta-Waterville, ME	124,486	732	1,364	0.6
34	Sevierville, TN	99,517	1,020	1,313	1.0
35	Laconia, NH	64,460	717	1,210	1.1
36	Palatka, FL	74,167	820	1,205	1.1
37	Keene, NH	77,329	828	1,120	1.1
38	Albemarle, NC	63,425	816	1,066	1.3
39	Seneca, SC	79,203	565	1,055	0.7
40	Mountain Home, AR	42,144	489	1,045	1.2
41	Torrington, CT	185,000	126	1,040	0.1
42	Georgetown, SC	63,921	481	1,027	0.8
43	Athens, TN	54,059	744	1,022	1.4
44	Shelby, NC	100,359	634	1,008	0.6
45	Bonham, TX	36,569	837	1,001	2.3
46	Kill Devil Hills, NC	37,826	825	975	2.2
47	Oxford, MS	56,884	979	964	1.8
48	Statesboro, GA	82,442	1,064	947	1.3
49	Ellensburg, WA	45,499	910	936	2.0
50	Durant, OK	47,105	812	932	1.8
50	Cañon City, CO	49,661	680	932	1.4

Source of population data: U.S. Census Bureau. Definition: A Micropolitan Area has at least one urban cluster of 10,000 residents but less than 50,000 residents. Net migration is the difference between domestic in-migration to an area and domestic out-migration from the same area during a time period.

JD Martin Merger with I-Pro in Colorado Continues Trend Toward Bigger Rep Agencies

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utility and datacom markets in the Rocky Mountain region.

JD Martin entered Colorado earlier this year with two of their largest manufacturer partners. The independent manufacturers' representative has served OEMs MRO contractors and end-user markets in industries such as oil & gas, mining, steel, wastewater treatment, wind power generation and commercial construction through electrical distributors for more than 68 years.

The firm's regional coverage includes more than 15 states in territories, including Texas, New Mexico, Colorado, Wyoming,

Montana, Oklahoma, Arkansas, Louisiana, Mississippi, Tennessee, Kentucky, Virginia, the Carolinas and Florida. In 2018, JD Martin also expanded its regional coverage with an alliance with The Schell Co. to cover Louisiana and Mississippi and the Gulf Coast area.

According to information at its website, www.jdmartin.com, the company was founded in Dallas by Jim Martin in 1954 and now operates warehouses in Houston (three), Dallas, Tampa, FL, and Charlotte, NC.

Both companies are active members of the National Electrical Manufacturers Representatives Association (NEMRA).

Small Towns Stand Tall in Latest Net Migration Data

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(+2,881); Granbury, TX (+2,632); and Cedar City, UT (+2,512). Some of this growth can most likely be attributed to the increasing number of Baby Boomers hitting retirement age and moving to their dream locations and the trend toward remote officing.

Some micropolitan areas saw some notable declines in population. North Dakota had three towns at or near the bottom of the lists of 543 U.S. micropolitan

areas with net migration losses of around 1,000 residents or more, and New Mexico had two — Hobbs, NM (-2,049), and Carlsbad-Artesia, NM (-1,579). It's interesting to note that North Dakota's three micropolitan areas with comparatively large population losses were in regions that at one time experienced a boom in oil fracking — Minot, Dickinson and Williston (-3,120); Minot, ND (-1,139); and Dickinson (-955).

— Jim Lucy

Copper Demand Tracking to Outpace Supply

A new study by S&P Global says the growing mismatch between available copper supply and future demand resulting from the energy transition to electric vehicles and renewables may create major supply chain snafus unless more sources of copper come online.

The study, "*The Future of Copper: Will the Looming Supply Gap Short-circuit the Energy Transition?*" projects global copper demand to nearly double over the next decade, from 25 million metric tons today to about 50 million metric tons by 2035 in order to deploy the technologies critical to achieving net-zero by 2050 goals.

"Copper is the metal of electrification and absolutely essential to the energy transition," said Daniel Yergin, vice chairman, S&P Global, in a press release. "The world has never produced so much copper in such a short timeframe as would be required. On current trends, the doubling of global copper demand by 2035 would

result in significant shortfalls."

The study says the demand surge would be driven, in large part, by the rapid, large-scale deployment of technologies such as electric vehicles, charging infrastructure, solar PV, wind and batteries. More copper intensive than their conventional counterparts, demand from these areas would nearly triple by 2035.

Growth in new copper supply capacity — from new mines or expansions of existing projects — would unlikely be able to keep pace with the surge in demand, the study says. The International Energy Agency has estimated that it currently takes 16 years, on average, to develop a new mine, meaning that a new mine seeking permission today would not become productive in time to accommodate the demand spike. That leaves increases in capacity utilization (output as a percentage of an existing mine's total capacity) and recycling as the main sources of additional supply, according to the study.

Around the Industry

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S&P Global Market Intelligence has also downwardly revised its 2023 US real GDP forecast from 1.8% to 1.3% because of a more aggressive monetary tightening than previously assumed. A recent S&P Global Market Intelligence post also said that over the last month, all three major reports on consumer spending — the Quarterly Services Survey for Q1 and both retail sales and personal outlays for May — suggested downward revisions of S&P's estimate for Q2 growth of PCE, from 4.3% to 1.1%. For the quarter, S&P expect final sales to grow just 0.2%, with a large decline in inventory investment then subtracting two percentage points from GDP growth.

Rexel acquires Horizon Solutions

Rexel bolstered its operations in New England with its recent acquisition of Horizon Solutions, Rochester, NY, one of the largest electrical distributors and industrial automation specialists in New England and upstate New York. According to a post about Rexel's acquisition of Horizon Solutions and commentary on Rockwell Automation's distribution strategy by David Gordon on www.electricaltrends.com, Rockwell Automation now has 24 distributors, and reportedly would like to eventually pare down its distribution network to 14 companies.

Construction starts slide in June

Total construction starts fell -5% in June to a seasonally adjusted annual rate of \$932.3 billion, according to Dodge Construction Network. Nonresidential building starts lost -14% during the month and residential was -6% lower. On the contrary, nonbuilding starts gained -13% in June due to the start of several large solar projects.

Year-to-date, total construction was +5% higher in the first six months of 2022 compared to the same period of 2021. Nonresidential building starts rose +13% and residential starts gained +3%, while nonbuilding starts were -2% lower. For the 12 months ending June 2022, total construction starts were +7% above the 12 months ending June 2021. Nonresidential starts were +17% higher, residential starts gained +5% and nonbuilding starts were down -2%.

"Construction markets are getting jittery as the odds of recession increase,"

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Industry Events

September 13-15 2022

NAED LEAD Conference

Milwaukee, WI; www.naed.org

September 21-22, 2022

LightSpec West

Los Angeles; www.lightspecwest.com

October 4-5, 2022

LightSpec Midwest

Chicago;
www.lightspecmidwest.com

Oct. 16-18, 2022

NECA Show & Conference

Austin, TX; National Electrical Contractors Association
www.necashow.org

Oct. 16-19, 2022

NALMCO Convention & Trade Show

Glendale, AZ; National Association of Lighting Maintenance Companies
www.nalmco.org

October 26-27 2022

NAED Data

Analytics Conference

Dallas; www.naed.org

Oct. 26-27, 2022

Electric Expo 2022

King of Prussia, PA, Electrical Association of Philadelphia
www.electricepo.org

November 14-16 2022

NAED Eastern Conference

Tampa, FL; www.naed.org

November 16-17 2022

NEMA Annual Meeting

Amelia Island, FL; National Electrical Manufacturers Association (NEMA)
www.nema.org

January 16-18, 2023

NAED Western Conference

Palm Desert, CA;
www.naed.org

January 30 - February 2, 2023

NEMRA Conference

Las Vegas, NV; National Electrical Manufacturers Representatives Association;
www.nemra.org

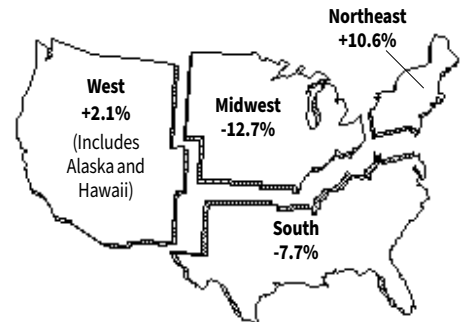
Housing Starts Sag in June with -2% Monthly Decrease in May to 1.559 Million Total Units

Privately-owned housing starts in June were at a seasonally adjusted annual rate of 1,559,000, -2% below the revised May estimate of 1,591,000 and -6.3% below the June 2021 rate of 1,664,000. According to the U.S. Census Bureau, single-family housing starts in June were at a rate of 982,000, -8.1% below the revised May figure of 1,068,000.

“While the multi-family market remains strong on solid rental housing demand, the softening of single-family construction data should send a strong signal to the Federal Reserve that tighter financial conditions are producing a hous-

ing downturn,” said Robert Dietz, chief economist for the National Association of Home Builders in a press release.

Single-Family Housing Starts



New Privately Owned Housing Units Started

(Thousands of housing units, seasonally adjusted annual rate; regional data is single-family)

Period	Total	1 Unit	5 Units or more	Northeast	Midwest	South	West
Jun. 2022 ¹	1,559	982	568	48	147	599	188
May 2022 ²	1,591	1,068	494	55	144	617	252
Apr. 2022 ²	1,805	1,173	619	52	154	679	288
Mar. 22	1,716	1,191	511	64	161	674	292
Feb. 2022	1,777	1,213	532	71	157	681	304
Jan. 2022	1,666	1,157	499	48	142	661	306
Jun. 2021	1,664	1,165	488	81	130	668	286

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

Source: U.S. Bureau of the Census

EPI Pops +0.6% in June, Up +15.2% YOY

After taking a short breather in May, *Electrical Marketing's* Electrical Price Index increased in June to 199.2 points. There were some signs of moderation in the EPI's historic climb, as the -0.6% increase was the smallest since Oct. 2021. Leading the gainers in June were Boxes (+8%); Switchgear (+6.6%); Panelboards & Switches (+5%); Circuit Breakers (+3.8%); Fuses (+3%); and Pole-Line Hardware (+2.7%).

Note: All EPI series represent IHS Markit 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 2012 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; IHS Markit

Electrical Price Index — June 2022

2012=100	Jun. 2022	May 2022	Jun. 2021	% Change	
				1 Mo.	1 Yr.
Building Wire & Cable	274.3	276.1	238.4	-0.6	15.1
Power Wire & Cable	353.2	360.8	289.4	-2.1	22.0
Telephone	237.2	240.6	221.0	-1.4	7.3
Hand & Power Tools	161.3	161.0	148.0	0.1	9.0
Elec. Heating Equip.	175.8	175.1	153.5	0.4	14.6
Residential Lighting	179.2	177.6	156.9	0.9	14.2
Industrial Fixtures	164.5	162.4	150.7	1.3	9.2
Fans & Blowers	199.0	198.7	172.2	0.2	15.5
Wiring Devices & Connectors	157.5	156.6	143.2	0.5	10.0
Pole Line Hardware	285.9	278.5	240.3	2.7	19.0
Boxes	307.8	285.1	219.3	8.0	40.4
Conduit Fittings	251.0	251.0	209.2	0	20.0
Metal Conduit	238.0	233.2	203.2	2.1	17.2
Nonmetallic Conduit	253.1	252.1	206	0.4	22.8
Motors	201.7	201.3	168.7	0.2	19.5
Generators	184.0	182.9	157.4	0.6	16.9
Ballasts	224.8	224.8	191.6	0	17.3
Elect. Meas. & Integ. Inst.	134.8	134.8	129	0	4.5
Transformers	156.1	154.3	147	1.1	6.2
Panelboards & Switches	218.1	207.8	177	5.0	23.2
Circuit Breakers	224.3	216.0	184.6	3.8	21.6
Switchgear	227.6	213.5	179.5	6.6	26.8
Fuses	202.7	196.7	167.2	3.0	21.2
Industrial Controls	200.7	196.5	168.2	2.1	19.3
Lamps	188.2	188.2	165.7	0	13.6
Appliances	135.7	134.5	118.9	0.9	14.2
Air Conditioners	195.6	192.2	166	1.7	17.8
Fasteners	205.2	204.4	170.1	0.4	20.6
Total Index	199.2	198	172.9	0.6	15.2

Electrical Marketing's Leading Economic Indicators

Building permits slip in June. Privately-owned housing units authorized by building permits in June were at a seasonally adjusted annual rate of 1,685,000, -0.6% below the revised May rate of 1,695,000, but +1.4% above the June 2021 rate of 1,661,000. The U.S. Census Bureau said single-family authorizations in June were at a rate of 967,000, -8% below the revised May figure of 1,051,000.

AIA's June Billings Index shows increased demand. Architecture firms reported increasing demand for design services in June, according to the American Institute of Architects (AIA).

The ABI score for June was 53.2 points. While this score is down slightly from May's score of 53.5 points, it still indicates moderately strong business conditions overall (any score above 50 points indicates an increase in billings from the prior month). Also in June, both the new project inquiries and design contracts indexes moderated from May but continued to show growth, posting scores of 58.2 points and 52.2 points respectively.

"Ongoing project activity at architecture firms as well as new work coming online remains strong, pushing project backlogs up to seven months on average nationally," said AIA Chief Economist, Kermit Baker in the press release. "In spite of heavy workloads, employment at architecture firms has stabilized, suggesting that adding new employees is becoming even more challenging as the building construction sector continues to recover."

NAHB/Wells Fargo Housing Market Index drops sharply in July. In a further sign of a weakening housing market, builder confidence in the market for newly built single-family homes posted its seventh straight monthly decline in July, falling 12 points to 55 points, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index

(HMI). This marks the lowest HMI reading since May 2020 and the largest single-month drop in the history of the HMI, except for the 42-point drop in April 2020.

"Affordability is the greatest challenge facing the housing market," said NAHB Chief Economist Robert Dietz. "Significant segments of the home buying population are priced out of the market."

The Marketplace : Key Figures

	Month	Latest month	Previous month	Month-over-month % change	Year ago	Year-over-year % change	2021 annual
CONSTRUCTION							
New Construction Put in Place (billions of dollars, SAAR) ²							
Total	MAY	1779.80	1782.46	-0.1	1621.94	9.7	1588.08
Offices	MAY	72.92	72.89	0.0	75.44	-3.3	70.58
Industrial	MAY	93.76	92.66	1.2	74.34	26.1	77.72
Housing Starts (Thousands of units, SAAR) ²							
Total	JUN	1559	1591	-2.0	1664	-6.3	1605
Single-unit	JUN	982	1068	-8.1	1165	-15.7	1131
Mobile Home Shipments ³ (thousands of units, SAAR)	MAY	122	120	1.7	105	16.2	106
Employment, Construction Workers (thousands) ⁴	JUN	7858	7710	1.9	7557	4.0	7413
Employment, Electrical Contractors (thousands) ⁴	MAY	978.5	975.1	0.3	951.2	2.9	961.1
Hourly Wage, Electrical Contractors ⁴	MAY	33.17	32.72	1.4	31.80	4.3	31.91
PRODUCTION							
Industrial Production Index (1967=100) ⁵	JUN	104.4	104.6	-0.2	100.2	4.2	100.1
Construction Supplies Production Index ⁵ (1977=100-SA)	JUN	105.0	105.2	-0.1	99.1	6.0	100.8
Employment in Electrical Equipment & Supplies Mfg.							
Production workers (Thousands) ⁴	MAY	143.2	142.7	0.4	137.3	4.3	138.5
Weekly hours	MAY	42.4	41.6	1.9	42.0	1.0	42.0
Hourly wage	MAY	25.28	24.77	2.1	22.79	10.9	23.21
Electric Power Output Index (1967=100) ⁵	JUN	106.6	108.8	-2.0	104.9	1.7	102.2
Machine Tool Orders* (millions of dollars) ⁶	MAY	435.89	503.00	-13.3	437.40	-0.3	480.63
Industrial Capacity Utilization (percent, SA) ¹	JUN	79.30	79.80	-0.6	76.98	3.0	75.77
TRADE							
Electrical Mfrs' Shipments	MAY	3,759	3,664	2.6	3,421	9.9	3,505
Electrical Mfrs' Inventories (millions of dollars, SA) ²	MAY	7,596	7,522	1.0	6,663	14.0	6,724
Electrical Mfrs' Inventory-to-Shipments Ratio	MAY	2.021	2.053	-1.6	1.948	3.8	1.919
Electrical Mfrs' New Orders (millions of dollars, SA) ²	MAY	4,025	4,142	-2.8	3,423	17.6	3,526
Electrical Mfrs' Unfilled Orders (millions of dollars, SA) ²	MAY	16,015	15,271	4.9	14,191	12.9	14,296
Exports, Electrical Machinery (f.a.s. value in millions of dollars) ²	MAY	7,242	6,977	3.8	7,226	0.2	83,120
U.S. Dollar vs. Other Major Currencies (1973=100) ⁵	JUN	115.11	114.59	0.5	105.19	9.4	106.31
PRICES & INTEREST RATES							
Industrial Commodities Wholesale Price Index (Bureau of Labor Statistics, 1967=100)							
Electrical Price Index (Electrical Marketing, 1997=100)	JUN	199.2	198.0	0.6	172.9	15.2	173.1
Construction Materials Wholesale Price Index (Bureau of Labor Statistics, 1982=100)	JUN	352.2	351.5	0.2	306.0	15.1	299.0
Copper Prices (Metals Week, cents per pound)	JUN	412.49	424.95	-2.9	439.80	-6.2	424.28
Prime Rate ⁵	JUN	4.38	3.94	11.2	3.25	34.8	3.25
Federal Funds Rate ⁵	JUN	1.21	0.77	57.1	0.08	1412.5	0.08
Mortgage Rate ⁷	JUN	5.48	5.23	4.7	2.98	84.1	2.95

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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said Richard Branch, chief economist for Dodge Construction Network, in the press release. "While projects are still moving through the planning process, the velocity has downshifted reflecting uncertainties over how rising interest rates will impact the economy, construction material prices, and ultimately, construction starts. Over the short-term, construction-facing indicators are likely to be more volatile than normal, particularly in the commercial sector."

Nonresidential building starts dropped -14% in June to a seasonally adjusted annual rate of \$301 billion. It was a broad-based decline for the month, with commercial starts falling -16%, manufacturing starts down -14%, and institutional starts moving -12% lower. Through the first six months of 2022, nonresidential building starts were +13% higher than during the first six months of 2021. Commercial starts advanced +14% and institutional starts rose +1%, while manufacturing starts were +83% higher on a year-to-date basis.

For the 12 months ending June 2022, nonresidential building starts were +17% higher than in the 12 months ending June 2021. Commercial starts grew +13%, institutional starts rose +7%, and manufacturing starts swelled +109% on a 12-month rolling sum basis.

The largest nonresidential building projects to break ground in June were an \$800-million Facebook data center in Los Lunas, NM, the \$400-million Exxon La-Barge carbon capture plant in Fontenelle, WY, and the \$287-million first phase of the Houston Methodist Cypress Bed hospital tower in Cypress, TX.

ABB to spin off Accelleron turbocharging division

ABB plans to spin off Accelleron (formerly ABB Turbocharging), its turbocharging division. Accelleron develops, produces and services turbochargers and large turbocharging components for engines. Its key market segments include the marine, energy and rail markets. Accelleron has an installed base of over 180,000 turbochargers. The turbochargers are produced, sold and serviced by Accelleron's network of 100 service stations in approximately 50 countries.

People

Hammond Power Solutions (Guelph, ON): **David Kinsella** has been appointed to the position of chief commercial officer effective Aug 1. Kinsella will succeed **Dale Sidey**, who is retiring at the end of the year.

Kinsella will be joining Hammond Power Solutions after 14 years with Affiliated Distributors (AD), most recently in the electrical sector, where he held the position of president. Prior to AD, he held the role of national sales manager with Intermatic. He holds a bachelor's degree in mass communication from the University of Missouri with an emphasis in marketing and advertising.

Orbit Industries (Sacramento, CA): **Bob Harrer** recently retired from Orbit Industries, where he was the factory sales representative covering California's Central Valley region. Harrer served the company for over 10 years and worked in the electrical industry at-large for 48 years.

After enlisting in the Marines in 1965 and earning a bachelor's degree in health from the University of Northern Iowa, Harrer joined 3M in 1974 as an inside salesperson. He took an outside sales role with Appleton Electric Co. in 1980 and worked there for 23 years. Before retiring in 2009, he also worked with Ewing Foley for six years. Harrer "unretired" in 2012 to join Orbit.

Cerrowire (Hartselle, AL): **David Hawker** was appointed as the company's inaugural director of engineering. He has led the Hartselle team as plant manager since early 2021. As director of engineering, Hawker will use his 35-plus years of experience in electrical products manufacturing management and his talent in identifying and upgrading machinery to focus on capacity improvement, equipment standardization and modernization throughout the company's facilities.

Prior to joining Cerrowire, Hawker served as vice president and general manager of Nexans Energy Division (North America), a manufacturer of cable and connectivity solutions. A native of Canada, he holds a degree in applied science with a specialty in mechanical engineering from the University of Waterloo.

In other news at Cerrowire, **Jamie Hendricks** was hired as plant manager for the Hartselle location. The Alabama

native comes to Cerrowire from Fontaine Trailer Co. the largest platform trailer manufacturer in North America and a Marmon Holdings sister business located in Haleyville, AL. Hendricks holds a bachelor's degree in construction engineering from the University of Alabama.

WAGO (Germantown, WI): **Robert Perez** was recently hired by WAGO as the new regional sales manager for the Chicago area and **Jonathan Gabel** is the new regional sales manager in northwestern Texas. Perez has a degree in mechanical engineering from the University of Iowa and worked in sales at Schneider Electric before moving on to Omron Automation where he became an account manager.

Gabel was born, raised and still lives in Tulsa, OK. He graduated from Northeastern State University and got his sales career started at Ernie Graves Co. before moving onto Vector Controls, where he would eventually rise to the role of district manager.

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