

# Electrical Marketing®

THE ELECTRICAL INDUSTRY NEWSLETTER

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## Around the Industry

### Allied Electronics & Automation acquires Latin America's Risoul

Allied Electronics & Automation, Fort Worth, TX, part of RS Group plc, will acquire Risoul y Cia, S.A. de C.V. a family-owned distributor of industrial and automation product and service solutions in Mexico that's the largest authorized distributor of Rockwell Automation Products in Mexico and Latin America. Allied is paying \$275 million for Risoul.

The press release said Risoul has almost 50 years of operational knowledge and automation expertise. Risoul provides onsite product training, control board and panel assembly, air conditioning maintenance, specialist tool repair and a smart network infrastructure. Risoul is led by Chief Executive Officer Gerardo Ayala Guarneri, who has been with the company for 18 years, the last five as CEO. The company's 2021 revenues were \$166 million. David Gordon's *www.electricaltrends.com* offers some insightful analysis on the acquisition.

### Trimble invests in autonomous farming with Sabanto acquisition

Many folks in the electrical market know Trimble for its 2013 acquisition of Trade Service Corp. to get its electrical product pricing and specification data for distributors and contractors. But Trimble has always had interests far outside the electrical industry, and in recent years as built a business in using geospatial information for 3D visualization of construction projects. A recent acquisition adds to this expertise in using geospatial information for map-

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## Inflation Reduction Act Primed to Pump Billions into Renewables, EV & Construction Markets

Mammoth in scope and vigorously debated on Capitol Hill, the recently passed Inflation Reduction Act (IRA) will directly impact the electrical wholesaling industry because of the billions of dollars in tax credits and other financial incentives it will pump into renewable power production and the industrial, construction and electric vehicle markets.

Federal tax credits will be available for electric utilities and other producers of renewable energy, building owners, homeowners and domestic manufacturers of equipment for the solar, wind, electric vehicles and EV battery markets when they make the investments specified in the bill. In the electrical construction market, virtually any company involved in the design, sale or installation of energy-efficient building products should see downstream revenues related to the construction of new manufacturing facilities, retrofits of

commercial buildings, the installation of residential solar systems and other green project work.

While being an accountant, lawyer (or both) would help one understand the verbiage in the Inflation Reduction Act that President Biden signed into law on August 16 to combat climate change, reduce health costs and battle inflation, one thing is clear: it's a big deal for electrical manufacturers, distributors, reps, electrical contractors and other buying influences because of the bill's aim to incentivize companies to onshore the manufacture of electric vehicles, batteries, solar panels and wind turbines. They will also benefit from the recently passed CHIPS and Science Act that will provide \$52.7 billion in financial incentives for semiconductor manufacturers that build or expand factories in the United States.

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## EW/VRP Survey Uncovers Concerns About Pricing, Lead Times & Economic Uncertainty

The electrical market's volatile pricing environment, long lead times, interest rate increases and economic uncertainty were top-of-mind in the 2Q 2022 quarterly survey published by Vertical Research Partners (VRP), (*www.verticalresearchpartners.com*), an independent equity research firm, and *Electrical Wholesaling* magazine. Thirty-five distributor respondents in the survey offered some real-world analysis of current market challenges. Here are the top takeaways in VRP's analysis of the survey data.

**Pricing powers sales.** Q2 distributor sales were up +13.7%, with prices accounting for +8.2% of the increase and volume growth accounting for 5.5%. This pricing increase was the highest reported in the VRP survey's history back to 2006, across all categories. Electrical equipment sales were strongest overall, with a +16.9% increase. This included an +8.3% increase in prices. Power had the strongest pricing result at +9%. Power

volumes were up +2.8% for total growth of +11.8%. Higher prices accounted for +7.5% of the +10.2% increase in automation sales, while increased sales volume accounted for the other +2.7% in growth. The total two-year growth stack of +29.5% included growth topping 20% in all categories, lapping the strong Q2 2021 recovery from the peak pandemic pain in 2020.

**Backlog masking emerging signs of slowing, interest rates having an impact.** The overall tone from distributors was relatively consistent with recent quarters. Sales are generally strong, but the operating environment remains highly dynamic and frequently frustrating. OEM price increases are causing some consternation among customers, but have not yet materially impacted underlying demand. Some smaller projects have been put on hold or cancelled with cost inflation bumping up against budgetary lim-

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# Tax Credits for Onshoring Manufacturing Lead Financial Benefits in IRA Legislation

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Although many of IRA's provisions don't kick in for a year or two, the legislation's extended tax credits and new financial incentives have been well-received by trade associations in the electrical, renewables and utility industries.

While the bill was being debated in Congress, Debra Phillips, president and CEO of the National Electrical Manufacturers Association (NEMA), wrote in a letter to Majority Leader Chuck Schumer and Nancy Pelosi, Speaker of the House that said in part, "NEMA members are already poised to invest billions to expand domestic manufacturing capabilities to facilitate the energy transition, and this legislation will make those investments a lasting reality.

"The Inflation Reduction Act includes over \$360 billion in clean energy and climate provisions over the next 10 years, many of which are, and have been, supported by NEMA, including but not limited to:

- \$500 million through the Defense Production Act to support the availability of strategic critical minerals and associated technology in the U.S.
- \$30 billion in tax credits to accelerate growth of domestic manufacturing of renewable energy components
- \$30 billion in targeted grant and loan programs for state and electric utilities to transition to clean electricity
- \$10 billion in investment tax credits to build clean technology manufacturing facilities, including facilities that make electric vehicles, wind turbines and solar panels
- Over \$9 billion for Federal procurement of American-made clean technologies to create a stable market for clean products.

"Making the necessary investments to expand domestic clean energy manufacturing and achieving greenhouse gas emissions reduction goals requires certainty and the ability for companies to plan for the long-term. Given the current economic reality — characterized by continued disruption of pre-pandemic supply chains, inflation and dependence on international suppliers for critical components like semiconductors — NEMA urges Congress to work to expeditiously advance this legislation into law, which will help their downstream customers invest in and grow our nation's domestic clean energy industrial base."

Often an active lobbyist for energy bills on Capitol Hill, the National Electrical

Contractors Association (NECA) said in a press release that it worked with Congressional leaders to ensure the IRA legislation "would make critical investments in clean energy opportunities for NECA contractors without an increased tax burden."

"The National Electrical Contractors Association (NECA) applauds Congress on the passage of the Inflation Reduction Act of 2022," NECA said in the release. "The Inflation Reduction Act, as negotiated by Senator Manchin and Majority Leader Schumer, will invest over \$369 billion in domestic energy production and manufacturing. The investment will provide NECA contractors with new opportunities to modernize our energy portfolio and create good-paying jobs across America. In addition, this legislation has strong labor protections, including mandating prevailing wage rates and using apprentices from only registered apprenticeship programs."

David Long, NECA CEO, said in the release, "NECA contractors are ready to go to work with their partners to build America's new clean energy sector. I would like to commend Senator Manchin, Senator Sinema and members of Congress for their due diligence in negotiating a bill to make significant investments in America's domestic energy while not increasing taxes on our contractors."

Following are several key elements of the IRA that *Electrical Marketing's* editors believe will have the most direct impact on the electrical market.

**Extension of the Investment Tax Credit (ITC) and Production Tax Credit (PTC).** The legislation offers extended and new tax incentives for electric utilities and other companies that build wind farms, centralized solar facilities and stand-alone energy storage facilities.

A post at [www.natlawreview.com](http://www.natlawreview.com) said, "The IRA comes as welcome news to the renewable energy industry as important tax incentives for wind, solar and other renewable energy resources are set to expire or wind down. Existing law also did not provide any federal tax incentives for the rapidly growing stand-alone energy storage and clean hydrogen industries. The IRA fixes that and more."

**Increase and expansion of the tax deduction for the construction and retrofit of energy-efficient buildings.** A post at [www.accountingtoday.com](http://www.accountingtoday.com) said, "The already permanent Section 179D tax deduction has

been significantly increased from the current maximum of \$1.88 per sq. ft. in 2022 to \$5 per sq. ft. to reward the construction of energy-efficient commercial buildings, including multi-family buildings that are four stories or taller. Energy-efficient ground-up construction, along with energy efficient retrofits of older buildings, will be eligible." The bill also included details on how lighting retrofits could qualify for these tax deductions.

**Tax credits for the purchase of certain new and used electric vehicles.** While the IRA includes some stipulations about which EVs are covered and has eligibility limitations for consumers in the highest tax bracket, new EVs assembled in North America that are on the IRA's qualifying list will be eligible for a \$7,500 tax credit starting in 2023. IRA's tax credits for used EVs are \$4,000.

**Tax credit for electric-vehicle charging installations.** According to an analysis of the Inflation Reduction Act by BriteSwitch, the 30C Tax Credit has been extended until Dec. 31, 2032. "Businesses and other organizations that install EV chargers at their facilities can qualify for an incentive of up to 30% of the cost," said a post at [www.briteswitch.com](http://www.briteswitch.com). "With the passage of the IRA, the maximum amount of the tax credit has increased from \$30,000 to \$100,000 for projects completed after Dec. 31, 2022. Projects completed before then would still be subject to the \$30,000 cap."

BriteSwitch also said homeowners can qualify for an EV charging system tax credit and can expense 30% of the project installation cost up to \$1,000, as long as qualifying equipment is installed that allows bi-directional charging.

**Residential Clean Energy Credit.** Homeowners will be able to take 30% of the cost of installing a solar power systems off of their federal taxes through 2032, according to a post at [www.kiplinger.com](http://www.kiplinger.com). Heather Zichal, CEO of the American Clean Power Association, said the legislation would provide companies in the clean power industry with "unprecedented multi-year policy certainty for clean energy."

"This is the vote heard around the world," she said in a press statement. "It puts America on a path to creating 550,000 new clean energy jobs while reducing economy-wide emissions 40% by 2030. This is a generational opportunity for clean energy after years of uncertainty and delay."

— Jim Lucy

## Convergence Leads Three-Rep Alliance in Missouri, Iowa, Nebraska & Kansas

Convergence Partners Inc., Integrated Sales Inc. and Lighting Solutions of Iowa Inc. plan to form a strategic partnership that would offer the electrical industry a unified resource for virtually all their products, services and design requirements throughout Missouri, Iowa, Nebraska and Kansas (MINK states), according to a Current press release. This partnership will be marketed under the Convergence Partners brands.

Prior to the strategic partnership, the three companies represented Current's GLI, HLI and Forum Brands and will now expand its combined representation to include the HLI Brand portfolio in the state of Nebraska.

"We are delighted to be partnering and expanding our relationship with Conver-

gence Partners" Chip Taylor, Current's chief commercial officer, said in the press release, "Their service mindset and experience with expanded product portfolios provide our customers with a best-in-class agency experience."

Peter Kurtz, Convergence Partners president, said in the Current press release that the principals of the three companies are looking forward to partnering with Current and selling the former Hubbell C&I Industrial products and Current portfolio of lighting products. "By bringing these three companies together, Brenda Golwitzer, Doug Olson and I are able to unite a common culture while realizing additional competencies and a deeper level of service for the four-state region."

## Distributors Expect Solid 3Q 2022 But See Some Softening in Demand, Walk-In Business & Bidding

*Continued from page 1*

its and interest rates on the rise. Early signs of interest rates dampening demand are emerging, with some indications of slower quoting/bid activity. Several respondents also pointed to declines in day-to-day counter business, seemingly at odds with normal seasonality. Record backlogs are masking some of this slowing for now, and with lead times extending well into 2023 in some instances it's possible sales stay strong until 2024.

**Some indications of improved availability.** Lead times remain historically elevated with persistent supply chain challenges. All major gear manufacturers are having their share of issues. The scramble for supply has reduced brand loyalty and driven an increase in alternate channels/suppliers, though it sounds like even these secondary sources are largely tapped out. Some customers are willing to take used or refurbished equipment. For higher-end products with more complex specifications, product substitution is not an option, and these remain the tightest (programmable logic controllers, switchgear, etc.).

Some distributors saw an improvement in stock-and-flow products like boxes, fittings, and PVC-related product, but these were still constrained in other areas. Several distributors indicated factory labor availability is as much if not more of an issue than material availability at this point. Trucking has also become an increasing

challenging with diesel prices pinching fleet operators.

**Distributors speak out.** Looking forward, distributors are expecting +4.8% growth on average for Q3 2022. This shows some creeping caution amongst distributors, ranking among the highest sequential decelerations on record and the largest since Q1 2020 on the precipice of the pandemic. However, VRP suspected that outlook will prove too conservative, given the carryover effect of price into Q3. Expectations for Q3 2022 are most robust for Electrical Equipment, +7.5%, but positive across categories.

Several respondents commented on the impact that product availability is having on brand preference. "Current lead-times, pricing and delays are forcing customers to seek nonstandard channels to find equipment," said one distributor. "Brand no longer is important and used equipment can be acceptable," said another.

Several respondents saw some signs of a slowdown, such as a decrease in bidding activity and quotations, and one distributor said walk-in business is slowing. Another respondent said their company was cutting back on inventory in anticipation of a reduction in demand. One distributor said forecasting future business activity is challenging right now. "The crystal ball is out the window," they said.

To participate in VRP's 3Q 2022 survey, e-mail Nick Lipinski at [nl@verticalresearchpartners.com](mailto:nl@verticalresearchpartners.com).

## Around the Industry

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ping and survey applications. On Aug. 18, Trimble Ventures, the parent company's corporate venture capital fund, announced an investment in Sabanto Inc., Chicago, an agricultural technology company that utilizes autonomous (driverless) tractors in its Farming as a Service (FaaS) business.

According to the press release, "Farmers face a variety of challenges including labor shortages, non-stop field operations, weather and significant capital expenses for agriculture machinery. Sabanto addresses these challenges by providing FaaS through swarms of multiple smaller tractors equipped with its autonomous technology to perform in-field operations. Leveraging a fleet of smaller 60 and 90 HP tractors, the company has autonomously tilled, planted, seeded, weeded, applied and mowed across Illinois, Iowa, Indiana, Missouri, Nebraska, Minnesota, North Dakota, Wisconsin and Texas.

"The company's advanced mission control platform has been pivotal in deploying multiple systems for multiple days of non-stop operation and pushing the FaaS concept by planting over 750 acres of corn and soybeans in one season with a single 60 HP tractor."

### Winsupply opens Richard W. Schwartz Center for Innovation

Winsupply, Dayton, OH, opened the Richard W. Schwartz Center for Innovation on Aug. 25 and reopened its Winsupply of Dayton branch location. The 28,000-sq-ft building is located next to Winsupply's Support Services campus in Moraine, OH. The Center for Innovation is named after Richard Schwartz, the company's chairman of the board and a lifelong champion of the power of entrepreneurship and free enterprise.

For the first time in Winsupply's history, the Support Services teams can work alongside a local company to develop, test and refine innovations. These innovations include everything from IT solutions, inventory management, warehouse operations, merchandising, product deliveries, customer communications, vendor marketing and showroom displays. Upon testing, these innovations can then be rolled out nationwide to help every local company at Winsupply be

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## Industry Events

September 13-15 2022

### NAED LEAD Conference

Milwaukee, WI; [www.naed.org](http://www.naed.org)

September 21-22, 2022

### LightSpec West

Los Angeles; [www.lightspecwest.com](http://www.lightspecwest.com)

October 4-5, 2022

### LightSpec Midwest

Chicago; [www.lightspecmidwest.com](http://www.lightspecmidwest.com)

Oct. 16-18, 2022

### NECA Show & Conference

Austin, TX; National Electrical Contractors Association  
[www.necashow.org](http://www.necashow.org)

Oct. 16-19, 2022

### NALMCO Convention & Trade Show

Glendale, AZ; National Association of Lighting Maintenance Companies  
[www.nalmco.org](http://www.nalmco.org)

October 26-27 2022

### NAED Data Analytics Conference

Dallas; [www.naed.org](http://www.naed.org)

Oct. 26-27, 2022

### Electric Expo 2022

King of Prussia, PA, Electrical Association of Philadelphia  
[www.electricepo.org](http://www.electricepo.org)

November 14-16 2022

### NAED Eastern Conference

Tampa, FL; [www.naed.org](http://www.naed.org)

November 16-17 2022

### NEMA Annual Meeting

Amelia Island, FL; National Electrical Manufacturers Association (NEMA)  
[www.nema.org](http://www.nema.org)

January 16-18, 2023

### NAED Western Conference

Palm Desert, CA; [www.naed.org](http://www.naed.org)

January 30 - February 2, 2023

### NEMRA Conference

Las Vegas, NV; National Electrical Manufacturers Representatives Association;  
[www.nemra.org](http://www.nemra.org)

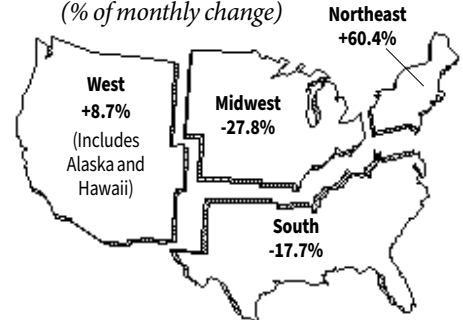
## Single-Family Housing Starts Swoon in July with -10.1% Decline to 916,000 Annual Rate

Privately-owned housing starts in July were at a seasonally adjusted annual rate of 1,446,000, -9.6% below the revised June estimate of 1,599,000 and -8.1% below the July 2021 rate of 1,573,000. According to the U.S. Census Bureau, single-family housing starts in July were at a rate of 916,000, -10.1% below the revised June figure of 1,019,000.

“A housing recession is underway with builder sentiment falling for eight consecutive months while the pace of single-family home building has declined for the last five months,” said Robert Dietz, chief economist for the National Association of Home Builders, said in the press release. “However,

multi-family construction remains very strong given the solid demand for rental housing.”

### 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
Jul. 2022 <sup>1</sup>	1,446	916	514	77	104	511	224
Jun. 2022 <sup>2</sup>	1,599	1,019	571	48	144	621	206
May 2022 <sup>2</sup>	1,562	1,073	459	55	141	625	252
Apr. 2022	1,805	1,173	619	52	154	679	288
Mar. 2022	1,716	1,191	511	64	161	674	292
Feb. 2022	1,777	1,213	532	71	157	681	304
July 2021	1,573	1,124	438	43	144	674	263

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

Source: U.S. Bureau of the Census

## July EPI Logs Major Monthly Decrease

EM's Electrical Price Index (EPI) had its biggest monthly decrease in almost six years with a -0.6% decrease to 197.4 points for the Total Index. The EPI hadn't seen a monthly decrease of this size since Nov. 2016, when it dropped -0.81%. The July data was up +12.3% year-over-year, which while still astronomically large was the smallest YOY increase since May 2021. The Fasteners category bucked the monthly trend with a +2.4% increase in July.

Note: All EPI series represent S&P Global 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; S&P Global

### Electrical Price Index — July 2022

2012=100	Jul. 2022	Jun. 2022	Jul. 2021	% Change	1 Mo.	1 Yr.
Building Wire & Cable	260.2	268.9	241.8	-3.2	7.6	
Power Wire & Cable	366.6	361.8	290.6	1.3	26.2	
Telephone	227.7	236.6	222.9	-3.7	2.1	
Hand & Power Tools	164.1	163.3	149.4	0.5	9.8	
Elec. Heating Equip.	176.6	176.0	155.8	0.4	13.3	
Residential Lighting	179.4	178.9	158.4	0.3	13.3	
Industrial Fixtures	165.0	164.2	152.5	0.5	8.2	
Fans & Blowers	200.2	199.0	178.9	0.6	11.9	
Wiring Devices & Connectors	157.4	157.2	146.1	0.1	7.7	
Pole Line Hardware	283.5	283.8	218.4	-0.1	29.8	
Boxes	294.9	304.1	234.6	-3.0	25.7	
Conduit Fittings	251.0	251.0	223.5	0.0	12.3	
Metal Conduit	237.1	237.1	209.6	0.0	13.1	
Nonmetallic Conduit	253.3	251.3	218.3	0.8	16.0	
Motors	201.6	201.6	169.2	0.0	19.1	
Generators	187.3	184.0	158.8	1.8	17.9	
Ballasts	227.2	224.9	192.2	1.0	18.2	
Elect. Meas. & Integ. Inst.	134.8	134.8	128.3	0.0	5.0	
Transformers	156.4	155.7	147.8	0.5	5.8	
Panelboards & Switches	214.1	218.1	180.9	-1.8	18.4	
Circuit Breakers	219.7	224.3	186.1	-2.1	18.0	
Switchgear	227.3	227.3	186.3	0.0	22.0	
Fuses	204.7	202.6	169.5	1.0	20.7	
Industrial Controls	200.7	200.7	169.1	0.0	18.7	
Lamps	191.4	188.2	167.3	1.7	14.4	
Appliances	137.3	137.0	119.4	0.2	14.9	
Air Conditioners	197.5	196.8	165.3	0.3	19.5	
Fasteners	210.7	205.9	172.2	2.4	22.3	
<b>Total Index</b>	<b>197.4</b>	<b>198.7</b>	<b>175.8</b>	<b>-0.6</b>	<b>12.3</b>	

# Electrical Marketing's Leading Economic Indicators

## Building permits sag in July.

Privately-owned housing units authorized by building permits in July were at a seasonally adjusted annual rate of 1,674,000, -1.3% below the revised June rate of 1,696,000, but +1.1% above the July 2021 rate of 1,655,000. According to the U.S. Census Bureau, single-family authorizations in July were at a rate of 928,000, -4.3% below the revised June figure of 970,000.

**Prices for construction materials decline in July.** The Producer Price Index (PPI) for inputs to nonresidential construction — the prices charged by goods producers and service providers such as distributors and transportation firms — dropped -1.3% from June to July, but remained +14.6% above its July 2021 level, according to an analysis of the government's latest PPI data by Associated General Contractors (AGC).

The price index for diesel fuel fell -16.3% in July but remained +71.3% above its July 2021 level. Steel mill products fell -3.7% in price last month and increased +6.4% year-over-year. The index for lumber and plywood decreased -0.5% in July and fell -7.7% over 12 months. Copper and brass mill shapes fell -9.7% for the month and -7.9% over the past year. Prices for plastic construction products increased +1%.

## Conference Board's U.S. leading indicator slides again in July.

The Conference Board Leading Economic Index (LEI) for the U.S. decreased by -0.4% in July 2022 to 116.6 (2016=100), after declining by -0.7% in June. The LEI was down by -1.6% over the six-month period from January to July 2022, a reversal from its +1.6% growth over the previous six months.

"The U.S. LEI declined for a fifth consecutive month in July, suggesting recession risks are rising in the near term," said Ataman Ozyildirim, senior director-economics, for the Conference Board. "Consumer pessimism and equity market volatility as well as

slowing labor markets, housing construction and manufacturing new orders suggest that economic weakness will intensify and spread more broadly throughout the U.S. economy. The

Conference Board projects the U.S. economy will not expand in the third quarter and could tip into a short but mild recession by the end of the year or early 2023."

## The Marketplace : Key Figures

	Month	Latest month	Previous month	Month-over-month % change	Year ago	Year-over-year % change	2021 annual
<b>CONSTRUCTION</b>							
New Construction Put in Place (billions of dollars, SAAR) <sup>2</sup>							
Total	JUN	1762.32	1781.91	-1.1	1627.99	8.3	1588.08
Offices	JUN	73.45	73.08	0.5	74.98	-2.1	70.58
Industrial	JUN	92.31	92.43	-0.1	76.78	20.2	77.72
Housing Starts (Thousands of units, SAAR) <sup>2</sup>							
Total	JUL	1446	1599	-9.6	1664	-13.1	1605
Single-unit	JUL	916	1019	-10.1	1165	-21.4	1131
Mobile Home Shipments <sup>3</sup> (thousands of units, SAAR)	JUN	123	122	0.8	105	17.1	106
Employment, Construction Workers (thousands) <sup>4</sup>	JUL	7928	7855	0.9	7557	4.9	7413
Employment, Electrical Contractors (thousands) <sup>4</sup>	JUL	992.2	978.3	1.4	962.2	3.1	961.1
Hourly Wage, Electrical Contractors <sup>4</sup>	JUL	33.74	33.19	1.7	32.09	5.1	31.91
<b>PRODUCTION</b>							
Industrial Production Index (1967=100) <sup>5</sup>	JUL	104.8	104.2	0.6	100.2	4.6	100.1
Construction Supplies Production Index <sup>5</sup> (1977=100-SA)	JUL	105.3	104.3	0.9	99.1	6.3	100.8
Employment in Electrical Equipment & Supplies Mfg. Production workers (Thousands) <sup>4</sup>							
Weekly hours	JUN	42.7	42.9	-0.5	41.7	2.4	42.0
Hourly wage	JUN	24.87	25.09	-0.9	22.68	9.7	23.21
Electric Power Output Index (1967=100) <sup>5</sup>	JUL	105.0	105.8	-0.8	104.9	0.1	102.2
Machine Tool Orders* (millions of dollars) <sup>6</sup>	JUL	407.50	434.93	-6.3	476.95	-14.6	480.63
Industrial Capacity Utilization (percent, SA) <sup>1</sup>	JUL	79.77	79.28	0.6	76.98	3.6	75.77
<b>TRADE</b>							
Electrical Mfrs' Shipments	JUN	3,845	3,781	1.7	3,452	11.4	3,505
Electrical Mfrs' Inventories (millions of dollars, SA) <sup>2</sup>	JUN	7,678	7,597	1.1	6,646	15.5	6,724
Electrical Mfrs' Inventory-to-Shipments Ratio	JUN	1.997	2.009	-0.6	1.925	3.7	1.919
Electrical Mfrs' New Orders (millions of dollars, SA) <sup>2</sup>	JUN	4,072	4,059	0.3	3,405	19.6	3,526
Electrical Mfrs' Unfilled Orders (millions of dollars, SA) <sup>2</sup>	JUN	16,254	15,749	3.2	14,144	14.9	14,296
Exports, Electrical Machinery (f.a.s. value in millions of dollars) <sup>2</sup>	JUN	7,224	7,242	-0.2	7,026	2.8	83,120
U.S. Dollar vs. Other Major Currencies (1973=100) <sup>5</sup>	JUL	118.27	115.70	2.2	105.22	12.4	106.31
<b>PRICES &amp; INTEREST RATES</b>							
Industrial Commodities Wholesale Price Index (Bureau of Labor Statistics, 1967=100)							
Electrical Price Index (Electrical Marketing, 1997=100)	JUL	197.4	198.7	-0.6	172.9	14.2	173.1
Construction Materials Wholesale Price Index (Bureau of Labor Statistics, 1982=100)							
Copper Prices (Metals Week, cents per pound)	JUL	339.62	412.49	-17.7	439.80	-22.8	424.28
Prime Rate <sup>5</sup>	JUL	4.85	4.38	10.7	3.25	49.2	3.25
Federal Funds Rate <sup>5</sup>	JUL	1.68	1.21	38.8	0.08	2000.0	0.08
Mortgage Rate <sup>7</sup>	JUL	5.47	5.48	-0.1	2.98	83.9	2.95

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

<sup>5</sup>Federal Reserve Board; <sup>6</sup>The Association for Manufacturing Technology; <sup>7</sup>Federal 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

## Around the Industry

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more competitive in their markets.

“The ability for our support services teams to work side-by-side with an operating local company will be invaluable and will actually help speed up the time to market for our newest services. I thank the leadership team for naming the facility in the spirit of what I believe in,” said Rick Schwartz in the press release.

Jeff Williams is looking forward to the opportunity to combine his local company with the Center for Innovation. “This will allow my company to try out new services and technology that will help us better serve our customers,” said Williams, president and owner of Winsupply of Dayton. “Our team will be able to provide feedback before the services are expanded to all local companies.”

Winsupply owns a majority equity stake in more than 640 local distribution companies that focus on the residential and commercial markets, including electrical, HVAC, PVF, refrigeration, fasteners, utility and waterworks. Its electrical operations are ranked #25 on *Electrical Wholesaling's* 2022 Top 150 listing.

### Duke Energy invests in battery power

Duke Energy Florida recently completed two new lithium-ion battery sites to improve local reliability for customers and provide significant energy services to the power grid. The recently completed Micanopy battery site in Alachua County is 8.25MW and is located 15 miles southwest of Gainesville. Completed in April, the second site is 5.5MW and is located 1.5 miles south of the Florida-Georgia border in the town of Jennings in Hamilton County. This site will continue to improve power reliability through energy storage as an alternative solution to installing new and more costly distribution equipment.

Duke Energy Florida said in the press release that it believes energy storage is playing a significant and evolving role in how energy is delivered to customers now and in the future. Earlier this year, Duke Energy Florida announced the completion of three battery projects in Gilchrist, Gulf and Highlands counties. The new sites are part of Duke Energy's commitment to have six battery sites, totaling 50 MW megawatts, in operation in Florida this year.

## People

*Champion Fiberglass (Houston):* **Cajia Washington** joined the company as a purchasing specialist. She is a U.S. Navy veteran with five years of purchasing and accounting experience.

*Acclaim Lighting (Los Angeles):* **Dan Erdmann** rejoined the company as Eastern regional sales manager. He will direct commercial sales through distributors, reps, contractors and national accounts and work alongside his company's existing independent rep firms to promote Acclaim Lighting to designers, architects, specifiers and building engineers to drive brand and product awareness. Prior to rejoining Acclaim Lighting, Erdmann collaborated with specifiers, agents, distributors, contractors and commercial customers. He was a part of Acclaim Lighting's Los Angeles sales team back in 2012.

*BrightView Technologies (Research Triangle Park, NC):* **Andy Finch** was appointed VP of product and technology development. Finch has 30-plus years of experience in engineering and product development. Prior to joining BrightView, he oversaw the global design and manufacturing of advanced optical metrology systems and optical components as the director of engineering for Zygo Corp.

*WAGO (Germantown, WI):* **John Wozniak**, is now product manager for automation digital products. His primary focus will be on HMI, edge devices and wireless Ethernet products while assisting with the development of other automation products.

## Rep News

Morris Products, Inc., Queensbury, NY, appointed Rick Ryan and Tina Smith, principals, **Electrical Solutions & Design (ESD)**, Elk River, MN, as their rep for Minnesota, North Dakota, South Dakota and western Wisconsin, effective Aug. 15. Regional Manager Shawn Williams will be working with the ESD team. Kerry King, North American sales director for Morris Products, said in the press release, “Based on their legacy and current line card, we feel they are a perfect fit for supporting the North Central market.”

Dave Johnson joined **CSA Electrical Sales**, Lake Mary, FL, as VP of business development. He began his career in the electrical market working for a rep firm based

in central Florida and also worked for 15 years as a regional manager in the electrical manufacturing community. While Johnson was the Topaz regional manager, he worked with CSA when it represented the line for seven years. CSA will be celebrating its 45th year in business next April.

**Midwest Equipment Co.**, Cedar Rapids, IA, will now represent ABB Installation Products, formerly Thomas & Betts, in Kansas and western Missouri, in addition to existing programs across Nebraska and Iowa. Midwest Equipment Co. provides support and training of electrical products to OEM, MRO, contractor and end-user markets through wholesale distribution.

Electrical customers in these market areas can work with Midwest Equipment Co. as a local resource for sales, service and support of the ABB Installation Products portfolio. This includes Ocal conduit and fittings, the Color-Keyed compression system line and a range of electrical components and materials for commercial and industrial applications.

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