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Around the Industry

Growth in industrial market sales continues through 3Q 2022

When we close the books on 2022, the electrical wholesaling industry will find that the industrial market had one of its better years in recent memory.

The number of billion-dollar megaprojects in the electric vehicle, battery, semiconductor and data center markets are certainly a big driver. But the growth in industrial employment and in the overall industrial market's sales potential appears to transcend the impressive increase in megaprojects and is geographically widespread, as you can see on the chart on page 2. In this chart ,you will find the 50 largest local industrial markets, when ranked by estimated electrical sales potential using *Electrical Wholesaling* magazine's 2023 sales-per-employee multipliers.

In total, these 50 Metropolitan Statistical Areas (MSAs) enjoyed industrial employment growth of +4.1% through Q3 2022 over these same period last year. The Orlando (+9%) and Detroit (+8.3%) grew at twice that rate. The Detroit metro also added the most industrial employees, with a 19,600-employee increase over 3Q 2021, according to the more recent employment data from the U.S. Bureau of Labor Statistics.

It's also interesting to note that much of the nation's industrial sales potential is centered in a relatively small number of markets. According to *Electrical Wholesaling's* sales potential data, when you look at the 50 largest industrial metros, the 10 largest MSAs account for 44% of that group's total revenue potential.

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Inside

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Facility Solutions Group Bolsters Custom Sign Business with CAS Acquisition

Facility Solutions Group (FSG), Austin, TX, recently acquired Capital Architectural Signs (CAS), a full-service sign company and installer with more than 25 years of experience fabricating and installing high-end wayfinding and ADA signage packages.

FSG will integrate the CAS staff, equipment and services into its existing Signs division in Austin, creating a single, full-service entity. FSG's Signs division will now offer complete interior and exterior sign packages as well as sign maintenance services for clients without the need to subcontract. Not all of the signs incorporate lighting, but when they do, the potential is there to negotiate a lighting maintenance contract. The LED lighting system FSG installs may only need to be replaced every 10 years, a massive change from the days when signs lit by incandescent or fluorescent lighting sometimes needed replacement lamps annually.

"CAS manufactures interior wayfinding signage, something we currently subcontract. Bringing all their capabilities in-house gives FSG Signs a unique place in the market," said David Jacobs, vice president of FSG Signs, in the press release.

"Combining CAS's set of skills with FSG's capabilities under one roof will enable the resulting company to be a one-stop shop for a diverse customer base. " said Michael Soheili, CAS co-founder and general manager.

Prior to the acquisition, FSG's sign unit was already specializing in custom signage, but would mass-produce signs for some national accounts, according to a video on the business at *www.fsg.com/signs.* One of FSG's largest job over the years was producing the signage for the NFL Dallas Cowboys' AT&T stadium.

Facility Solution Group's electrical supply arm is ranked #58 on *Electrical Wholesaling's* 2022 Top 150 Electrical Distributor ranking, with approximately $164 million in sales, 164 employees and 30 locations.

Global Economy May Fall Into Recession in 2023 According to S&P Global Report

Sara Johnson, an analyst with S&P Global Market Intelligence, provided the following overview of the global economy. S&P provides Electrical Marketing with its monthly Electrical Price Index, and EM subscribers also get access to these economic updates as part of their annual subscription.

Persistent inflation and expectations of further monetary tightening have pushed up interest rates on government bonds, corporate debt, mortgage loans and consumer credit. The result is a broad slowdown in household and business spending.

The months ahead will likely bring recessions in the European and North American economies, which produce half of global output. Contractions in these regions will dampen growth in other parts of the world through trade and capital flows.

With moderate growth in Asia Pacific, the Middle East and Africa, the world economy can avoid a downturn, although growth will fall short of potential in 2023. We project global real GDP growth to slow from +5.9% in 2021 to +2.9% in 2022 and +1.5% in 2023.

Monetary tightening will eventually succeed in cooling inflation, allowing interest rates to retreat and global economic growth to pick up to a +3% pace in the mid-2020s.

Global economic outlook. The S&P Global Market Intelligence forecast does not envision a global economic recession. With the world's population forecast to increase +0.9% in 2023, our forecast of +1.5% real GDP growth represents a modest +0.6% increase in real GDP per capita.

Sustained growth in the emerging markets of Asia Pacific, the Middle East and Africa will keep the global economy moving forward. While we project overall growth in the advanced countries to stall

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50 Metros with the Most Industrial Sales Potential					
Rank	**Metropolitan Statistical Areas (MSAs)**	**Estimated Industrial Potential ($ millions)**	**Industrial Employment 3Q 2022**	**YOY # Change**	**YOY % Change**
1	Los Angeles-Long Beach-Anaheim, CA	1,261.8	476,167	15,933	3.5
2	Chicago-Naperville-Elgin, IL-IN-WI	1,099.3	414,833	14,533	3.6
3	New York-Newark-Jersey City, NY-NJ-PA	909.0	343,033	7,867	2.3
4	Dallas-Fort Worth-Arlington, TX	797.8	301,067	14,100	4.9
5	Detroit-Warren-Dearborn, MI	676.7	255,367	19,600	8.3
6	Houston-The Woodlands-Sugar Land, TX	603.8	227,833	14,400	6.7
7	Minneapolis-St. Paul-Bloomington, MN-WI	559.4	211,100	13,100	6.6
8	Boston-Cambridge-Nashua, MA-NH	494.1	186,467	7,133	4.0
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	478.0	180,367	6,700	3.9
10	Atlanta-Sandy Springs-Roswell, GA	468.6	176,833	7,700	4.6
11	San Jose-Sunnyvale-Santa Clara, CA	466.6	176,067	5,300	3.1
12	Seattle-Tacoma-Bellevue, WA	439.8	165,967	10,267	6.6
13	San Francisco-Oakland-Hayward, CA	413.9	156,200	7,967	5.4
14	Phoenix-Mesa-Scottsdale, AZ	394.1	148,700	10,400	7.5
15	Seattle-Bellevue-Everett, WA	393.7	148,567	9,667	7.0
16	Portland-Vancouver-Hillsboro, OR-ID	350.9	132,400	9,167	7.4
17	Cleveland-Elyria, OH	316.7	119,500	3,733	3.2
18	St. Louis, MO-IL	312.9	118,067	4,167	3.7
19	Cincinnati, OH-KY-IN	312.9	118,067	3,200	2.8
20	Grand Rapids-Wyoming, MI	302.3	114,067	3,700	3.4
21	Milwaukee-Waukesha-West Allis, WI	301.1	113,633	1,333	1.2
22	San Diego-Carlsbad, CA	299.9	113,167	(1,533)	-1.3
23	Charlotte-Concord-Gastonia, NC-SC	288.9	109,033	2,333	2.2
24	Riverside-San Bernardino-Ontario, CA	263.1	99,267	4,367	4.6
25	Miami-Fort Lauderdale-West Palm Beach, FL	254.8	96,133	6,933	7.8
26	Indianapolis-Carmel-Anderson, IN	252.5	95,300	2,767	3.0
27	Nashville-Davidson -Murfreesboro -Franklin, TN	223.0	84,167	2,333	2.9
28	Pittsburgh, PA	220.4	83,167	2,500	3.1
29	Kansas City, MO-KS	213.4	80,533	767	1.0
30	Louisville/Jefferson County, KY-IN	212.3	80,100	(133)	-0.2
31	Elkhart-Goshen, IN	204.8	77,300	2,667	3.6
32	Columbus, OH	193.9	73,167	800	1.1
33	Denver-Aurora-Lakewood, CO	192.7	72,700	2,767	4.0
34	Tampa-St. Petersburg-Clearwater, FL	191.2	72,133	3,133	4.5
35	Austin-Round Rock, TX	186.7	70,467	4,800	7.3
36	Salt Lake City, UT	169.6	64,000	2,467	4.0
37	Baltimore-Columbia-Towson, MD	169.2	63,833	4,333	7.3
38	Greenville-Anderson-Mauldin, SC	162.5	61,333	3,667	6.4
39	Bridgeport-Stamford-Norwalk, CT	150.9	56,933	1,767	3.2
40	Washington-Arlington-Alexandria, DC-VA-MD-WV	149.9	56,567	1,300	2.4
41	Virginia Beach-Norfolk-Newport News, VA-NC	149.6	56,467	(867)	-1.5
42	Rochester, NY	146.9	55,433	1,067	2.0
43	Orlando-Kissimmee-Sanford, FL	145.1	54,767	4,533	9.0
44	San Antonio-New Braunfels, TX	143.5	54,167	2,333	4.5
45	Greensboro-High Point, NC	139.5	52,633	2,067	4.1
46	Buffalo-Cheektowaga-Niagara Falls, NY	138.1	52,100	1,633	3.2
47	Providence-Warwick, RI-MA	134.2	50,633	1,000	2.0
48	Wichita, KS	129.8	48,967	2,500	5.4
49	Tulsa, OK	129.1	48,733	1,867	4.0
50	Toledo, OH	126.9	47,900	2,700	6.0

Notes. Employment data is a three-month average of the 3Q 2022 numbers from the U.S. Bureau of Labor Statistics. Estimated industrial potential uses the 2023 sales-per-employee multiplier of $2,650 from Electrical Wholesaling's 2023 Market Planning Guide. Industrial sales potential estimates for 300-plus Metropolitan Statistical Areas (MSAs) available at www.electricalmarketing.com to EM subscribers

S&P Global Sees Inflation Easing in 2023

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in 2023, the emerging markets will achieve +3.2% growth in real GDP.

With inflation moderating and monetary policies easing, we expect global real GDP to pick up to +2.8% in 2024 and +3% in 2025, rates that are close to potential output growth.

U.S. economic outlook. After upbeat reports on retail sales and revenues in key services industries, we expect an upward revision to third-quarter real GDP growth (from +2.6% annualized) and modest consumer-led growth in the fourth quarter of 2022.

Yet, the path to 2% inflation will inevitably be painful. We continue to forecast a recession in the first half of 2023, led by declines in residential investment, commercial construction and consumer spending on goods. The U.S. unemployment rate will likely rise from 3.7% in October 2022 to a high of 5.7% at the end of 2023. After a 0.2% drop in 2023, we predict real GDP to increase +1.3% in 2024 as inflation subsides and interest rates retreat.

Inflation outlook. After much delay, major central banks are making a determined effort to subdue inflation through interest rate hikes and net asset sales. As a result, financial conditions are tightening amid increasing volatility.

By March 2023, we expect policy rates to reach highs of 4.75% to 5% in the United States, 4.25% in Canada, 4% in the United Kingdom and 2.75% in the Eurozone. These monetary policy shifts will affect economic activity with long and variable lags.

Inflation has peaked and we expect it will slow markedly in 2023 and 2024. Worldwide, consumer prices increased an estimated 8.3% year on year (YOY) in October, up sharply from a cyclical low of 1.3% in Nov. 2020 and the highest pace since 1995. October's price acceleration was punctuated by YOY inflation rates of 11.6% in Germany, 11.1% in the United Kingdom and a record 10.6% in the Eurozone.

We expect that global inflation will soon begin to moderate in response to tightening financial conditions, softening demand and easing supply conditions. Downward price pressures are already in the pipeline, as widely reported in S&P Global's surveys of purchasing managers. With limited spare capacity in energy and metals markets, the commodity price correction is nearing its end.

Yet, with demand cooling, the deceleration in prices of intermediate and finished goods will bring some relief to consumers. We project global consumer price inflation to slow from 7.7% in 2022 to 5.1% in 2023 and 3.0% in 2024.

Labor shortages pose upside risks to the inflation outlook. This is most visible in countries where labor force participation has not fully recovered from the COVID-19 pandemic or where inflows of immigrants and guest workers have diminished. Rising unemployment will dampen wage pressures in Europe and North America, but it could take two or more years to bring inflation rates down to central bank targets.

Eurozone winter. The Eurozone faces a winter recession as exceptionally high energy prices undermine household purchasing power.

Assuming normal winter weather and thus adequate energy supplies, Eurozone real GDP is projected to swing from a +3.2% expansion in 2022 to a -0.5% contraction in 2023 before recovering to +1.4% in 2024.

A key downside risk is that a much colder winter draws down gas in storage and leads to energy rationing, centered on the industrial sector. Germany, Austria, Poland, Czechia and Slovakia are most at risk, reflecting their past reliance on Russian energy and their manufacturing supply chain integration. The upward shift in relative energy costs is a long-run threat to Europe's manufacturing competitiveness.

Mainland China. Mainland China's economic growth remains subpar. Real GDP growth rebounded to +3.9% YOY in the third quarter from just +0.4% in the second quarter, led by gains in the industrial sector.

Weak October data on retail sales, service output, and exports depict a shaky economic recovery, and a widespread increase in COVID-19 infections in November could bring another setback. Government policy is shifting toward supporting economic growth, and while financial relief for property developers could provide an economic lift, a robust rebound in the property sector is unlikely. Real GDP growth will likely slow from +8.1% in 2021 to +3% this year before picking up to +4.4% in 2023.

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CED acquires Chicago's Amperage

Consolidated Electrical Distributors (CED), Irving, TX, acquired Amperage Electrical Supply, a large full-line distributor based in Roselle, IL. The company serves the Chicagoland market out of its location in the city's northern suburbs west of O'Hare International Airport. CED has several other locations in the Chicago area, including branches in Elk Grove Village and Chicago, IL.

According to a source familiar with the transaction, the new location will continue with the Amperage Electrical Supply name and be managed by Vito Pelagio, its founder. Operating since 1997, Amperage was ranked #86 on *Electrical Wholesaling's* 2022 Top 150 ranking with $96.1 million sales. CED is ranked #4 in *EW's* Top 150 and operates more than 700 locations nationwide.

MGM Transformer joins IDEA

MGM Transformer Co. is now using IDEA Connector as its data synchronization platform to provide its trading partners the most timely product data and marketing content. The company's authorized distributors will have unlimited access to the branded product content they need to market and sell to their customers with confidence. Leveraging IDEA Connector not only makes business easier for MGM and its customers, it also minimizes order errors and returns.

The IDEA Connector MDM platform holds over 2.9 million SKUs, 250 million product attributes and 500 fields for digital initiatives, including technical drawings, multiple images (3D, thumbnails, etc.), warranty information, videos, IMAP pricing, certifications (UL, Prop 65, etc.) and multilingual content (Spanish, French, etc.).

Home Depot makes major solar purchase from Texas utility

Home Depot recently purchased 100MW of solar energy from National Grid Renewables at its solar and storage project in Denton County, TX. This electricity will generate the approximate equivalent of nearly 8% of The Home Depot's total electricity usage, according to the press release. The solar farm is National Grid Renewables' largest solar energy project to date, and its

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Industry Events

January 16-18, 2023
NAED Western Conference
Palm Desert, CA; *www.naed.org*

January 31 - February 2, 2023
NAW Executive Summit
Washington, DC; National Association of Wholesaler-Distributors (NAW)
www.naw.org

January 30 - February 2, 2023
NEMRA Conference
Las Vegas, NV; National Electrical Manufacturers Representatives Association;
www.nemra.org

February 27 - March 1, 2023
NAED South Central Conference
Orlando, FL; *www.naed.org*

March 7-8, 2023
LEDucation
New York, Designers Lighting Forum of New York; *www.leducation.org*

May 21-23, 2023
LightFair Trade Show & Conference
New York; *www.lightfair.com*

May 23-25, 2023
NAED Annual Conference
Marco Island, FL; *www.naed.org*

June 12-14, 2023
NAED Women in Industry Forum
Salt Lake City, UT
www.naed.org

June 14-16, 2023
NAED Adventure
Salt Lake City, UT
www.naed.org

September 18-20, 2023
IDEA eBiz
Nashville, TN; IDEA
www.idea4industry.com

September 30-October 2, 2023
NECA Show
Philadephia; National Electrical Contractor Association (NECA)
www.necashow.org

November 6-8, 2023
NAED Eastern Conference
Marco Island, FL; *www.naed.org*

Construction Market Data Indicates Softening in Overall Economic Conditions

Plenty of fresh economic data of interest to electrical executives was released over the past week. Following are a few items of interest.

Fewer job openings in the construction industry. The construction industry had 371,000 job openings in October, according to an Associated Builders and Contractors analysis of data from the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey. JOLTS defines a job opening as any unfilled position for which an employer is actively recruiting. Industry job openings decreased by 52,000 last month and are down 21,000 from the same time last year.

"Despite a decline in the number of industry job openings, 4.6% of all construction positions are still unfilled, more than at any point from the start of the data series in 2000 to the end of 2018," said ABC Chief Economist Anirban Basu in the press release. "However, there are signs that labor shortages are beginning to abate across all segments of the U.S. economy.

"The economy-wide share of workers who quit their job fell to the lowest level since May 2021, indicating that the U.S. economy continues to soften as it edges toward likely recession next year. Since many construction segments lag behind the performance of the broader economy by several months, it's conceivable that construction industry job openings will remain elevated for a time even as the U.S. economy weakens. This is reflected in ABC's most recent Construction Confidence Index, which shows that nearly half of contractors intend to increase their staffing levels over the next six months."

Electrical contractors typically account for 13% of total construction employment, according to *Electrical Marketing* data. This would mean that nationally there are 48,320 job openings at electrical contracting firms.

ISM's Purchasing Managers Index points to a slowdown in the industrial sector. The Institute for Supply Management reported that manufacturing activity contracted in November for the first time since May 2020 after 29 consecutive months of growth. The latest *Manufacturing Institute for Supply Management (ISM) Report On Business* issued by Timothy Fiore, chair of the ISM Manufacturing Business Survey Committee, said, "The November Manufacturing PMI registered 49%, 1.2 percentage points lower than the 50.2% recorded in October. The Manufacturing PMI figure is the lowest since May 2020, when it registered 43.5%."

ISM says any figure less than 50% indicates a contraction in the market conditions.

Builder confidence declines again. The National Association of Home Builders (NAHB) said elevated interest rates, stubbornly high building material costs and declining affordability conditions that are pushing more buyers to the sidelines continue to drag down builder sentiment.

Builder confidence in the market for newly built single-family homes posted its 11th straight monthly decline in November, dropping five points to 33 points, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI). This is the lowest confidence reading since June 2012, with the exception of the onset of the pandemic in the spring of 2020.

"Higher interest rates have significantly weakened demand for new homes as buyer traffic is becoming increasingly scarce," said NAHB Chairman Jerry Konter, a home builder from Savannah, GA. "With the housing sector in a recession, the Biden administration and new Congress must turn their focus to policies that lower the cost of building and allow the nation's home builders to expand housing production."

"Even as home prices moderate, building costs, labor and materials — particularly for concrete — have yet to follow," added NAHB Chief Economist Robert Dietz. "To ease the worsening housing affordability crisis, policymakers must seek solutions that create more affordable and attainable housing. With inflation showing signs of moderating, this includes a reduction in the pace of the Federal Reserve's rate hikes and reducing regulatory costs associated with land development and home construction."

NAHB says that to bring more buyers into the marketplace, 59% of builders report using incentives, with a big increase in usage from September to November. In November, 25% of builders say they are paying points for buyers, up from 13% in September. Mortgage rate buy-downs rose from 19% to 27% over the same time frame. And 37% of builders cut prices in November, up from 26% in September, with an average price of reduction of 6%. This is still far below the 10% to 12% price cuts seen during the Great Recession in 2008.

Value of New Construction Spending Dips -0.3% in October But is Still Up +9.2% YOY

Construction spending during Oct. 2022 was estimated at a seasonally adjusted annual rate of $1,794.9 billion, -0.3% below the revised September estimate of $1,800.1 billion. The October figure from the U.S. Census Bureau is +9.2% above the Oct. 2021 estimate of $1,644.3 billion. During the first ten months of this year, construction spending amounted to $1,507.8 billion, +10.8% above the $1,360.8 billion for the same period in 2021.

Private construction. Spending on private construction was at a seasonally adjusted annual rate of $1,420.4 billion, -0.5% below the revised September estimate of $1,427.6 billion. Residential construction was at a seasonally adjusted annual rate of $887.2 billion in October, -0.3% below the revised September estimate of $890 billion. Nonresidential construction was at a seasonally adjusted annual rate of $533.2 billion in October, -0.8% below the revised September estimate of $537.6 billion. Private health care spending dipped -0.6% in October to $40,997 billion but was up +6.3% year-over-year.

While spending on private manufacturing facilities also slowed in October, with a -3.2% decline to $111.1 billion, it's still up +33.6% YOY. Once again, spending in the Computer/electronic/electrical category led the way with a +1.3% monthly increase to $44,969 billion. That's up +170.4% over spending in Oct. 2021.

Public construction. In October, the estimated seasonally adjusted annual rate of public construction spending was $374.6 billion, +0.6% above the revised September estimate of $372.5 billion.

Value Of New Construction Put In Place — October 2022

Value of Construction Put-in-Place ($ billions, seasonally adjusted annual rate)

	Oct. '22 1	Sept. '22 2	Mo. % Change	Oct. '21	YTY % Change
Total Construction	**1,794.9**	**1,800.1**	**-0.3**	**1,644.3**	**9.2**
Total Private Construction1	**1,420.4**	**1,427.6**	**-0.5**	**1,303.7**	**9**
Residential	887.2	890.0	-0.3	816.9	8.6
New single family	410.1	420.9	-2.6	433.5	-5.4
New multifamily	102.6	102.0	0.6	101.0	1.6
Nonresidential	533.2	537.6	-0.8	486.8	9.5
Lodging	18.7	18.4	1.6	15.3	22.1
Office	75.0	74.8	0.2	74.3	0.9
Commercial	113.4	113.8	-0.4	92.6	22.4
Health care	41.0	41.3	-0.6	38.6	6.3
Educational	18.8	18.8	0	16.4	14.8
Religious	2.8	3.1	-9.9	2.9	-1.6
Amusement and recreation	14.5	14.0	3.8	12.5	15.9
Transportation	16.0	16.1	-0.6	15.2	5.3
Communication	24.7	24.6	0.6	24.6	0.7
Power	94.7	95.4	-0.8	109.4	-13.4
Electric	73.8	74.1	-0.4	85.3	-13.5
Manufacturing	111.1	114.8	-3.2	83.2	33.6
Total Public Construction2	**374.6**	**372.5**	**0.6**	**340.7**	**10**
Residential	9.3	9.4	-0.9	9.0	3.2
Nonresidential	365.3	363.2	0.6	331.7	10.1
Office	12.1	12.1	0.7	12.0	1.1
Commerical	4.0	4.1	-1.6	3.3	21.9
Health care	11.4	11.0	4.2	10.1	13.2
Educational	79.4	79.0	0.5	77.0	3.1
Public safety	11.5	11.3	1.8	10.5	9.6
Amusement and recreation	13.7	13.5	1.3	12.5	9.3
Transportation	40.6	40.6	0.2	40.1	1.2
Power	12.1	9.8	22.8	9.3	29.7
Highway and street	113.4	114.3	-0.8	101.8	11.5
Sewage and waste disposal	32.1	32.4	-1.1	27.5	16.5
Water supply	24.8	24.9	-0.2	18.5	34.5
Conservation and development	9.0	8.9	0.9	8.0	12.1

1–Preliminary; 2–Revised

Note: The U.S. Census department changed its construction categories beginning with its May 2003 statistics. With the changes in the project classifications, data now presented are not directly comparable with those data previously published in the regular-format press releases and tables. Direct comparisons can only be made at the total, total private, total state and local, total federal, and total public levels for annual and not seasonally adjusted monthly data. For more information, check out http://www.census.gov/const/www/c30index.html.

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first utility-scale energy storage project.

Home Depot plans to produce or procure 100% renewable electricity equivalent to the electricity needs for all of its facilities by 2030, expanding the company's previous commitment to produce or procure 335MW of renewable or alternative energy by 2025.

Ron Jarvis, Home Depot's chief sustainability officer, said in the press release. "With this purchase, we are getting a step closer to our goal to produce or procure 100% renewable electricity equivalent to the needs of our facilities. We anticipate about three-quarters of our alternative and renewable energy capacity will come from solar energy by the end of 2023."

Noble is a 275MW solar and 125 megawatt-hour (MWh) energy storage project located in the Electric Reliability Council of Texas (ERCOT).

Prologis ranks high in on-site solar production according to SEIA report

Prologis, one of the largest developers and owners of warehouses and other logistics real estate, is now ranked second in the nation for on-site solar generation, according to the Solar Energy Industries Association's (SEIA) *Solar Means Business Report*. "Our solar plans are very ambitious and include a goal of 1 gigawatt of solar and battery storage by 2025," said Susan Uthayakumar, Prologis' chief energy and sustainability officer. "With solar power from Prologis roofs, our customers reduce their emissions in an economical way."

With an estimated 1.2 billion sq ft of space worldwide, Prologis has increased the solar generating capacity across its U.S. portfolio from 145MW in 2019 (the last time SEIA released its report) to more than 217MW in the U.S. and 340MW globally (as of SEIA's June 2022 report). As of Sept. 30, Prologis' solar generation totaled 378MW.

NAHB alerts Congressional leaders about transformer shortage

The National Association of Home Builders (NAHB), along with five other building and utility trade groups, recently sent a joint letter to leaders of the House and Senate appropriations committees urging

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Congress to allocate $1 billion to address the growing supply-chain crisis for electric distribution transformers.

Other groups signing the letter along with NAHB were the American Public Power Association, Associated General Contractors of America, Edison Electric Institute, Leading Builders of America and the National Rural Electric Cooperative Association.

The trade groups informed lawmakers that orders for transformers that previously took two to four months to fill are now taking on average over a year. To address labor and material shortages focused specifically on the production of distribution transformers, Congress is being urged to use its authority under the Defense Production Act to expedite production of depleted stockpiles.

The letter said in part, "Electric utilities continue to have significant problems in procuring basic equipment — particularly distribution transformers — needed to operate the grid, provide reliable electric service, and restore power following severe storms and natural disasters. In housing construction, this is further exacerbating their ability to address the housing affordability crisis facing our nation."

Prime Data Centers breaks ground for two facilities in IL & CA

Prime Data Centers recently broke ground on its Prime ORD data center in Elk Grove Village, IL. According to a report at *www.capacitymedia.com,* the $1-billion facility will deliver more than 750,000 sq ft and 175MW of capacity at full build-out, making it the largest data center campus in the Chicago market.

The company also recently broke ground on a smaller data center in Santa Clara, CA, that's its second data center in Silicon Valley. Construction is expected to be complete in the second half of 2023. In a post at *www.datacenterdynamics.com,* Chris Sumter, the company's executive VP of acquisitions, said, "This three-story data center is strategically positioned among the headquarters of some of the biggest tech companies in the world. Silicon Valley is one of the most critical and tightest data center markets in the United States, and the development and construction of Prime's SJC03 has been highly anticipated."

People

Springfield Electric Supply (Springfield, IL): **Mark Barthel** will retire at the end of the year after a 39-year career in the electrical industry. Following the acquisition of Springfield Electric by Sonepar, Barthel was VP of sales and marketing. In the seven years prior, he served as president of Springfield Electric. Barthel spent the majority of his career on the manufacturing side of the industry, building his industry expertise at companies like Thomas & Betts, Acme Transformer and Legrand. In addition to his functional responsibilities, Barthel spent many years serving on industry and philanthropic councils and boards.

National Electrical Manufacturers Association (NEMA) (Rosslyn, VA): **Rich Stinson,** president and CEO at Southwire, has been named chair of NEMA's board of governors. **Beth Wozniak,** CEO at nVent, will serve as the board's new vice-chair and **Brian Brickhouse,** president, Americas Region, Electrical Sector at Eaton, will serve as treasurer.

Stinson brings more than three decades of industry experience and has served as president and CEO of Southwire since 2015. He also serves on the board of directors for the National Association of Manufacturers and previously served as vice chair on NEMA's Board.

Wozniak is CEO and director of nVent, a global provider of electrical connection and protection solutions. She brings decades of industry experience as the former president of Pentair's Electrical segment and a leader at Honeywell. She also serves on the board of directors of Carrier Global.

Brickhouse is the president, Americas Region, Electrical Sector for Eaton. He previously served as the company's president, Electrical Systems and Services Group, Electrical Sector and in other roles at Eaton and Westinghouse. He also serves on the Pittsburgh-based CEOs for Sustainability.

NEMA's board of governors also named two new members, **Susan Hakkarainen** and **Barry Powell.** Hakkarainen is chairman and CEO of Lutron Electronics Co. She is also the founder and chief creative officer of Ivalo Lighting and brings a background in scientific research and innovation, having previously worked with the Naval Research Laboratory and Toshiba. She currently serves on the board of the Wolfsonian–Florida International University Museum and Asia Society.

Powell leads the Siemens Electrical Products business in North America and has over 25 years of experience in the electrical products industry with industry leadership roles including secretary of the Electrical Safety Foundation non-profit. He serves on the board of the George W. Woodruff School of Mechanical Engineering at Georgia Tech.

Swift Electrical Supply Co. (Teterboro, NJ): **Jodi Saladucha** will retire in December after a 34-year career in the electrical industry. She has served in multiple roles with the family-owned company from sales to branch management to running the warehouse and logistics to marketing and human resources as a third-generation partner/owner.

Dallas Market Center (Dallas): **Karen Ryder** has joined Dallas Market Center as COO. Ryder, who has been consulting for the company over several months, is responsible for overseeing marketing, retail development, market services, IT and digital. She brings experience in retail, brand development and technology to her new role and will report to president and **Cindy Morris,** CEO.

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