



PAMCANI

PLUMBING AND MECHANICAL CONTRACTORS AUTHORITY OF NORTHERN ILLINOIS
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Bi-WEEKLY PUBLICATION
**News
DROPS** \$
News updates on our industry, our economy, our recovery

March 23, 2009

Recession will Probably End in 2009—Federal Reserve Chairman Ben Bernanke said in an interview with CBS' "60 Minutes" March 15, that America's recession will probably end this year if the government succeeds in bolstering the banking system. He stressed that the prospects for the recession ending and a recovery taking root next year hinge on getting banks to lend more freely again and getting the financial markets to work more normally. "...We do have a plan. We're working on it. And, I do think that we will get it stabilized, and we'll see the recession coming to an end probably this year." (Associated Press)

Housing Starts Jump in February—Construction of new homes and apartments jumped 22.2% in February 2009 compared with January, pushing total activity to a seasonally adjusted annual rate of 583,000 units, according to the U.S. Commerce Department. Most of the gain, though, was attributed to a sharp rise in construction of new apartments. Experts wonder if the fact that there is a huge surge in apartment starts reflects the high number of people migrating from homeowner to renter status due to the current economic situation. Even with February's big increase, housing starts were 47% below their level the same time last year, the Commerce Department said. The gain in housing starts was the first in eight months and reflected a "modest rebound" from January—the worst month in history for new home production, said David Crowe, chief economist of the National Association of Home Builders. (Associated Press and *USA Today*, March 17, 2009)

Facts on Foreclosures—U.S. home foreclosure activity resumed its upturn in February after a brief dip, RealtyTrac reported March 12. Filings, which include notice of default, auction sale or bank repossession, rose 6% in February after slipping 10% in January, and leaped 30% from a year ago. Nearly 291,000 properties in the U.S.—that's one in every 440 households with loans—got a foreclosure filing in February, the third highest monthly total since RealtyTrac began tracking the data in January 2005. Illinois is among the 10 states with the most foreclosure activity. (Reuters, March 12, 2009)

Ways to Save Money in Your Business—Ask people you know for help. Ask your customers for referrals—the names of individuals who need your products and services. Your customers can also give prospects your name and number. Maybe offer an incentive for referrals. **Offer expert advice.** Teaching a class, speaking at a community meeting, or writing an article for a local paper not only makes you look like an expert but gains low-cost attention for your business. **Spread the word yourself.** In the past 10 years, consumers have changed the way they "shop" for and research businesses and services. There were more than 113 billion Internet searches conducted in the U.S. in the past year (comScore.com). So put your website address everywhere—on letterhead, business cards, and in e-mails. **Fill it out for free.** Download, customize and print tons of free forms online. Entrepreneur's free forms on FormNet (www.entrepreneur.com/formnet) can get you started. **Get free software.** Visit www.download.com to try hundreds of software products for free through trial downloads, freeware, and limited versions of the full product. **Buy used equipment.** Save up to 60% by buying used computer equipment, copiers, and office furniture. Auctions and newspaper classifieds are good sources for used equipment. **Clean up your mailing list.** The U.S. Postal Service will clean up your mailing list for free: correcting addresses, noting incomplete addresses, and adding ZIP+4 numbers so you'll be eligible for bar-code discounts. **Be an early bird.** Send mail early in the day, and you can usually expect to get one- to two-day delivery for the price of a first-class stamp. **Learn something new.** Rather than pay a consultant to provide a service, hire one for an hour or so to show you how to do it yourself. (Excerpted from Entrepreneur.com)

Construction Spending at Four-Year Low—U.S. construction spending dropped in January 2009 to its lowest level in more than four years, according to a government report released March 2. The Commerce Department said spending on construction projects dropped 3.3% to a seasonally adjusted annual rate of \$986.2 billion, the lowest since June 2004, after tumbling 2.4% the previous month. Analysts polled by Reuters were expecting a 1.5% decline in overall construction

spending in January. Compared to the same period a year ago, construction spending dived 9.1%. Private residential spending, at the heart of the U.S. economic contraction, fell 2.9% in January after December's 4.4% drop. Compared to the same period last year, spending was down 28%. The level of spending, at a \$291.5 billion rate, was the lowest in more than 10 years. Spending in the nonresidential private sector on a range of structures from factories, lodging, offices and power plants fell 4.3% in January, versus a 1.2% decline the previous month. (CNNMoney.com)

Good to Know—More than 90% of Americans are working, "a percentage we would do well to keep in mind." (Terry Savage, *Chicago Sun-Times*, March 9, 2009)

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