

## OVERVIEW OF BUSINESS ACTIVITY

**2<sup>nd</sup> Quarter, 2009  
(April, May, June 2009)**

State gross business income declined \$22.7 billion to \$134.3 billion in the second quarter of 2009, a 14.5 percent decrease over the second quarter of 2008.

Most industry groups experienced declines. Manufacturing was down 20.1 percent compared to the second quarter of 2008. Construction was down 25.3 percent and Wholesale Trade realized a decrease of 19.1 percent. The gross income of New and Used Auto Dealers dropped 24 percent to \$2.8 billion. Other significant industry declines were in Agriculture, Forestry and Fishing, dropping 33.4 percent to \$474 million, and Gas Stations with Convenience Stores at \$2.2 billion, down 31.6 percent.

Gross income increased in some industry groups, despite the economic slowdown. All industry groups under Health Services were up. The industry as a whole increased 9.8 percent over the second quarter of 2008. In the Manufacturing sector, Aircraft and Aerospace Parts was up 10.9 percent. E-Commerce and Mail Order Retail Trade was up again year over year, increasing 9.8 percent to \$2.4 billion. Department Store retailing was up \$25 million, a 3.3 percent increase over second quarter 2008. Software Publishing also increased compared to second quarter 2008, up \$160.6 million or 40.3 percent.

Statewide, taxable retail sales were down 14 percent compared to the second quarter of 2008. However, Douglas County continued to experience an increase in taxable retail sales, up 2.7 percent in the second quarter of 2009, due to wholesale trade increases in the county. Most counties experienced declines in taxable retail sales with King County down 16.8 percent, Snohomish County down 14.8 percent, Spokane County down 9 percent, and Clark County down 18.4 percent.

The incorporated areas of Fife and Kent had decreases of 29.3 percent and 38.6 percent, respectively. Seattle was down 13.1 percent compared to second quarter of 2008. Camas had an 8.3 percent increase compared with the previous year, as did Port Townsend, up 11.6 percent; Oak Harbor, up 8.3 percent; and Shelton, up 3.6 percent.