

OVERVIEW OF BUSINESS ACTIVITY

1st Quarter, 2008
(January, February, March 2008)

State gross business income increased \$10.8 billion, or 7.9 percent, in the first quarter of 2008 compared to the first quarter of 2007.

Recently many firms received NAICS reclassifications to improve the accuracy of the data as well as to update to the Census Bureau's 2007 NAICS. As a result, many industries have unusual fluctuations in their percent comparisons this quarter. A few exceptions include, but are not limited to, Dairy Products and Meat Products, which increased 96.9 percent and 118.7 percent respectively.

Petroleum Refining and Petroleum Products experienced 39.6 percent (\$1.7 billion) and 49.7 percent (\$765.2 million) increases in business activity over the previous year's first quarter.

Other Food Stores/Specialty Foods saw an increase of 47.3 percent or \$54.9 million over last year. E-Commerce & Mail Order also experienced growth of 29.7 percent or \$475.3 million.

Some large decreases not related to NAICS changes can be seen in Other Extraction and Support Activities (-57.3 percent) and Motor Vehicles & Parts (-27.9 percent).

The largest increases among incorporated areas are found in Centralia (32.3 percent) and Chehalis (19.3 percent). Mountlake Terrace had the largest decrease compared to first quarter 2007 -- 22.6 percent -- followed closely by Fife, which decreased by 20.5 percent.

Overall, Wholesale Trade was up \$3.1 billion (11.6 percent). Construction had a \$0.8 billion increase (8 percent). Mining showed a considerable decrease relative to the past year (23.9 percent). There was also a drop (\$461 million, 5 percent) in the Finance, Insurance, and Real Estate NAICS. The largest drops here are found in Securities & Other Financial Investments (down 16.1 percent) and Real Estate Agents & Brokers (down 14 percent).