

OVERVIEW OF BUSINESS ACTIVITY

4th Quarter, 2007
(October, November, December 2007)

State gross business income increased \$20.3 billion, or 13.3 percent, in the fourth quarter of 2007 compared to the fourth quarter of 2006.

Dairy Products and Meat Products showed a sizable (99.1 percent and 92.5 percent respectively) increase for the second consecutive quarter. This appears attributable to an overall increase of these activities in the state.

There was also a sizable increase in Naics 533: Lessors of Nonfinancial Intangibles. This increase is due to a large amount of Naics reclassification. Several firms were found who had only royalty activity in the state. They were reclassified to this code.

There was a sizable drop in Motor Vehicles and Parts Manufacturing (48.3 percent). The Other Magnetic and Optical Media Manufacturing Naics also showed a large drop of 35.1 percent. There was a very significant drop of 40.4 percent in the Other Extraction and Support Activities Naics.

Mercer Island showed the largest increase among the incorporated areas (22.6 percent). This was followed by Lacey which had a 21 percent increase. Fife showed the largest drop (16.9 percent) followed distantly by Mountlake Terrace (9.5 percent).

Overall, Wholesale Trade was up \$10.2 billion (33.6 percent). Construction had a \$1.8 billion increase (16.2 percent). Mining showed a considerable decrease relative to the past year (12.1 percent). There was also a large drop (\$800 million, 8.2 percent) in the Finance, Insurance, and Real Estate Naics. This is due to a large drop in both the banking and real estate industries.