

OVERVIEW OF BUSINESS ACTIVITY

**1st Quarter, 2010
(January, February, March 2009)**

State gross business income grew \$2.8 billion to \$131.7 billion in the first quarter of 2010, a 2.2 percent increase over the first quarter of 2009.

Some industry groups continue to experience declines. Construction was down 20.1 percent. Other significant industry declines were in Finance, Insurance, and Real Estate, dropping 9.6 percent to \$6.99 billion, and Information at \$3.8 billion, down 4.2 percent.

Gross income increased in many industry groups. Manufacturing was up 5.1 percent to \$29 billion and Wholesale increased 8.5 percent to \$26.4 billion. Retail trade, as an industry, was also up, increasing 8.5 percent to \$25.5 billion. New and Used Auto Dealers were at \$2.8 billion, a 7.3 percent increase over first quarter of 2009. Again, all industry groups under Health Services were up. The industry as a whole increased 9.3 percent over the first quarter of 2009. Although Construction as a whole was down, Nonresidential Building was up 9 percent to \$1.9 billion. Gas Stations were at \$2.3 billion, a 38.3 percent increase over first quarter, 2009. E-commerce and Mail Order increased again to \$3.3 billion, up 27.5 percent.

Please note that Household Appliances under the Manufacturing Industry was up 1,400.8 percent primarily as a result of NAICS code changes, not actual gross business activity.

Statewide, taxable retail sales were down 2.9 percent compared to the first quarter of 2009. However, some counties showed an increase in taxable retail sales; Cowlitz County was up 12.5 percent compared to first quarter of 2009, Franklin County was up 11.3 percent, and Okanogan County showed a 7.2 percent increase year over year. Most counties experienced declines in taxable retail sales with King County down 4.7 percent, Snohomish County down 0.7 percent, Spokane County down 2.8 percent, and Clark County down 1.1 percent.

The incorporated area of SeaTac had a taxable retail sales increase of 11.8 percent. Bellingham was also up, at \$418 million, a 2.2 percent increase. Olympia was up 5.6 percent and Pasco was up 12.1 percent. Kent was down 2.9 percent and Seattle was down 7.5 percent compared to first quarter of 2009. Bellevue was down 6 percent and Spokane dropped 1.6 percent to \$830 million as compared to first quarter of 2009.