

OVERVIEW OF BUSINESS ACTIVITY

**1st Quarter, 2011
(January, February, March 2011)**

State gross business income grew \$9.8 billion to \$141.5 billion in the first quarter of 2011, a 7.5 percent increase over the first quarter of 2010.

Gross income increased in most industry groups. Manufacturing was up 8.8 percent to \$31.6 billion, and Wholesale Trade increased 8.9 percent to \$28.8 billion. Retail trade, as an industry, was also up, increasing 6.7 percent to \$27.2 billion. Business, Personal and Other Services increased 5.2 percent to \$29.8 billion. New and Used Auto Dealers were at \$3.3 billion, a 20.2 percent increase over first quarter of 2010. Gas Stations were at \$2.7 billion, a 17.8 percent increase over first quarter 2010. Grocery and Convenience Stores increased to \$3.1 billion, up 5.3 percent. Some industry groups continue to experience declines. Construction was down 1.0 percent.

Statewide, taxable retail sales were up 1.5 percent compared to the first quarter of 2010. However, some counties showed a decline in taxable retail sales; Cowlitz County was down 9.2 percent compared to first quarter of 2010, Lewis County was down 5.3 percent, and Snohomish County showed a 1.7 percent decrease year over year. Many counties showed increases in taxable retail sales. King County was up 2.1 percent, Pierce County was up 1.5 percent, and Kitsap County showed an increase of 2.2 percent over first quarter of 2010. Thurston County was up 1.1 percent, and Clark County was up 1.3 percent. Whatcom County increased 3.6 percent, and Yakima County showed a 0.6 percent increase year over year.

The incorporated area of Seattle had a taxable retail sales increase of 3.2 percent. Tacoma was also up, at \$910 million, a 5.7 percent increase. Olympia was up 1.5 percent, Vancouver was up 3.8 percent, and Everett was up 0.1 percent. Kent was up 2.2 percent, Bellingham was up 6.9 percent, and Everett was up 3.3 percent compared to first quarter of 2010. Bellevue dropped 2.0 percent to \$1.1 billion compared to first quarter of 2010.