

# Libey Economic Outlook

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## Value

**Don Libey**

*All that you read, all that you hear, all that is driving the economy is linked to one fundamental concept: Value. Here are some thoughts that I come back to and write about every 10-12 years as the “Value Cycle” goes around once again and we learn all over about what it takes to survive.*

### **Monetary Value**

When the economic cycle heads to the bottom of the chart, everyone’s monetary value declines. Yes, I know, somewhere in the world someone is getting rich, but unless you own an oil producing company, it isn’t going to be you.

The down-cycle in economics squeezes most companies and people equally. It is an economic principle you can pretty much count on. If you are feeling the pressure, so is your competitor. We are all in the same boat and we all are at the mercy of the tides, winds and the storms.

You have seen this time and again; you have just forgotten about it, or you really never thought about it. Remember the rising DotCom bubble? Everybody’s relative monetary value was increasing in that period. Remember the 70s? Inflation and interest rates were at 17 percent and rising, and the value of the dollar high and king of the world currencies.

Remember 2004 and the salad days of private equity buy-out firms? Valuations of businesses were 7, 10, maybe even 15 times earnings. Life was large. If you had a business, 2004 was the time to sell. Everybody's business was worth more, even if it wasn't a very good business.

The Point: Monetary value is relative. It is all based on the economic cycle of the moment. And those cycles change. Monetary value is not exactly something you can count on. It is changeable.

## **Product Value**

Product value is the inherent value of the product or products that you sell. If they are in high demand and proprietary to you, you have a very high product value. If they are in high demand and are available from many, you have a lower product value. If they are in low demand and available only from you, you have a high product value. If they are in low demand and available from many, you have a very low product value.

Product value—in addition to demand—also cycles based on relevance. Highly relevant, proprietary products create high product value. Irrelevant or obsolete products, regardless of the proprietary nature, create low product value. As product relevance ages, product value declines.

Product value also is influenced by quality of demand. If a product is mandated by legislation, it must be purchased. If a product is influenced by social necessity, it is likely to be bought. And, if a product is a 'nice to have' it may or may not be bought, based on economic whim (disposable purchasing capacity and personal desire).

The Point: Unlike monetary value which is relative and changeable due to external forces that you cannot influence, product value is self-determined and controllable. You can influence the inherent value of your product.

## **Business Model Value**

How you sell has a value. If you sell in the manner the market demands, you will have a higher business model value than if you sell in a manner that the market does not want or respond to. If the market only wants online sales, your model value will be higher if you are a pure-play inline marketer. If the market only wants face-to-face sales, your model value will be higher if you have well-trained field salespeople.

Granted, the business model value and the product value are somewhat linked. If you have a high demand proprietary product, you will probably be able to sell it any way you want and, therefore, are likely to choose a simple, online streamlined model. But, if you have a low demand commodity product, you may need 'relationships' that can only be created through face-to-face selling (read 'buying lunches' and 'playing golf' with customers).

The Point: Business model value can be self-determined and controlled; however, it is a very difficult value to change on a cyclical basis. If the economy tanks and you need a sales force but are only an online company, you have a business model value problem.

## **Inventory Model Value**

How you stock products has a value. How you stock products also has a cost. Basically, there are two models: Stocking and Drop Ship. The primary differences in the models are gross margin and expense. You get a higher gross margin when you take title to goods, but that costs money to maintain a warehouse and fulfillment staff.

If you are a stocking inventory company and the market tanks, it is very difficult to convert to a drop ship company. A rising market and a falling market generally benefit a drop ship model because there is less adjustment required to market economics.

The Point: This is a semi-controllable value factor, but it requires a profound upheaval in all systems and processes when market economics call for a change, an upheaval that is also profoundly expensive. If you are a drop ship company and you must change to a stocking company, you are going to need a warehouse, a racking system, an inventory management and analysis system, an employee division, senior management with inventory management and shipping experience, and dozens of other needs. Similarly, if you are a stocking company and need to change to a drop ship company, you will need to get rid of a whole lot of overhead. In the final analysis, the gross margin increase or decline (and the related expenses) must be sufficiently positive in order to make a change, and that change must be long term and not short term cyclical in nature.

## **Management Value**

You either have good management or you don't. After 30 plus years in this business, I can say that 20 percent of the companies have good management and 80 percent don't. This is due to lots of things, but mostly due to ownership's value of people and the potential value people can add to the business.

When owners believe they are the know-all, end-all, the management value is low. Where owners believe in surrounding themselves with people who are smarter than they are, the management value is high. It's all about egos.

When ownership is cheap, management value is cheap. When ownership invests in management, management value is high.

When ownership possesses a company with high monetary, product, business model, and inventory model value, management value is high. When ownership possesses a company of little monetary, product, business model and inventory model value, management value is low.

The Point: When you own something of high value, you provide high value management. When you own something cheap and of little value, you provide drones.

You get what you pay for. And, you pay for what you get.

## **Customer Value**

Customer value has a number of facets. When customers come from a large universe, their value tends to be higher based on potential market size. But, sometimes

when customers come from a very small universe, their value tends to be high if product value is high. The first customer slice, for me, is universe size. Then, when that is defined, I look at the relative monetary and product values to gauge the initial customer value. Some of the basic questions to be investigated are product usage rate, proprietary product potential, average order value, availability of substitutes, market ‘dwell’ (how long I can expect to sell these products to this market segment at these prices), and a host of other factors. In the end, I come up with a reasonable customer value expectation.

Customer value also has to do with loyalty. If the customer universe is a ‘one-off’ universe and tends to buy one time, it is, by definition, a low customer value universe (unless there is a huge gross margin involved). If the customer universe has proven its repeat purchase loyalty, it has a high customer value.

Universe specificity is another measure of customer value. When a group of customers are specific in their product demands (water and liquid flow measuring devices, for example), that group of customers are of much higher value than a universe that is non-specific (industrial products, for example). And, if the customer universe has three or four specific product demands, customer value can be enormous (water and liquid measuring devices; flow meter calibration equipment; pipeline cameras; liquid tank level alarms, for example).

And customer value is also a reflection of monetary value. If the universe spends a lot of money on the average purchase, then it is of higher value than the universe that spends little on the average purchase. Granted, recency and frequency must also be factored into the customer value, but—overall—there is a dollar value to be assigned to any group of customers and, if it is high, that is better than low.

The Point: Customer value involves universe, loyalty, specificity, and monetary value. High value customers add more value than low value customers.

### **Customer Service Value**

The level of provided customer service and the customer perception of that customer service create a customer service value for all companies. Let’s begin with the nadir of customer service to understand how this value is derived.

Airlines no longer even bother to consider customer service because it no longer matters. If you want to get to Point B, you have to use them. Essentially they are flying buses and the ‘drivers’ just have better hats. There is no customer service value in the airline industry.

Big Box retail has converted to self-service. There is no customer service differentiation or value in retail; only price matters.

Any business that requires having an account (telephone service, insurance, cable TV, Internet broadband, banks, hospital billing departments, etc.) have no customer service value because there is a vested interest in making it impossible for you to change anything.

The value of customer service is now defined as “The advantage to the company in shifting you from a human contact to an automated contact at less cost and less risk of lowering your monthly account charge or average spend.”

In a down-cycle economy, the level of customer service offered is more likely to be gutted than enhanced. Enhancing is a cost; gutting is a savings. Therefore, when the economy and the price of oil create \$6.3 billion in losses at Delta Airlines, the logical thing to do is to eliminate 10,000 customer-oriented positions. Gut the customer.

Customer service value is totally controllable. Customer service value is not relative. Customer service value is self-determined and is influenced internally, not externally driven. It may be one of the only things you can selectively control in a down-cycle market.

The Point: Customer service value is, perhaps, the element that controls all of the other values in the business.

### The Value Mix

If we look at each of the different ‘values’ described above and attempt to describe them in some way that ranks the ease and benefits of change, we might come up with the following for you to consider:

<b>Value</b>	<b>Controllable</b>	<b>Difficulty in Changing</b>	<b>Benefit in Up/Down Cycle Market</b>
<b>Monetary Value</b>	No	<b>Difficult-Cyclical</b>	<b>No-All in same boat</b>
<b>Product Value</b>	Yes	<b>Difficult-Positioning</b>	<b>Only in cycle direction</b>
<b>Business Model Value</b>	Yes	<b>Difficult-Long Term</b>	<b>Only in cycle direction</b>
<b>Inventory Model Value</b>	Yes	<b>Difficult-Facilities</b>	<b>Only in cycle direction</b>
<b>Management Value</b>	Yes	<b>Difficult-Ego/Recruiting</b>	<b>Only if owner buys in</b>
<b>Customer Value</b>	Yes	<b>Difficult-Universe Shift</b>	<b>Only if contra-cyclical</b>
<b>Customer Service Value</b>	Yes	<b>Easier-Attitude/Process</b>	<b>Yes-Both directions</b>

If we look for something that is easy to control, change and that works in any cycle of the economy to provide greater benefit in value, it would be customer service. The other six value properties are difficult to change, require long term change, and often only work in anticipation of a short-term change in the direction of the economic cycle.

I would also venture that—of all choices discussed—customer service may be the lowest cost change a business can make with the greatest, immediate reward. Call it what you will—satisfaction, loyalty, retention—it begins and ends with the customer’s choice of which company to do business with.

Within the multi-focal world of customer service are many areas for exploration. It can be speed of fulfillment, speed of order entry, friendliness, returns management, open account policies, choice, dedicated account reps, or any of a hundred elements. By and large, however, these often require only attitudinal change supported by appropriate management and systems changes. If you want to be the very best in customer service, you can do it without rebuilding the entire infrastructure of the business.

## Conclusion

It seems to me that the economic cycles that determine up or down markets are, by and large, caused by externalities that we cannot influence or control. When they occur and cause internal economic stress, it may be prudent to have a defense that can be created easier, simpler and more effectively than a defense requiring a fundamental, infrastructural or market universe change.

For me, that reliable, 'good in any economic cycle' solution has always been a focus on and enhancement of customer services. If the world is only buying 70 percent of what it bought last year, then I need a solution that guarantees I can expand or better retain my existing market by at least 30 percent at a cost I can afford and at a risk to my business infrastructure that is as low as possible. If I can do that, I will survive yet another of the regularly occurring economic cycles and live to fight another day. If I don't, I will be irrelevant in the marketplace and I will perish. It's all about customers.

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### A Very Difficult Question

*There are a few questions that we avoid asking and answering.  
The most difficult of all is, "Am I competent?"*

All of us ask this question of ourselves regularly. It is there in the night; it is there in the morning; it is there all the time. "Am I good at what I do?" Only a few actually answer the question, and of the few that do, even fewer like the answer. We are, by and large, insecure. And the reason for our insecurity is that so much of what we do is out of our control.

My colleague, Kevin Hillstrom, recently asked the question obliquely through one of the most enlightening explications of a typical day in the life of a multichannel marketer. It calls up all of our questioning and demonstrates how difficult it is to control our own competencies. What it does, so well, is describe how we are all in this together. Here is what Kevin wrote: ([www.minethatdata.blogspot.com](http://www.minethatdata.blogspot.com))

#### A Day In The Life Of A Multichannel Leader

**7:33am: You Arrive At Work.** A quick review of the e-mail metrics from yesterday suggest something is wrong with yesterday's e-mail campaign. Open rates, click-through rates, and conversion rates are all down about 20% from expectations. You send an e-mail to your e-mail analysts and to your e-mail delivery vendor, inquiring if there were any problems.

**7:37am: An E-Mail From Your CFO.** The e-mail asks all divisional leaders to trim budgets by 12%, effective immediately.

**7:48am: Phone Call.** The caller, representing a vendor offering multichannel integration systems, asks to speak with the decision maker responsible for multichannel marketing systems. Caller belittles your marketing infrastructure. Caller notes that leading brands like Circuit City are making huge strides in multichannel integration. Caller asks for a 30 minute meet-and-greet next Tuesday. You mention that budgets are being trimmed. Caller asks to speak with your boss.

**8:00am: Meeting.** The subject is "Multichannel Promotions in June". Eight individuals are invited, four arrive late. The meeting starts at 8:07am. Rhonda asks what the group thought about American Idol last night. The online division wants to do 20% off and free shipping for Father's Day. The direct marketing division cannot print postcards in time for the promotion, angering the retail division. Online decides to run the promotion anyway, starting June 1. Retail doesn't want the promotion to start until June 8, that's when a floorset change takes place. Online is changing the homepage on June 1, so they must run the promotion then. Retail refuses to budge, but will honor all promotional requests from June 1 - June 7. The catalog is in-home June 2-4. Online asks to have the in-home moved up earlier to support online. Catalog refuses to move the in-home, fearing an earlier in-home will be too close to Memorial Day, harming sales. Retail likes the in-home date. Nobody remembered to invite the e-mail marketing team. Entire team agrees to meet again next Monday to finalize the marketing plan for June; team will invite e-mail marketing team.

**9:00am: E-Mail.** Your e-mail vendor suggests that everything was executed correctly. You ask them to take another look at the campaign.

**9:08am: E-Mail.** Your e-mail analyst believes that something was executed incorrectly, causing Mens customers to receive the Womens e-mail, while Womens customers received the Mens version of an e-mail. Opt-out rates were 3x the norm yesterday.

**9:14am: E-mail.** Your e-mail marketing inventory manager says that she's not selling through Mens merchandise featured in the e-mail. Her metrics will be off this month, causing her performance review to suffer. She wants to run an additional e-mail campaign, hoping to clear through her excess inventory. You think three e-mails per week are too many. You send her an e-mail, denying her request.

**9:30am: Meeting.** The topic is "Creating Leaders In A Multichannel World", hosted by Human Resources. Eight people are invited; four arrive late, apologizing for the silly 9:00am daily sales meeting that ran late. HR asks all divisional leaders to allocate 10% of their budget to staff development. You mention that your CFO asked you to cut your budget by 12%. HR suggests that you start making the "tough decisions" that help employees grow.

**10:13am: Phone Call.** An executive recruiter has a job at a multichannel retailer with a proud heritage. You decline the request for a phone interview. Recruiter asks for a name

of an individual who might be interested.

**10:47am: Phone Call.** Your CFO wants to know why she received an e-mail offering Mens merchandise yesterday. You explain there might have been a problem in the execution of the campaign.

**10:54am: Phone Call.** An angry customer (named Roger) wants to know why he received an e-mail campaign with Womens merchandise in it. You explain there may have been a problem while executing the campaign. Caller asks if you're an idiot. You politely respond with one simple word, "no". Caller demands to be removed from e-mail marketing list. Caller tells you that this is the reason your business is in the tank. Caller asks how hard is it to send an e-mail with Mens merchandise to a man.

**11:00am: Meeting.** The topic is "104 or 108 Pages In The September Catalog". Eight people are invited, four arrive late, they are upset about the decision in the 10:00am meeting to discontinue the lunch room subsidy, blaming the CFO for penny-pinching once again. A heated debate ensues over the suggested strategy to remove four pages of Mens merchandise in order to meet budget constraints. Mens merchant says you can't drive sales without marketing the merchandise. Catalog exec sarcastically offers that a social media strategy should solve this problem, shouldn't it? Womens merchant refuses to cut four pages from her assortment, suggesting that the assortment is trend-right for a post-Labor-Day bargain hunter. Team agrees keep catalog at 108 pages, as it is "the right thing to do for the business".

**11:57am: You Write An E-Mail To The CFO.** You tell the CFO that keeping the catalog at 108 pages is "the right thing to do for the business".

**12:09pm: E-Mail From CFO.** CFO demands that catalog expense be trimmed by 12% for Fall 2008. Team can make this happen however they wish, but the total budget must be trimmed by 12%.

**12:15pm: You Write An E-Mail To Your Paper Rep.** You ask the paper rep how much money could be saved if you use 38-pound paper this fall.

**12:17pm: E-Mail.** Your Information Technology Vice President announces that all websites with the words "blogspot", "typepad", and "wordpress" in the URL will be blocked from all corporate applications. You respond, mentioning that there are many multichannel marketing websites that you research that use these words in the URL.

**12:20pm: E-Mail.** Your Information Technology Director invited you to join him on a professional network called "LinkedIn".

**12:26pm: Lunch.** You enjoy a bag of Cheetos and a Diet Pepsi. This is what happens when the lunch room subsidy is eliminated.

**12:34pm: Phone Call.** Your dog has been kicked out of doggy daycare for fighting with an Australian Shepherd, you are to pick up your dog immediately.

**12:35pm: Car Ride To Doggy Daycare.**

**1:07pm: Meeting.** The topic is "Increasing Our Multichannel Customer Base". You apologize for being late. The team already decided that we need to do a better job of e-mail targeting. Inventory management believes the addition of a clearance catalog in August would increase the number of multichannel customers, though retail does not have a sale event planned in August, and doesn't want to mark down merchandise just to increase the number of multichannel customers. You present reporting that shows that, in fact, the number of multichannel customers increased in each of the past five months, even though macro-economic conditions have been less-than-stellar. The online executive believes that website navigational improvements made last fall are responsible for this increase. The retail executive believes his sales staff is responsible for the increase, and wants them to receive a bonus for increasing website loyalty. The catalog executive argues that cutting catalog pages will only cause multichannel customer counts to decrease. All agree that e-mail targeting can be improved.

**2:30pm: Meeting.** In your office, your web analytics expert asks to attend the Shop.org conference in September. You inform the web analytics expert that budgets are going to be cut, so attendance won't be allowed. Your web analytics expert reminds you that you sent the entire e-mail marketing team to the E-Tail conference earlier this spring, and they still can't execute targeting strategies correctly. He wants to know why you have a grudge against web analytics.

**3:15pm: Conference Call.** You, your e-mail analyst, and your e-mail marketing vendor all agree that somehow customers incorrectly received Mens and Womens versions of the e-mail campaign yesterday.

**3:55pm: E-Mail.** You send an e-mail to the entire company, telling folks that yesterday a systematic issue resulted in 80% of customers receiving the wrong targeted version of the very important "Spring Sings" free-shipping-on-orders-over-\$145 e-mail marketing campaign. You assure all parties that you've put the proper infrastructure in place to prevent this from happening again, and that your team is working hard to identify ways to make up the \$18,843 of sales lost due to the incorrect targeting strategy.

**4:17pm: Hallway Discussion.** Anita from Accounts Payable wants to know why an item featured in yesterday's e-mail campaign costs \$50.00 online, but is \$39.99 in some stores. You remind Anita that store managers reserve the right to offer spot discounts in order to move excess inventory and increase sell-through. Anita believes that this is not the right way to execute a multichannel marketing strategy. She read in Multichannel Merchant magazine that if you don't fully integrate strategies across channels that customers will be

disappointed. She pointedly asks, "Why do you keep disappointing customers, given this problem and the great e-mail targeting fiasco you described in your e-mail to the company?"

**4:43pm: Phone Call To Store Manager In Rapid City.** You ask the store manager why he marked down a \$50 item to \$39.99. The store manager tells you that he needs to better manage inventory in order to improve his open-to-buy, or that his Regional Manager will fire him. Store Manager tells you that he's heard several customer complaints about an e-mail campaign customers received yesterday.

**4:48pm: Phone Call To Great Plains Regional Manager** goes unanswered.

**4:56pm: Your Circulation Manager** appears in your office, telling you that due to a glitch in the matchback algorithm, last September's catalog actually performed 30% worse than previously stated.

**5:07pm: You Phone** your CFO, stating that you'll be able to significantly cut costs in this year's September catalog by reducing circulation by 45%.

**5:12pm: You Phone** your Inventory Manager, Call Center Manager, and Distribution Center Manager, communicating the change in the September catalog mailing strategy.

**5:29pm: Sitting In Traffic**, you check your Blackberry. An e-mail from your Call Center Manager asks you to cancel the change in September catalog circulation reduction, as there will be too many agents sitting idle if there aren't enough catalogs in the mail.

**5:53pm: Home At Last!**

After a day like Kevin describes, you no doubt will not only question your competency, but your sanity as well. It is not easy being in a multichannel marketing leadership position, and it is getting more difficult every day. The amount of knowledge, information, analytic acumen, and intuitive intellectual skill required to succeed is daunting. Yet, somehow you do it and, in many cases, do it well.

During these difficult times, when the pressures mount and the number of people shrink, and the demands increase on you, take a minute and sit quietly and ask yourself the most difficult question of all: "Am I competent?"

My guess is you will be okay with your answer.

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# The Third Quarter 2008 Economic Outlook

The economic outlook continues to deteriorate as the third quarter looms. All regions of the country continue to experience a generalized economic slowdown with little growth in GDP. Inflationary pressure related to energy and food is serious and is creating consumer havoc.

The credit/mortgage/housing difficulties have spread deeper into the market with many families facing loss of their homes if jobs are lost due to the slowdown. This could escalate if the economy contracts further.

Still, within the continuing and deepening troubled economic outlook, the evidence is that the multichannel and direct marketing industry performs better than retail, and business-to-business markets are delivering modest performance for the year.

If we look at historical economic events, the cycles are normally mixed; that is, if the U.S. has been in a down-cycle, Europe has often been in an up-cycle. This cycle appears to very much global; the down-cycles are in synch in most of the "First world." Where we are seeing up-cycles is in the emerging economies, such as China, and those cyclical events tend to produce shortages and inflation, and that is exactly what is happening in China. In fact, we hear of numerous situations where business-to-business marketers are seeing huge increases in prices coming from China, all due to this cyclical shortage phenomenon caused by counter-cyclicity in the economic cycles.

And the economic cycles are not caused only by demand factors. The value of trading currencies is very much a primary contributing factor, as is interest rate policy. As the interest rate in the U.S. declined, so did the value of the dollar (and this administration has not exactly been concerned by the value of the dollar). The low dollar value, coupled with numerous other economic factors, produces a very complex interrelationship among the world economies; however, it suffices to say it is a global economic result that is not favorable to the U.S. economic performance.

## ***Signs of Regional Stability or Status Quo***

None

## ***Flat or Slower***

Region One (CT, ME, MA, NH, RI, VT)

Region Two (NY, NJ, CT, PR, VI)

Region Three (PA, NJ, DE)

Region Four (OH, KY, PA, WV)

Region Five (KY, MD, TN, VA, NC, SC)

Region Six (GA, AL, FL, LA, MS, TN)

Region Seven (IL, IN, MI, WI, IA)

Region Eight (MO, IL, IN, KY, TN, LA, AR)

Region Nine (MN, WI, ND, SD, MT, MI)

Region Ten (KS, CO, MO, NE, NM, OK, WY)

Region Eleven (TX, LA, NM)

Region Twelve (CA, UT, AZ, NM, OR, WA)

# The Third Quarter 2008

## Circulation and Prospecting Recommendations

### Synopsis

The short-term economic outlook for the catalog industry in the third quarter of 2008 continues weakly positive. The intermediate-term outlook is turning to weakly positive for the fourth quarter half of 2008 and the long-term outlook for 2009 is also moderating to weakly positive.

Within the direct marketing channels, I see overall catalog and mailing performance growth at the 2-3 percent level and overall online marketing growth at the 5 percent level. This is a slightly reduced expectation from earlier estimates.

### Investment Prospecting

For the third and fourth quarters, we continue to encourage careful review of your investment prospecting plan and your attempts to remain in the market for new customers. It is fair to say the die has been cast for 2008 and the outcome is likely to be a slow year. It is time to begin diligent analyses of financial performance—under a variety of economic scenarios—for 2009 while attempting to productively remain in the market for new customer acquisitions.

Looking ahead to the third and fourth quarters, I would continue to encourage a modest expansion in prospecting and a solid contact strategy to the customer files.

### Nation at a Glance

There are no recommended changes for the balance of the second quarter mailings. Our recommendations remain at “Normal Mailings” nationwide.

<b>State</b>	<b>Mailings</b>		
		Indiana—North	Normal
		Indiana—South	Normal
Alabama	Normal	Iowa	Normal
Alaska	Normal	Kansas	Normal
Arizona	Normal	Kentucky—East	Normal
Arkansas	Normal	Kentucky—West	Normal
California	Normal	Louisiana—North	Evaluate locally
Colorado	Normal	Louisiana—South	Evaluate locally
Connecticut	Normal	Maine	Normal
Connecticut-Fairfld	Normal	Maryland	Normal
Delaware	Normal	Massachusetts	Normal
District of Columbia	Normal	Michigan	Normal
Florida	Normal	Michigan—Up. Pen.	Normal
Georgia	Normal	Minnesota	Normal
Hawaii	Normal	Mississippi—North	Evaluate locally
Idaho	Normal	Mississippi—South	Evaluate locally
Illinois—North	Normal	Missouri—North	Normal
Illinois—South	Normal		

<b>State</b>	<b>Mailings</b>		
		Pennsylvania—West	Normal
		Puerto Rico	Normal
		Rhode Island	Normal
		South Carolina	Normal
		South Dakota	Normal
		Tennessee—East	Normal
		Tennessee—West	Normal
		Texas	Normal
		Utah	Normal
		Vermont	Normal
		Virgin Islands	Normal
		Virginia	Normal
		Washington	Normal
		West Virginia—East	Normal
		West Virginia—West	Normal
		Wisconsin—North	Normal
		Wisconsin—South	Normal
		Wyoming	Normal
Missouri—South	Normal		
Montana	Normal		
Nebraska	Normal		
Nevada	Increase		
New Hampshire	Normal		
New Jersey—North	Normal		
New Jersey-South	Normal		
New Mexico—East	Normal		
New Mexico—West	Normal		
New York	Normal		
North Carolina	Normal		
North Dakota	Normal		
Ohio	Normal		
Oklahoma	Normal		
Oregon	Normal		
Pennsylvania—East	Normal		

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