

OVERVIEW OF BUSINESS ACTIVITY

1st Quarter 2014 (January, February, March 2014)

State gross business income¹ grew \$8.3 billion to \$164.8 billion in the first quarter of 2014, a 5.3 percent increase over the first quarter of 2013.

Gross income increased in most industry groups. Wholesale Trade increased 6.4 percent to \$34 billion. Construction was up 12.1 percent to \$9.4 billion, and Retail Trade saw a 1.4 percent increase to \$27.8 billion. Finance, Insurance and Real Estate were at \$8.5 billion, a 1.9 percent increase over first quarter 2013, and Manufacturing was up 7.7 percent to \$41.5 billion. New and Used Auto Dealers were at \$4.1 billion, a 3.8 percent increase over first quarter 2013. Residential Building & Remodeling increased 10.7 percent to \$1.5 billion, and Nonresidential Building was up 7.5 percent to \$2.2 billion. Industry groups that experienced declines included: the manufacturing of Pharmaceuticals is down 20.7 percent to \$273 million; retail sales by Shoe Stores declined 28.70 percent to \$91 million; and Engineering Services is at \$1.3 billion, a 26 percent decrease.

Statewide, taxable retail sales² were up 4.9 percent to \$27.3 billion compared to the first quarter of 2013. King County was up 6.6 percent, Snohomish County was up 3.2 percent, Spokane County was up 5.3 percent, and Clark County showed an increase of 8.0 percent over first quarter 2013. Pierce County was up 3.9 percent, and Yakima County was up 7.0 percent. Adams County increased 4.7 percent, and Cowlitz County showed a 12.9 percent increase year over year. Although the majority of the counties saw an increase, there were a few counties that had a decline in taxable retail sales: Thurston County was down 2.6 percent compared to first quarter 2013, Pacific County was down 1.6 percent, and Grant County showed a 6.6 percent decrease year over year.

The city of Seattle had a taxable retail sales³ increase of 7.8 percent to \$4.4 billion. Spokane was up 4.5 percent to \$917 million. Bellevue was up 10.1 percent, Edmonds was up 10 percent, and Omak was up 13.7 percent over first quarter of 2013. Only a few cities experienced a decrease in taxable retail sales; Port Angeles was down 7.6 percent, Lacey declined 5.9 percent, and Everett dropped 10 percent compared to first quarter 2013.

¹ Source: Table 1-Washington Gross Business Income.

² Source: Table 3A-County Taxable Retail Sales.

³ Source: Table 4A-City Taxable Retail Sales.