

Center for Business and Economic Research

College of Business Administration

University of Louisiana – Monroe

Monroe, Louisiana 71209-4866

Press Release

November 22, 2009—for immediate release.

Contact: Robert C. Eisenstadt, Director
Center for Business and Economic Research
318-342-1151

ULM Center for Business and Economic Research (CBER) Predicts 3-5% decline for Seasonal Retail Sales Revenues for Ouachita Parish Merchants

Considerable weakness in employment numbers in Northeast Louisiana portend a weak selling season for area retailers during the 2009 Christmas holidays. The CBER forecasts holiday sales in Ouachita Parish to decline by as much as 5% when compared to 2008. By way of contrast, 2008 holiday sales in the Parish rose by nearly 2% over that of 2007, a result that ran counter to the negative National outcome.

The forecast for 2009 relies heavily on the household employment survey results (LA Department of labor) for September that shows nearly 6000 fewer people who report active employment compared to revised figures for the same month last year. Though the September 2009 figure is as yet unrevised, the number is consistent with revised August results of the same magnitude. The number of self-reported unemployed persons in Northeast Louisiana currently stands at 14,800 versus 9,100 for September 2008. The September unemployment rate for Northeast Louisiana currently stands at 9.5%, just .3 points off from the September National rate of 9.8%, up sharply from the regional 2008 rate of 5.8%. The same household survey puts the number of unemployed in Ouachita Parish for September 2009 at 5,358 (7.6%), up from 3,695 (5.2%) in 2008.

The predicted decline in seasonal sales is also supported by widespread pre-holiday discounting of seasonal inventory, as well as recent declines in non-automotive retail sales in Ouachita Parish (estimated from sales tax collections in the Parish), a trend that began in late spring and that has accelerated in the past few months. Year-over-year changes in three-month running-average non-automotive sales estimates are -7.4% for August and -7.1% for September. While much of the recent declines appear to result from the cessation of construction activities in West Ouachita Parish, we note that estimated retail sales have declined in Monroe/West Monroe cities by 4% for the 3rd quarter.

The Center for Business and Economic Research is a part of the College of Business Administration at the University of Louisiana at Monroe. The CBER provides this data and/or information as a service to the NE LA community for use by individuals, businesses, non-profits, government and quasi-governmental agencies and agents. For additional information and/or for ways to support the mission of the ULM CBER, please contact Dr. Robert Eisenstadt at 318.342.1151.