



665 Rodi Road, Suite 305
Pittsburgh, PA 15235

www.HMAmembers.org
www.HardwoodInfo.com

p 412.244.0440
f 412.244.9090

“Ahead of the Curve 2014-2017”

HMA’s 2014 National Conference and Expo came to a close on a bright note thanks to the positive economic forecast of economist and business analyst Brian Beaulieu, CEO of ITR Economics™. In his presentation entitled, “Ahead of the Curve 2014-2017,” Beaulieu encouraged everyone to keep smiling and to enjoy the “good times” forecasted for the next four+ years. He also advised them to use the time wisely.

Are you ready?

Economic indicators are favorable, Beaulieu reported. Manufacturing continues its return to the U.S. Housing and Industrial Markets will continue to grow. Employment is rising. Our country’s increasing energy independence, a significant factor to our economic long term well-being, will drive growth. Beaulieu asked attendees, **“Are you ready to be busy?”**

Aggressive planning for the next 4-5 years will be key. Action items should include:

- **Positive** leadership modeling – culture turns into behavior
- **Invest** in Customer Market Research – know what “they” value
- **Invest** in Training Programs – people, process, internal metrics
- Review and **uncover** Competitive Advantages
- **Spend** on new products, marketing, advertising
- **Improve** efficiencies with technology/software investments
- **Hire** top people and **add** Sales staff
- **Lock in** costs and judiciously **examine** credit
- **Don’t stop changing** and work on “what’s next”

Beaulieu suggested taking advantage of current interest rates. “Borrow as much as possible,” he said. Use the cash to buy wealth creating assets like business equipment; buyout a competitor; move into a new market – consider Mexico as a market, an opportunity and a serious place to do business. In anticipation of the tremendous need for multi-unit housing, Beaulieu encouraged investing in real estate, specifically urban areas, and properties near water and with a view.

Areas of Concern:

- “Not so great times” are forecasted for late 2018 and 2019. This recession will not be as severe as the ‘08-‘09 event, and ITR foresees it to be a more manageable event.
- Labor pool is getting shallower. (Employers must constantly invest in increasing the skill levels of their employees.)
- ITR feels there is nothing affordable about the Affordable Care Act. (Employers will eventually “draw their line in the sand,” and increased insurance costs will slow consumer spending.)
- U.S. has a spending problem. (Increased taxes will not resolve the issue but rather, slow consumer spending.)

ITR continues to forecast a '**Great Depression**' in the 2030's. How to help prepare future generations? Educate them in mathematics and languages, Beaulieu said. Knowing "proper English" is a given. And Beaulieu suggested fluency in French, the second language of Africa, "the" place to be in the next 25 years because of its abundant natural resources. For those looking to retire sooner than later, Beaulieu suggested investing in non-callable Canadian, Australian and Swiss government bonds.

Beaulieu's best news!

The U.S. is and will be the number one economy on the planet for the next 50 years. "Stop worrying so much about your kids and grandkids," he said. "They'll have a better economy than we do. Trends are in place that will give them a better life."