Ball State Business Roundtable

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Center for Business and Economic Research | Ball State University

Welcome

Richard Gill, Roundtable Chair

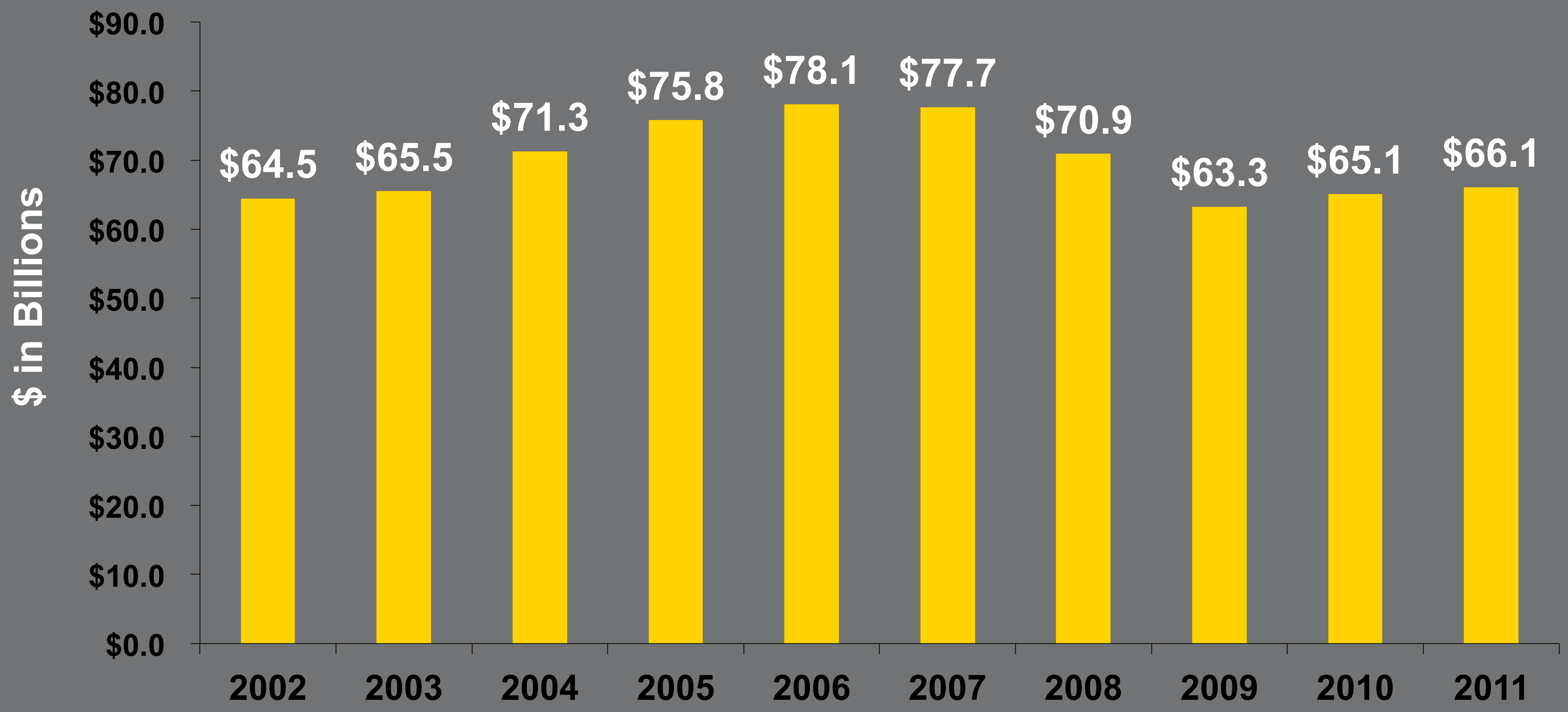
Gill Brothers Furniture

Gill bros.
FURNITURE

Richard R. Gill

Co-Owner

Annual Performance Residential Furniture*



21.2% Gain in First 5 Years ($13.6B) 2002 to 2006

18.9% Decline During Recession (-$14.8B) 2006 to 2009

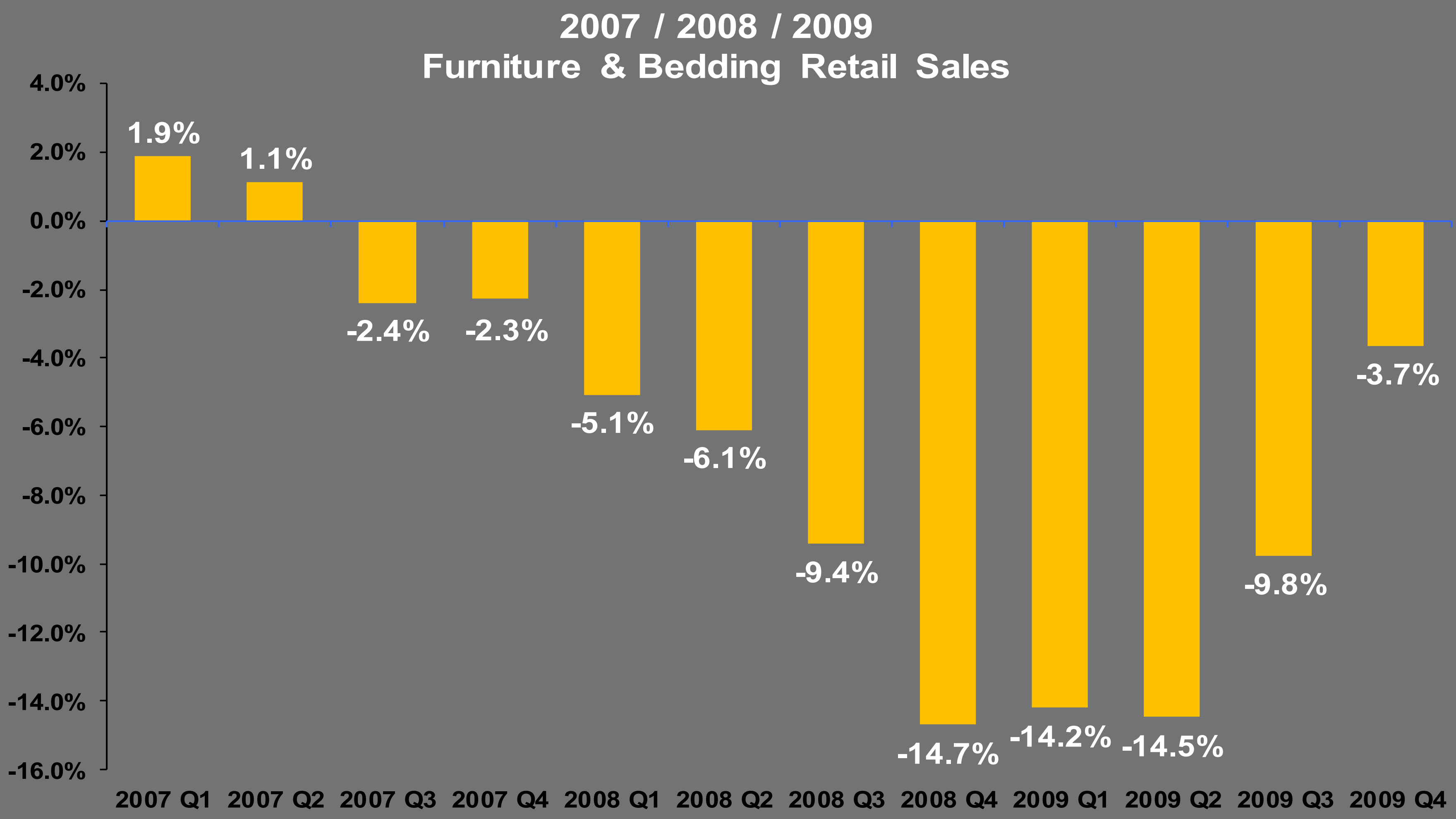
2.9% Increase ($1.8B) 2009 to 2010

1.6% Increase Last Year ($1.0B) 2010 to 2011

**Includes furniture and bedding.*

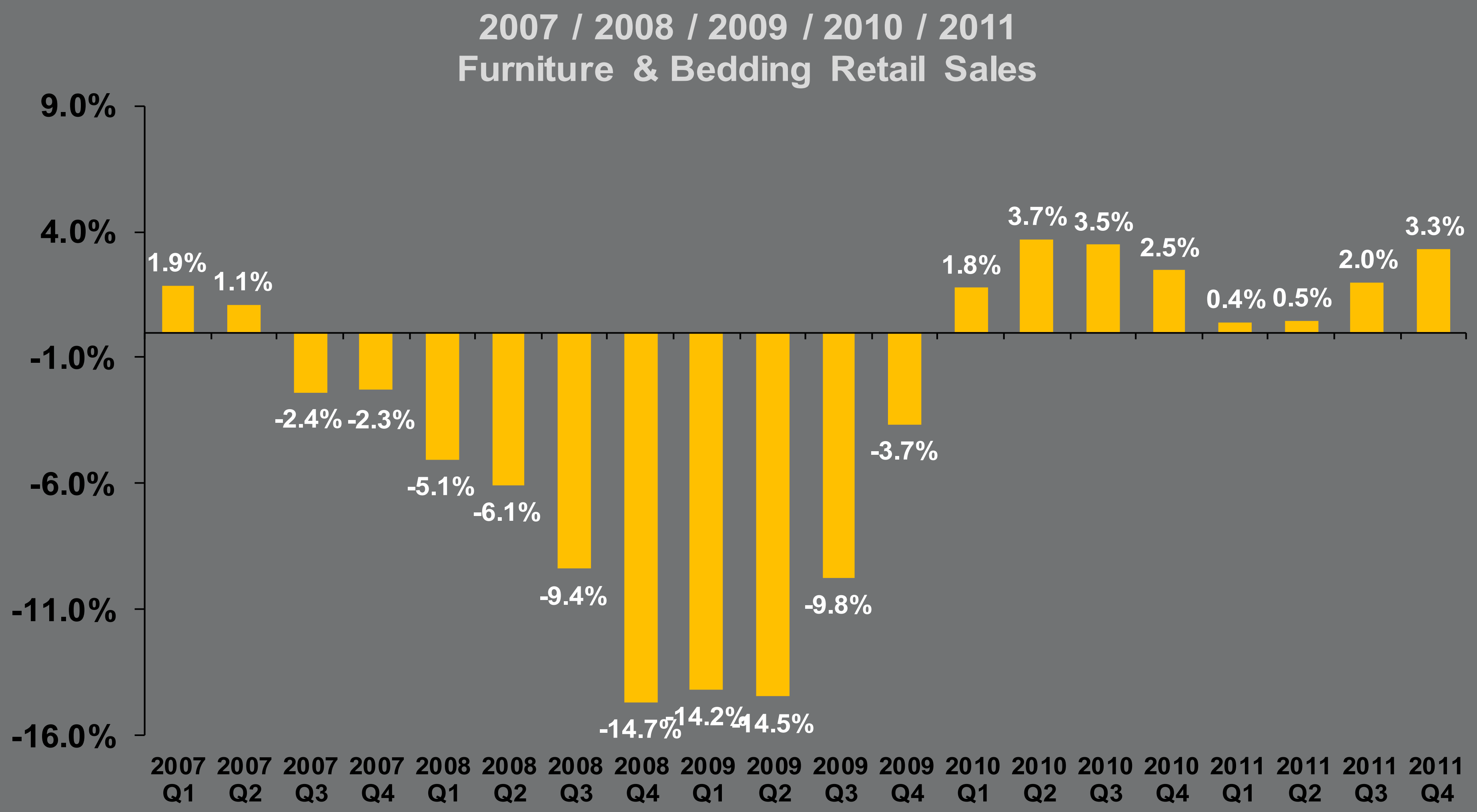
2007 - 2009 Performance Residential Furniture

% Change over Previous Year's Quarter



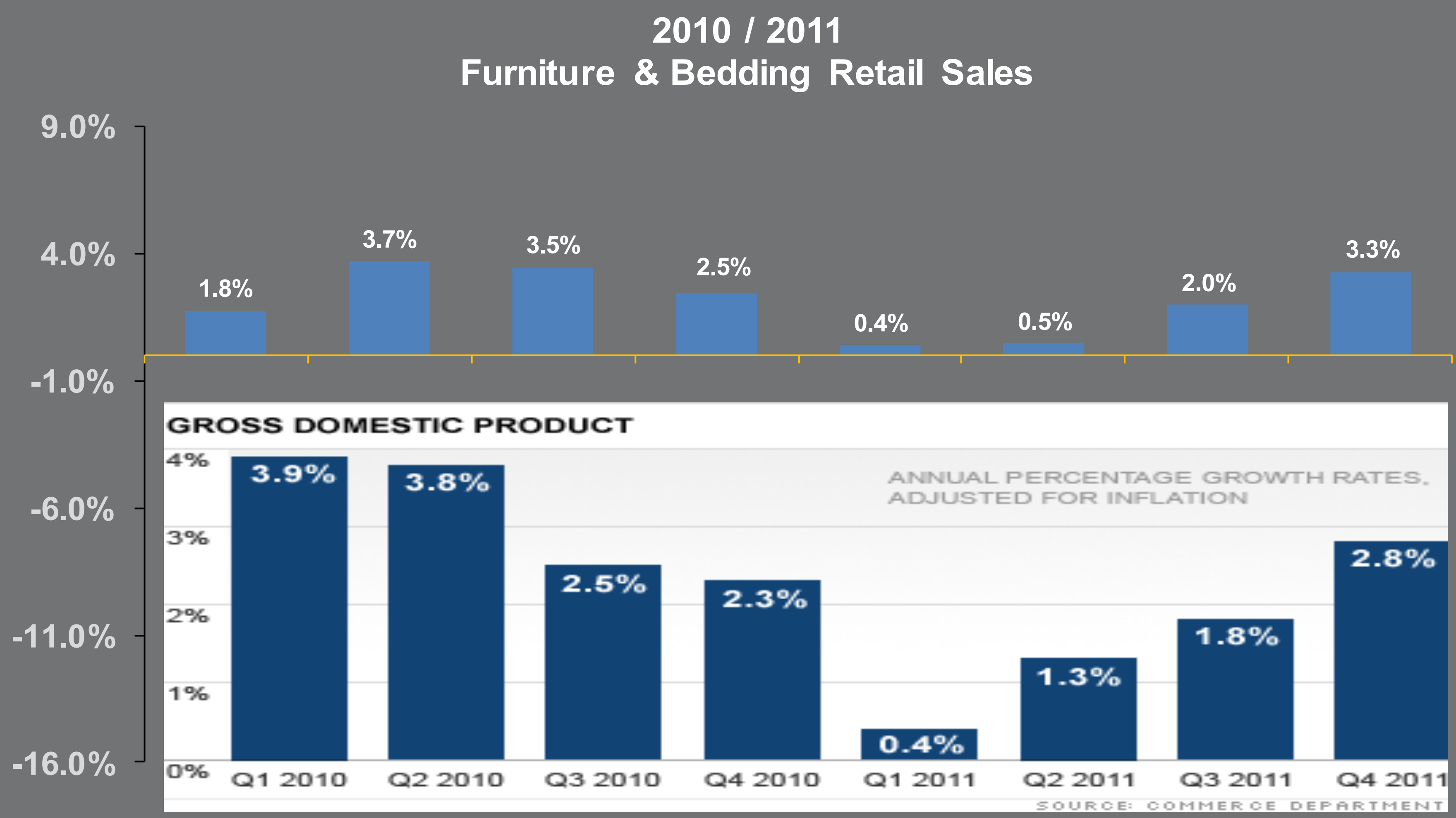
2007 - 2011 Performance Residential Furniture

% Change over Previous Year's Quarter



2010 - 2011 Performance Residential Furniture & GDP

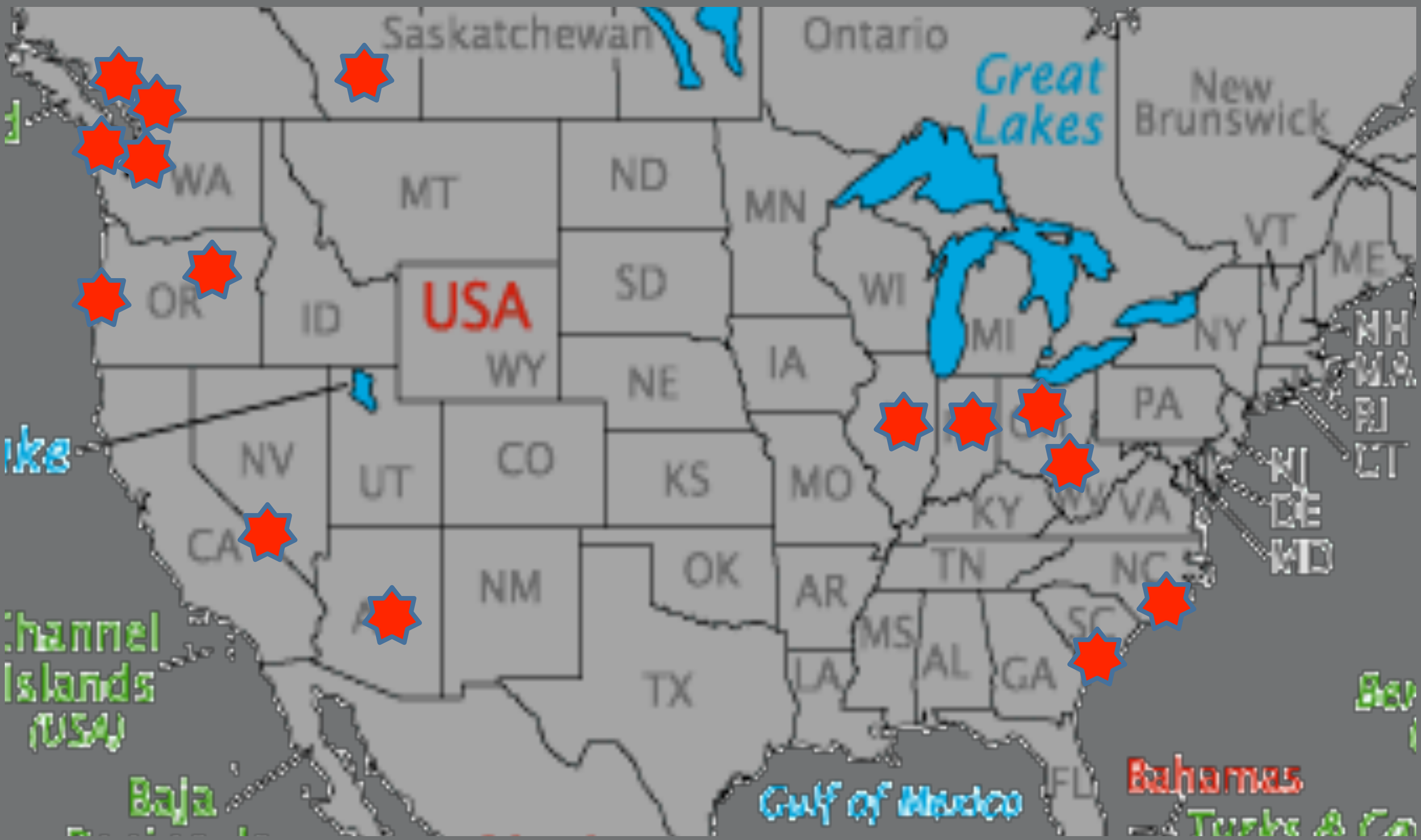
% Change over Previous Year's Quarter



How To Stay Competitive & Profitable

- Use of Performance Groups
- Compare Revenues, Gross Margins & Expenses
- Balance Sheet Monitoring
- Compare Sales Effectiveness
- Share Ideas
- Critique Operations
- Mentor and Teach Each Other

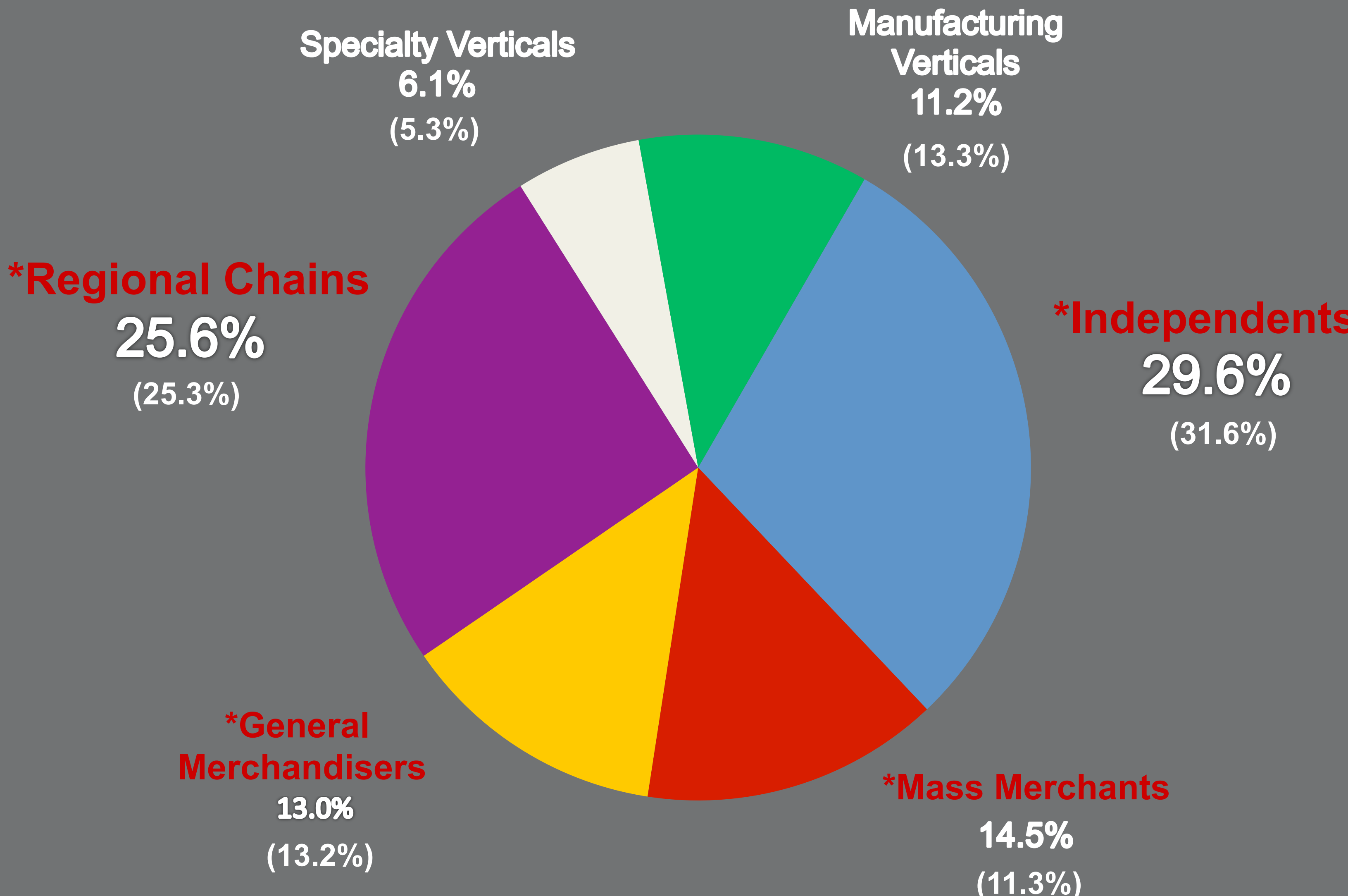
Performance Group Locations



Performance Group Sales

	2008	2009	2010	2011
Vancouver, BC, CAN	11%	-10%	-13%	-1%
Bellingham, WA	-2%	-32%	9%	3%
Tacoma, WA	-4%	-15%	-7%	5%
Aberdeen, WA	-14%	-22%	-15%	29%
Coos Bay, OR	-3%	-4%	1%	-2%
Grants Pass, OR	-29%	-17%	5%	3%
Edmonton AL, CAN	-3%	-28%	-7%	-13%
Lake Havasu, AZ	-4%	-17%	6%	2%
Scottsdale, AZ	-42%	-38%	6%	36%
Pekin, IL	-10%	-2%	2%	4%
Muncie, IN	1%	-10%	2%	6%
Marion, OH	1%	5%	-9%	14%
Zanesville, OH	12%	-11%	3%	4%
Charleston, SC	-10%	-21%	6%	11%
Orlando, FL	-33%	-38%	25%	2%

Furniture Industry Sales by RETAIL Channel Share 2009 and (2007)



**Traditional Retailers had 95% share in '90s, now it's 68.2%.*

Retail Reality Today

The "New Consumer"

- *Traffic is Down While Sales Trend Up*
- *Research Done Online*
- *Brick & Mortar for Final Decisions*
- *Social Networking Now Influences Decisions*

U.S. Economic Outlook

Michael J. Hicks, PhD
Ball State University

U.S. Economy in 2011

Variable	2010 Avg. (%)	TIME SERIES FORECAST 2011 (%) Q 1	Q 2	Q 3	Q 4	2011 Avg.	CONSENSUS (%) Round Table	Blue Chip
Real GDP Growth	2.6	1.9 0.4	2.0 1.3	2.4 1.6	0.8 2.8	1.8 1.7	2.0	2.6
Inflation	1.5	1.8 2.7	2.3 2.6	2.4 2.5	2.1 1.3	2.2 3.0	2.0	1.5
Unempl. Rate	9.7	8.6 9.1	8.0 9.0	7.8 9.0	7.7 8.7	8.0 8.9	8.6	9.4
10-yr T-Bond	3.2	2.5 2.0	2.1 2.2	1.9 2.0	1.2 2.0	1.9 0.5	2.6	3.1

U.S. Economy in 2012

Variable	2011 Avg. (%)	TIME SERIES FORECAST 2011 (%) Q 1	Q 2	Q 3	Q 4	2012 Avg.	CONSENSUS (%) Round Table	Blue Chip
Real GDP Growth	1.8	2.3	2.6	4.1	3.4	3.1	2.30	1.7
Inflation	2.2	0.6	0.6	0.6	0.5	0.6	1.95	2.1
Unempl. Rate	8.0	9.3	9.5	9.3	9.4	0.1	8.81	9.1
10-yr T-Bond	1.9	0.6	0.3	0.2	0.4	0.4	1.59	2.8

Golden Dart Award

Congratulations!

Kathie Onieal

Thank you

RAYMOND JAMES®