



PRESS RELEASE:

U.S. Economic Developers Indicate Improvement in Economic Activity in the First Half of 2011; However, Sentiment for Future Declines

Austin, TX (October 5, 2011): According to a survey of 150 economic developers conducted in August 2011 by [Avalanche Consulting, Inc.](#) 56% of economic developers indicated an increase in prospect activity in the first half of 2011, with 40% indicating an increase in corporate announcements for new jobs. Only 11% indicated a decrease in prospect activity (10% said corporate announcements decreased).

Economic activity continued to accelerate in the first half of 2011. All survey respondents indicated more growth than declines with the strongest increases occurring in expansion prospects, suggesting that the economy continues to rebound. The most telling statistic is the 5:1 ratio of increases vs. decreases in economic activity. This statistic marched ahead further to its highest point ever (this figure includes prospect activity and announcements).

Despite these gains in the first half of 2011, economic developers indicated lower expectations for the second half of 2011. Only 47% of economic developers believe prospect activity will increase in the second half, a large drop from 58% in the previous survey. Furthermore, 14% of economic developers believe the national economy will be worse or much worse in 12 months, a jump from 3%. Still, 37% believe the U.S. economy will be better and 50% believe it will be the same.

Economic developers are increasingly negative about federal economic policies. Zero percent say federal policies are “good” and 76% say policies are “poor”. However, views on state and local policies are more positive: 30% of economic developers believe their state policies are good while 43% said policies by their local governments are good.

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Avalanche Consulting is a research and strategy consulting firm specializing in economic and workforce development, strategic planning, target industry analysis, workforce demand assessments, and marketing plans. For more information please visit: www.avalancheconsulting.com

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