

May 11, 2011

A Review of Current California Economic News

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you will find:**

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Reach \$18.6 Billion

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National

Good news for moms, Mother's Day spending rises. Consumers plan to shell out extra bucks for Mother's Day, according to the [National Retail Federation \(NRF\)](#). This year, Americans will spend an average of \$152.52 on gifts, up from \$140.73 last year. To honor mom, consumers may spend up to \$18.6 billion on restaurants, clothing, jewelry, and flowers. More than half of all those celebrating the holiday will treat mom to a dinner or brunch, spending \$3.4 billion. Two-thirds of consumers will buy flowers, spending a total of \$2.2 billion, and nearly one-third will spend \$1.6 billion on clothing and accessories. When it comes to where people will shop, the survey found more than one-third (35.6 percent) of gift buyers will shop at a department store, the most in the survey's history. "Despite grappling with high gas prices, Americans will look for sentimental and unique ways to shower mom with affection this year," said NRF President and CEO Matthew Shay. "As one of the most important holidays of the year, consumers can expect to see a wide range of promotions from mom's favorite retailers leading up to the big day, including savings on apparel and electronics and even special Mother's Day menu options at restaurants."



Statewide

California leads the nation in green tech funding, reports the [Los Angeles Times](#). Even with a growing population in California, the clean technology industry cut greenhouse gas emissions and helped the state's economic rebound. The 2012 California Green Innovation Index, reported by the nonpartisan nonprofit group Next 10 and compiled by Collaborative Economics, indicated that investments in California green technology companies rose 24 percent between 2010 and 2011 to reach \$3.5 billion. "Venture capital investment and patent filings are two economic indicators that signal positive future growth in terms of jobs and businesses," said Next 10 founder F. Noel Perry. "California's commitment to an economy that is cleaner will also give us an economy that is stronger." In 2011, the state captured \$1.2 billion or 62 percent of all venture capital funding invested in the nation. Doug Henton, chief executive of Collaborative Economics, said that carbon emissions fell during a period in which the state's population was rapidly expanding, which is quite an impressive finding. Henton said, "Our state continues to be a clean tech innovator. By setting the market rather than chasing it, today California's leadership is paying off in the form of investment, innovation, and growth."



Northern

Humboldt County launches redwood lumber products marketing project. The County's Economic Development Division will use a \$750,000 Headwaters Fund grant to launch the marketing campaign in collaboration with local redwood companies, according to the [Eureka Times-Standard](#). Headwaters Fund coordinator Dawn Elsbree said the goal is to convince California residents to choose redwood over wood-plastic composite lumber when building decks. A county staff report indicated the marketing project may help retain 827 jobs and create a 40 percent gain in redwood volume. "Humboldt County has two-thirds of the national redwood supply," Elsbree said. Carter Welch, marketing vice president for the Humboldt Redwood Company, said people do not realize that redwood decking is less expensive and more environmentally friendly than wood-plastic composite materials.

Central

Allegiant Air adds Fresno flights to Hawaii. Allegiant Air will begin non-stop flights from Fresno Yosemite International Airport to Honolulu International Airport on June 30, reports [The Fresno Bee](#). The new flights will operate once a week, leaving Fresno on Sunday mornings and returning on Saturday nights. Currently, would-be Hawaiian vacationers from the San Joaquin Valley have only limited flight options if they don't want to drive to the Bay Area or Southern California to catch a non-stop flight. The airline, founded in Fresno in 1997, became a public company in December 2006. "We think the market in Fresno is pretty deep, we have good name recognition, and we're coming in with fares that haven't been seen in the market for a long time," said Allegiant President Andrew Levy.

Air traffic control operations will undergo modernization in Sacramento and the Bay Area, according to the [San Francisco Chronicle](#). The Federal Aviation Administration (FAA) announced a \$5 million plan expected



to save fuel, cut emissions, and make air travel more reliable. Over the next three years, the FAA will work with the region's four major airports, as well as United Airlines, Southwest Airlines, and the National Air Traffic Controllers Association, to shift from a ground-based system to satellite navigation. The system will create coordinated and simplified ways of sharing airspace. It will allow planes to take more direct routes, and should save 2.3 million gallons of fuel a year. "If you own a car and you put 10 gallons of gas in it, you certainly feel the pain today," Southwest Airlines Captain David

Newton said. "Now imagine trying to put several thousand gallons of fuel in your airplane. It's very important to make our flight paths as efficient as we can."

San Jose's famous Winchester Mystery House to star in upcoming movie, according to the [Contra Costa Times](#). The Winchester Mystery House, along with Exclusive Media, plans to make a movie based on the extraordinary life of Sarah Winchester, the eccentric widow and heir to the fortune of the rifle-making Winchester Repeating Arms Company. Winchester began building the mansion in the latter part of the 1800s and continued until her passing in 1922, at which time there were 160 rooms. Visitors of the attraction report hearing unexplained noises and sights, including ghosts of animals and people. "The history alone makes for great drama. Her past is pretty amazing, and the more we dug into it, the more layers there were," said Tobin Armbrust from Exclusive Media. British film studio Hammer, Imagination Design Works, and Nine/8 Entertainment will produce the feature film. In addition to filming, the tourist site will feature more special events and a new wine-tasting bar. Stephanie Wiegold, senior vice president of operations for Winchester Mystery House said exposure from the film would be good for business. "We're a worldwide attraction as it is but just that many more people are going to know about our estate."



State of California

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