

# CAROCP MARKET WATCH

(A Monthly Trends & Forecasting Report)  
May 30, 2003

## THE E-BIZ SURPRISE

We've heard that dot-coms have turned into dot-bombs, and e-commerce is going to evaporate. But, surprise—the Net is actually delivering on many of its discredited promises. It wasn't all hype. For companies as well as consumers, e-commerce is hotter than ever. The Internet is connecting farflung people and businesses more than ever. It is helping companies slash costs, speeding the pace of innovation, and increasing productivity. Online advertising is staging a comeback and more consumers are buying on-line everyday. If Wall Street forecasts hold, half of the publicly held internet companies will be profitable by the end of the year.

### The Net Impact

<b>Sectors:</b>	<b>Retail</b>	<b>Autos</b>	<b>Media</b>	<b>Health Care</b>
<b>Winners:</b>	Amazon.com, Wal-Mart, eBay	Consumers, classified-ad sites	Yahoo!, Google	WebMD
<b>Losers:</b>	Barnes & Noble, Kmart	Dealers	AOL Time Warner, startups	drkoop.com
<b>Why:</b>	Less than 5% of shopping is online, but eBay's becoming one of the nation's top 15 retailers and Amazon.com will join the top 40.	eBay has become the leading US used-car dealer and most major car sites are profitable.	Few e-media companies make money, but that's changing. Ads triggered by Web searches are boosting Google and Yahoo! Entertainment players like AOL still struggle to sell on-line content.	Gains from e-health are bogged down by regulation. WebMD makes money off and on from claim processing. Private insurers process only 44% of claims electronically.

Business Week, May 12, 2003

## **WAGE RAGE**

Everyone knows about unemployment, but millions of workers are now facing a less familiar and more troubling problem: shrinking wages. Companies are reducing bonuses and overtime and shifting more of the costs and risks of illness and retirement to workers. They will be outsourcing more skilled and white-collar work to cheaper labor markets and embrace pay-for-performance rewards. [Time](#), May 26, 2003

## **I WANT YOUR JOB, LADY!**

Searching for more meaningful work or simply desperate for a paycheck in a sluggish economy, men are applying in increasing numbers for jobs or training in traditionally “female” professions. Young men seem less concerned about gender stereotypes perhaps because many grew up with working mothers, with girls as equals in the classroom or with female bosses. We may see an increase of male students in banking, child care, hotel and tourism, office support, retail, education, health care, cosmetology, food service until the economy recovers! Some experts doubt the long-term durability of the male-to-female job trend. [Time](#), May 12, 2003

## **HOME AGAIN**

This will be a good year for home remodelers: Spending on kitchen, bathroom and other upgrades will rise 4% in 2003. Hardwood floors are a hot item for kitchens, although linoleum with its durability and choice of bright colors is making a comeback. New for bathrooms are cabinets that hold microwaves and coffeemakers. Get ready for work and have breakfast—multitasking! Landscapers will also be busy due to the demand for spiffier yards. [The Kiplinger Letter](#), May 16, 2003

## **RETAIL WOES**

Department stores and their suppliers are in for more bad times. Consumers are not in the mood to spend. Most big chains can't beat Target and Wal-Mart in the discount battle. Only high-enders like Neiman Marcus and Nordstrom are prospering. A major shake-out is predicted by early 2004. Most vulnerable to closing stores, selling divisions or mergers are Federated, May Department Stores, and Sears. [The Kiplinger Letter](#), May 16, 2003

## **THE NEW GENDER GAP**

It may still be a man's world, but it is no longer a boy's. From his first days in school, the average boy is far behind. Girls keep on out-achieving right through grad school. That edge could finally enable females to crack the glass ceiling and gain an equal hand in rewriting corporate, government and society rules. There is a dark flip side however: Already more men are dropping out of the workforce, walking out on fatherhood and disconnecting from civic life. Men could be big losers in the new global economy—a scenario that threatens deep rifts in society. [Business Week](#), May 26, 2003

## **SHORTAGE OF WORKERS**

It's hard to imagine a worker shortage but one is headed our way by the end of the decade as baby boomers reach peak retirement years and fewer workers enter the workforce. The first of 78 million boomers can start retiring in five years and far fewer younger workers have the knowledge to replace the retirees. Also, 20 million jobs will be created by 2010, compounding the problem. A company-wide "age profile" can help managers identify the jobs that would be most hurt by imminent retirements. [The Kiplinger Letter](#), May 9, 2003

## **CALIFORNIA'S 10 FASTEST GROWING OCCUPATIONS THROUGH 2008 ARE:**

1. Computer Scientists
2. Electronic Pagination System Operators
3. Computer Support Specialists
4. Systems Analysts – Electronic Data Processing
5. Medical Assistants
6. Computer Engineers
7. Medical Records Technicians
8. Surgical Technologists and Technicians
9. Paralegal Personnel
10. Physician Assistants

Five of the fastest growing occupations are in the information technology field that require advanced computer skills. [Data and Statistics Affecting Girls and Women Today](#), May 2003

[Trends & Economic Forecasting Committee –May 30, 2003](#)

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