

# CAROCP MARKET WATCH

(A Monthly Trends & Forecasting Report)  
October 31, 2003

## **HEIGH HO HEIGH HO – IT'S OFF TO SCHOOL THEY GO**

Most of Disney's hand-drawn films have fared poorly in recent years. For the first time, Disney plans to use computers to create characters in Disney movies scheduled for release in the next few years. The main challenge was retraining a crew of artists in computer-generated "CG" drawing. The artists enrolled in a "CG Boot Camp" for six months. Disney doesn't see this as the end of drawing, but rather a transitional period. They are striving to make the best of both worlds work. Disney sees it as making the computer bend its knee to the artist, rather than the artist bending its knee to the computer. [Wall Street Journal](#), October 23, 2003

## **AS JOBS COME BACK, IT'S A NEW GAME**

The labor market is changing dramatically in many industries even as the overall job market may be improving. Economists say that the job market is going through structural change often cutting jobs that won't be coming back. New jobs are more likely to be in a new industry that requires new skills. In order to thrive in today's turbulent job market, workers must target industries most likely to hire in the future and get the training needed to compete for jobs in those industries. The top industries include: Health Care, Residential Construction, Mortgage Brokers and Homes for the Elderly. [The Wall Street Journal Sunday, Orange County Register](#), October 12, 2003.

## **IBM MAY ADD JOBS**

Saying it is seeing the most concrete signs to date that an economic recovery is taking hold; IBM has indicated it could reverse more than two years of layoffs by adding as many as 10,000 jobs in 2004. IBM plans to invest \$200 million to train existing workers in specialties such as high-value consulting services, middleware technologies and open-source hardware and software, especially Linux. [E-CommerceTimes.com](#), October 16, 2003

## **WELCOME BACK**

Sixty-eight percent of workers between the ages of 50 and 70 plan to work in retirement or never retire. As America's 50 and older population skyrockets, a growing number of companies are not just welcoming older workers, they're enticing them with age-friendly benefits. Some of the benefits include: Financial Services, Health Benefits, Training Opportunities, Mentoring, Flexible Schedules, Phased Retirement, and Welcome Back Policies (some companies allow retirees to return to work after they've left the job). The three main industries that are actively recruiting older workers include: Health Care, Retail and Customer Service, and Education. [AARP](#), November/December, 2003

## **WORKPLACE TRENDS CHANGING HOW BUSINESS IS DONE**

- Future e-mail systems will allow workers to check e-mail, voice mail, mobile messaging and faxes from a single box.
- Corporate involvement in public schools will increase over the next decade as employers are dissatisfied with students who are poorly equipped for the job market.
- Many companies will be open around the clock, seven days a week to reach new customers in foreign time zones and to speed up production and services.
- Outsourcing will grow by double digits every year.
- Freelancers and consultants are likely to grow in number and as a share of the total workforce as companies focus on cutting costs and increasing flexibility. Corporate workplaces will evolve into a shifting mix of employees and freelancers. It will be hard to distinguish one from the other. This may lead to changes in company health plans and to the concepts of career development and retention.
- Security and privacy will be a major workplace concern. The ability computer network administrators to monitor the comings, goings, and doings of employees will grow exponentially. Cameras, keystroke logging and network monitoring will be common within many organizations. [Growth Strategies](#), October, 2003

## **THE NEXT GENERATION NET**

The next-generation net will provide affordable, fast, simple, secure and constant connectivity for billions of devices. It will be an information highway for business, entertainment, education and communication. Coming down the pike are high quality video-conferencing, Internet phone calls, and multi-player online games. [Growth Strategies](#), September, 2003

## **HAPPY HOLIDAYS FOR RETAILERS**

Many consumers are feeling a renewed confidence and are ready to spend for the holidays and in 2004. Worries about job security, Iraq and terrorism are lessening. Consumers are anticipating modest bonuses and salary increases as well as larger tax refunds. The market looks good for luxury goods (high-end cars and trucks, jewelry, wines, cookware) and home furnishings. The market is so-so for toys and weak for clothing. With increased traffic in stores, expect fewer bargains! [The Kiplinger Letter](#), October 17, 2003.

## **THE GENERATIONS AND LIFE STAGES**

- **Generation Jones** refers to those between 38 and 49 born late in the Baby Boom. When it comes to attitudes, common history and formative events, they share little with those born between 1942 and 1953. The early group had Vietnam and Woodstock; the latter had PCs and AIDS. Jonesers are at the peak of their work cycles and constitute the nation's largest adult segment, a lucrative target market. Last year Jonesers accounted for 26% of the adult population; 40% of adults with household income of \$100,000+; 37% who paid \$35,000+ for a vehicle; 45% who installed a pool or spa; 40% who traveled on business; and 40% who spent more than \$2500 online.

- **Generation Xers or Baby Busters** (born during 1966-1978, the low-birth years), grew up in a time of social upheaval, economic crisis, and divorce as common. They have responded by delaying permanent attachments, whether to spouses, kids, jobs, or brands. These Baby Busters, now 25 to 37, command billions of dollars of disposable income. As the first generation to grow up with computers, they are completely comfortable shopping online.
- **Generation Y or Echo Boomers**, (now 9 to 26), live in a multicultural, lifestyle-diverse, individually-empowered, high-tech world. One in three is not Caucasian; one in four were raised by single parents; three in four have working mothers; and all are intimately familiar with the Internet, mobile phones and multitasking. Today's 21-year olds are the nation's key trendsetters whose passion for MP3 players, camera phones, and instant messaging is transforming popular culture. They influence their younger siblings and their Baby Boomer parents creating what marketers call the "Boom-Boom" effect. Growth Strategies, October, 2003

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