

Business

St. Joe focusing on airport, commercial

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WEST BAY — St. Joe Co., the largest landowner in Northwest Florida, will focus more on developing commercial property with recurring revenue and focus less on residential development, president and CEO Britt Greene said Tuesday during an investor's conference in Orlando.

St. Joe owns about 3,000 acres near the new Northwest Florida Beaches International Airport, which is set to open May 23. The

company plans to develop about 1,000 acres during the next three years for commercial and industrial developments.

The company won't give up on residential real estate, but Greene said residential property is transitory revenue while commercial developments will bring St. Joe revenue for 10 to 20 years.

"This company has to have a sustainable future, and we're going to do it through commercial development around this airport," he said.

The new airport represents

decades worth of development, Greene said. St. Joe already has begun a marketing campaign to catch large companies' attention. FedEx and UPS have visited prospective sites, Greene said.

To take advantage of the opportunity presented by Southwest Airlines being the low-cost carrier for the new airport, St. Joe must create jobs that will attract a professional workforce, Greene said.

St. Joe is targeting aerospace because Bay County's work force is most suited for that industry — thanks to thousands of military

defense contractors along the Gulf Coast. Ideally, the property surrounding the new airport would draw private companies that could repair or maintain planes, Greene said Tuesday. Local and state officials are working to build an aerospace corridor in Northwest Florida, Alabama, Louisiana and Mississippi.

"I don't want anyone to underestimate the job growth opportunity around the airport," Greene said. "It makes sense to us not to create a new cluster, but to go after what's in our backyard."

Market watch

March 10, 2010

Dow Jones industrials +2.95
10,567.33

Nasdaq composite +18.27
2,358.95

Standard & Poor's 500 +5.16
1,145.61

Russell 2000 +5.30
674.93

NYSE diary

Advanced: 2,052

Declined: 990

Unchanged: 130

Volume: 5.62 b

Nasdaq diary

Advanced: 1,742

Declined: 958

Unchanged: 106

Volume: 1.79 b

SOURCE: SunGard AP

The Dow 30

Stocks	Close	Chg.
3M	81.56	-0.43
Alcoa	13.57	-0.10
Amer. Express	39.72	+0.02
AT&T	25.52	-0.04
Bank of America	17.11	+0.31
Boeing	70.01	+2.22
Caterpillar	58.78	-0.40
Chevron	73.96	-0.34
Cisco Systems	25.87	-0.26
Coca-Cola	54.20	+0.02
DuPont	35.20	-0.05
Exxon	67.22	+0.44
General Electric	16.51	+0.02
Hewlett-Packard	51.78	-0.10
Home Depot	31.71	+0.03
Intel	21.19	+0.25
IBM	125.62	+0.07
J&J	64.29	+0.02
JP Morgan	42.93	+0.51
Kraft Foods	29.38	+0.15
McDonald's	64.94	-0.16
Merck	36.67	-0.37
Microsoft	28.97	+0.17
Pfizer	17.15	-0.08
Procter & Gamb	63.01	-0.29
Travelers Comp	52.89	-0.68
United Tech	71.79	+0.01
Verizon	29.75	-0.16
Walmart	53.63	-0.13
Walt Disney	33.33	+0.02

Stocks of local interest

Darden Rest	42.25	+0.22
Gen. Dynamics	73.94	+0.26
Hanger Group	18.39	-0.31
Hancock Hldg	42.00	+0.69
ITT	53.02	-0.33
St. Joe	27.48	-0.07
KBR	21.19	-0.42
L-3 Comms Hldgs	92.56	+0.28
Oceaneering Int.	63.10	+0.61
Regions Fin.	7.29	+0.38
Sallie Mae	12.19	-0.02
Southern Co.	32.36	+0.05
SunTrust	26.49	+0.66

Precious metals

(New York spot price)

Gold	1,108.20	-14.00
Silver	17.03	-0.26
Platinum	1,593.00	+3.00

Foreign exchange

(as of 5 p.m. CST)

U.S.D. \$1.00 = Canada \$1.0264

Business FOCUS

News Herald staff reports

PANAMA CITY BEACH

Ryan Jones joins Resort Collection

Ryan Jones recently joined The Resort Collection of Panama City Beach as food and beverage director.

Jones will join Brian McConnell, the current food and beverage director, to share responsibilities for directing and organizing the operations of the department.

A University of Illinois at Urbana-Champaign graduate, Jones was the restaurant director of 14 food and beverage outlets at Sandestin Golf and Beach Resort before joining The Resort Collection.

PANAMA CITY BEACH

Chamber event focuses on profitability tips

Business owners can learn the secrets to profitability during the Panama City Beach Chamber of Commerce's Friday at the Beach event from 7:30 a.m. to 9 a.m. at the Palms Conference Center at 9201 Front Beach Road.

The event will feature Dr. James Dever from FSU's Jim Moran Institute for Global Entrepreneurship and is sponsored by Florida State University-Panama City and Suite Hospitality.

The event is open to the public at no charge, but RSVP is required. Contact Catherine@PCBeach.org or call the Beach Chamber at 235-1159.



A Costco worker changes the price sign in Mountain View, Calif. Businesses trimmed inventories at the wholesale level again in January even though sales rose for a 10th consecutive month.

Wholesale inventories fall while sales increase

WASHINGTON (AP) — Businesses trimmed inventories at the wholesale level again in January even though sales rose for a 10th consecutive month. The dip in inventories underscored that businesses remain cautious about restocking their depleted shelves.

The Commerce Department said Wednesday that inventories at the wholesale level were reduced 0.2 percent in January following a 1 percent drop in December. Sales were up a solid 1.3 percent, the best showing since a 3.6 percent rise in November.

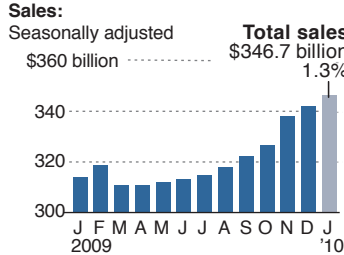
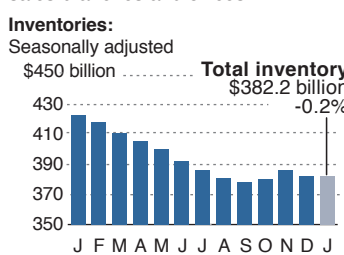
Economists are hoping the steady gains in sales soon will prompt a sustained rebound in inventory restocking. That would trigger increased factory production and provide support for the fledgling recovery.

Analysts believe the stage has been set for such a rebound given how lean inventories are at present following a massive inventory liquidation that occurred during the recession. Inventories at the wholesale level for 13 straight months and have been down 15 of the past 17 months. The only gains in wholesale inventories occurred in October and November.

With the January drop in inventories, the ratio of inventories to sales dipped to a record low of 1.10, meaning it would take 1.10 months to deplete inventories at the wholesale level given the January sales pace.

Wholesale inventories

Total estimates of monthly inventories and sales except manufacturers' sales branches and offices:



SOURCE: Department of Commerce AP

That was the lowest point since the data series began in 1992.

The January drop in inventories was a disappointment. Economists had expected inventories would post a small increase of 0.2 percent. The government also revised the December report to show a bigger inventory drop of 1 percent rather than the 0.8 percent fall that was originally reported.

Mike England, an economist at Action Economics, said that he looked for the bigger drop in inventories in December to contribute to a downward revision

in the gross domestic product for the fourth quarter. He predicted GDP would be trimmed from a 5.9 percent growth rate to 5.5 percent. He said he expected the GDP to grow at a 2.3 percent rate in the current January-March quarter.

Robert Brusca of FAO Economics said he believed part of the decline in inventories in December and January reflected a bigger-than-expected sales gain which prompted businesses to draw down their stockpiles more than they planned.

"The acceleration to a strong growth rate for sales is clear evidence that the drop in inventories probably was not intended," Brusca said in a research note. "All this suggests that inventory building should resume and do so with considerable gusto."

Economists believe that the current recovery can't be sustained until businesses begin consistently restocking their depleted shelves. That restocking would mean higher orders to factories and growing demand for manufacturing workers.

Wholesalers hold 25 percent of all inventories with factories holding about one-third and retailers holdings the rest.

Businesses slashed inventories by massive amounts during the recession as they struggled to control costs in the face of a deep recession and falling demand for their products.

Florida's jobless rate matches record

TALLAHASSEE (AP) — Clobbered by the effects of a relentless recession and ongoing statewide housing crisis, Florida labor officials reported a January unemployment rate of 11.9 percent Wednesday, matching the highest on record since the state began counting the jobless a generation ago.

Florida's jobless rate in January 2010 was 2.2 percentage points above the national average of 9.7 percent, the Agency for Workforce Innovation said.

Unemployment figures for January rose one-fifth of a percentage point from Florida's revised December rate of 11.7 percent. The 11.9 percent equals the record low established in May 1975 when Gerald Ford was president and Reubin Askew was governor of Florida.

And while there are now 1.1 million Floridians out of work, the worst may not be over.

Legislative economist Amy Baker predicted last month that Florida unemployment could reach 12.3 percent and remain at double-digit levels for another couple of years.

There was, however, a glimmer of good news nationally in the U.S. Labor Department's announcement that just 30 states reported unemployment increases in January compared to 43 that reported more joblessness in December.

Florida labor officials said they hope the hiring of thousands of census workers on a temporary basis may ameliorate further slippage in the short term.

"We're focused on jobs, jobs, jobs. And we'll never stop," said Gov. Charlie Crist, who is giving up a re-election bid to seek the Republican nomination for the U.S. Senate.

"Most economists will tell you that the last lagging indicator of an economy starting to turnaround are the unemployment numbers," Florida's perpetually sunny governor said.

Oil prices rise to settle above \$82 a barrel

NEW YORK (AP) — Oil settled above \$82 on Wednesday after driving past \$83 briefly following a government report that showed U.S. crude oil supplies didn't grow as much as analysts expected last week.

Benchmark crude for April delivery rose 60 cents to settle at \$82.09 on the New York Mercantile Exchange.

The Energy Information Administration said crude inventories grew last week by 1.4 million barrels to 343 million barrels. Analysts expected a build of 2.1 million

barrels, according to a survey by Platts, the energy information arm of McGraw-Hill Cos. The lower build raised hopes that demand might be picking up, although there's still a lot of oil on hand.

"There was nothing inherent in the report to justify buying up to \$83 per barrel," said oil analyst and trader Stephen Schork. He cautioned against focusing on one week of data which "doesn't mask the fact that we have seen enormous builds and smaller draws in the weeks prior to this."

Meanwhile OPEC said world

oil demand should grow by 900,000 barrels per day this year, an upward revision from last month's forecast. OPEC said its forecast depends on a sustained global economic rebound, particularly in the U.S.

While oil prices have risen about 17 percent since early last month, crude demand in the U.S., the world's largest consumer of oil, has remained sluggish.

"We really have to look overseas for growth," said Andrew Lipow, president of Lipow Oil Associates. "Oil demand is increasing

in the usual suspects like China and India, but it's also increasing throughout the Arabian Gulf and in Africa."

This means higher gasoline prices for U.S. consumers, he added. Retail gasoline prices climbed again on Wednesday. The nationwide average rose 0.9 cents to \$2.768 per gallon, according to AAA, Wright Express and Oil Price Information Service.

Prices have risen 11.6 cents in the last month and now are 82.7 cents higher than levels of a year ago.