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Marketing Daily

If RV Industry Is An Indicator, Economy Is On The Road Again

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One of my favorite leading economic indicators is the health of the recreational vehicle industry, and John W. Schoen reports this morning that things are looking a wee bit better in Elkhart, Ind., which is the epicenter of RV production (about 70% of the nation's RVs are produced in Elkhart County). Not only is the economy picking up slightly, loans are being approved once again.

But it's going to be a long journey to recovery. "Although RV makers are hiring back workers and shortening planned holiday furloughs," he reports, "the industry is still operating at its lowest level in some 25 years."

Schoen also looks at the housing and automotive industries and sees similar mixed signals. Caution reigns. Bankers in Elkhart, for example, are ready to lend to customers with good credit, but consumers are diverting more cash into savings.

"I smell Elkhart coming back," says Elkhart County Council president John Letherman in a sentiment that reflects the sentience of many wishful thinkers nationwide. "The question is how fast and how sustained this thing's going to be. I sure hope it's for real."