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## NEWS RELEASE

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### **Labor Forecast Predicts 8.1% Decrease in Demand For Temporary Workers in 2008 Second Quarter**

*--Industry Consulting Firm G. Palmer & Associates' Quarterly Forecast  
Assists in Previewing Near-Term Hiring Patterns--*

Newport Beach, Calif., March 19, 2008 — Seasonally adjusted demand for temporary workers in the United States for the second quarter of 2008 is expected to fall 8.1% over the same period in 2007, according to the Palmer Forecast™, released today.

Sequentially, demand for temporary workers in the second quarter of 2008 is estimated to decrease 5.9% from the preceding first quarter and 7.6% from the 2007 fourth quarter.

“Demand for temporary workers in the near term continues its downward trajectory,” said Greg Palmer, founder and chief executive officer of G. Palmer & Associates, an Orange County, CA-based staffing industry consulting firm. “The negative forecast for the 2008 second quarter clearly indicates that sharp decreases are expected in the hiring of temporary employment, with the trend indicative of the recessionary economy that the U.S. market likely has entered.”

Palmer said this is the third consecutive quarterly downward temporary worker forecast and is being driven by job losses that are widespread, with significant cuts coming from construction, manufacturing, retailing, financial services and a variety of professional and business services.

In January, the Bureau of Labor Statistics (BLS) restated its 2007 actual employment numbers upward from its original estimates, affecting the GPalmer Q 1 forecast by 1%. The forecast would have been down year over year by 3.2% vs. the reported 2.3%. Palmer said this technical correction, coupled with reported wide spread job losses and a weak GDP forecast for the 2008 second quarter, are driving the temporary worker forecast to its lowest point since 2002.

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The BLS reported that nonfarm payroll edged down in February, with 63,000 job losses and the unemployment rate staying essentially unchanged at 4.8%. Palmer said the significance of the job losses in nonfarm employment is that recent nonfarm employment numbers that previously were holding constant versus other weaker economic signs are now beginning to fall in similar patterns to previous economic down turns in the U.S., giving further support to anticipating weaker economic news in the future.

The Palmer Forecast is based, in part, on BLS and other key indicators. The model was initially developed by The A. Gary Anderson Center for Economic Research at Chapman University and serves as an indicator of economic activity. Companies that employ temporary staff use the forecast as a guide to navigate through fluctuating economic conditions in managing their workforce to meet business demands.

#### **About G. Palmer & Associates**

G. Palmer & Associates, founded in 2006, advises companies in the human capital sector with sales, operations and margin enhancement, and to explore strategic alternatives for increasing shareholder value. Founder Greg Palmer has served on the board of the American Staffing Association and was president and chief executive officer of RemedyTemp, Inc., one of the nation's largest temporary staffing companies, prior to its sale in June 2006. For more information, visit [www.GPalmerandAssociates.com](http://www.GPalmerandAssociates.com).

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