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NEWS RELEASE

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Labor Forecast Predicts 11.2% Decrease in Demand for Temporary Workers in 2008 Fourth Quarter, Representing Seventh Consecutive Quarter of Declines

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

Newport Beach, Calif., October 8, 2008 — Demand for temporary workers in the United States for the 2008 fourth quarter is expected to fall 11.2% on a seasonally adjusted basis over the same period in 2007, according to the Palmer Forecast™, released today.

The Palmer Forecast™ indicated a 4.4% decline in staffing for the just-ended 2008 third quarter, which is currently trending toward an 8.7% decline, primarily based on actual unemployment figures being higher than expected.

“Our fourth quarter forecast, not surprisingly, shows the seventh consecutive quarter of year-over-year declines,” said Greg Palmer, founder and chief executive officer of G. Palmer & Associates, an Orange County, CA-based staffing industry consulting firm. “Particularly with the crisis in the financial sector, the job market is weakening precipitously, and we believe this trend will continue at least into the first half of 2009.”

Palmer noted that this downturn has been significantly different as it relates to temporary labor in one very important way. According to Staffing Industry Analysts, Inc. and the BLS, the temporary staffing industry's share of lost jobs has grown to 40.8% year-to-date in 2008, versus 3.7 % in the 1990-91 timeframe and 22.7% during the 2001 economic slowdown. “This points to the critically important role that staffing plays in the economy, as well as the leading indicator of economic activity that lies ahead in the economy,” Palmer added.

The most recent BLS non-farm report indicated the unemployment rate remained steady in September at 6.1%, although a net of 159,000 jobs were lost, representing the biggest retrenchment since 2003. The losses in the month were offset by gains in the healthcare and mining sectors, which added 17,000 and 8,000 jobs, respectively. The Labor Department report also reported that 760,000 jobs have been eliminated for the first nine months of 2008.

(more)

Palmer said that for people with college degrees, unemployment remains low, at 2.5%, representing a 0.5% change from 2.0% a year ago. He said thus far this year, those with less than high school degrees have felt most of the burden of workforce declines, with an unemployment rate increase to 9.6% from 7.5% last year, according to the most recent BLS report. For those with high school degrees, the unemployment rate grew to 6.3% from 4.6% at the same time last year.

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.

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