



## When Bad Weather is Good for US Business

**San Francisco, Calif. – July 24, 2008** – Extreme weather events like heatwaves, torrential rain, and freezing cold are notoriously bad for business. Bad weather can decrease productivity, lower profit, and increase the costs of running business. The US Department of Commerce estimates that nearly one-third of the US economy, or \$3.8 trillion, is at risk due to the weather. Each of the weather-sensitive businesses that contribute to the economy has a different definition of “bad weather.” For some companies, bad weather in a traditional sense, i.e. cold, grey, and rainy, can actually be good for business. The following is a list of ten businesses in the US that profit from bad weather.

### **Heatwaves are *good* for...**

#### **Air Conditioning**

The US air conditioning industry, with projected revenues of \$3.6 billion in 2007 according to an Ibis World Report, saw business boom during the 2006 heat wave. [Air Conditioning, Heating, and Refrigeration News](#), a weekly news magazine for industry professionals, reported in its September 2006 issue that many companies saw more than a 100 percent increase in business from last year's figures during the most brutal months of the heat wave. Service Champions Heating and Air Conditioning in Yorba Linda, CA said that growth in June 2006 was 150 percent more than June 2005 and July 2006's growth was 173 percent over 2005. Air conditioning use is rising across the US as the climate gets progressively warmer. According to a report from the National Association of Home Builders, 90 percent of single-family homes built in 2005 had central air conditioning, up ten percent from 1995 and 44 percent from 1975.

#### **Malls**

For those without central air, indoor malls provide relief from sweltering conditions. In Fresno, CA, which averaged 103.4 °F in July 2006 (its highest average for the last ten years, according to WeatherBill), the Fashion Fair mall saw more than 220,000 customers come through its doors during the last week of that month. That was a 10.7% increase from the same time the previous year, according to the [Fresno Bee](#). More mall visitors mean more sales, which often coincide with periods of summer weather. In July and August 2007, chain stores saw a 2.6 and 2.9 bump in sales respectively, fueled by both favorable weather and sales-tax holidays, according to statistics from the International Council of Shopping Centers. 2008 is seeing a similar rise: American retailers are seeing slightly better sales this year despite economic recession, an increase both attributed to governmental tax rebate checks and the return of warm weather after a unusually cool May, according to Thomson Reuters Data.

#### **Pools**

Pools are a popular way to beat the heat, and chlorine and chemical sales rise accordingly, especially because hot weather means more evaporation of chlorine from pool water and the resulting growth of algae along pool services. During 2006's heatwave pool retailers in Omaha, Nebraska reported extremely high demand. Weekly sales at Superior Spa and Pool increased from one or two pools a week to six in July and August 2006, according to the [Omaha World Herald](#) in August, 2006. The [Herald](#) also reported that community pool attendance increased, aided by extended hours and free admission.

## **Storms are *good* for...**

### **Hotels**

Hotels in hurricane-free regions profit when the fear of storms keep tourists away from Atlantic and Gulf Coast states. In 2004, Florida lost visitors to Arizona after five severe hurricanes made the location less attractive to vacation-seekers and meeting-planners, according to the article "Florida's hurricanes boost Arizona tourism" in [USA Today](#). After Hurricane Katrina in 2005, Memphis hotels found business booming when a steady stream of refugees from New Orleans poured into town, according to an August 31st article in [The Memphis Commercial Appeal](#). And though Katrina obviously hurt tourism in New Orleans, the storm did spark a different kind of tourism in the region, as people came from all over the country to help rebuild parts of the city and see the destruction through "disaster tours."

### **Construction**

Bad weather can delay construction but storm warnings provide a boost for the industry, especially for small contractors who do repairs. California's wet weather in early 2008 had workers busy fixing fences, clearing roads, and repairing roofs and meant more business for hardware stores selling lumber and repair materials. Hurricane warnings have much the same effect, encouraging homeowners to make repairs, board up windows, and tame landscaping before a storm hits.

### **Bottled Water**

The threat of a hurricane makes everyone consider basic necessities a little more carefully. The beginning of hurricane season can push profits up 10 to fifteen percent for some bottled water companies, such as Florida-based Aqua Systems, according to a June 2008 article by [The Fort Myers Florida Weekly](#). As the threat of a storm increases, so do sales. In the two days before Hurricane Charley hit in 2004, owners of Aqua Systems sold over 10,000 gallons as people rushed to stock up.

## **Too much rain is *good* for...**

### **Pizza Deliveries**

During cold, wet weather, nothing sounds better than a hot pizza, especially when it can be delivered directly to your door. During a wet spell in Florida in October 2007, the Papa John's pizza restaurant in Coral Gables saw a big increase in business, according to an article in the [Miami Herald](#). In 2004 the company promoted their new Barbecue Chicken and Bacon Pizza with commercials showing how prompt delivery of their pizza saved a rained-out barbecue.

### **Crop Spraying**

Everyone knows that the agriculture industry is dependent on rain, but it's not just the farmers who can profit from a wet day. Pilots who use light planes to apply fertilizer, pesticide and fungicide on crops, do more business when the ground is wet and ground-spraying rigs are less effective.

### **Piano Tuning**

Damp conditions from a prolonged rainfall can have a severe effect on pianos, turning the most beautiful sonatas into a cacophony of sour notes as strings on the soundboard move and loosen. This means a big boost in business for piano tuners when bad weather hits. During the a prolonged period of rain in 2003, Bruce Ryndfleisz, a piano tuner from Hicksville, NY, reported a 40 percent increase in business, servicing 200 pianos in two months, as reported by [The New York Times](#). According to PianoTechnician.com, pianos should be tuned after every severe weather change to stay harmonious.

### **Internet Traffic**

As bad weather drives people indoors, internet traffic increases, making it very lucrative for websites driven by the number of visitors. Google reported in June 2008 that weather events, such as 2007's torrential floods in the UK or the US heat wave in 2006 increased site traffic. Gambling 911, an online gaming news site, reported that the early heatwave in 2008 helped boost attendance at the start of the World Series of Poker.