

JANUARY / FEBRUARY

## CAGC Construction Barometer™

Another Degree of Improvement (Up 1.0%)

While the Carolinas AGC Construction Barometer notched up 1% for third quarter, continuing the upward movement first seen in first quarter, there's still simply no clear trend out of the recession. Values that strengthened a big second quarter deteriorated somewhat in their quarter, while variables that fell in second quarter strengthened modestly in the third. Like most economic indicators, the Barometer suggests we're in a frustrating period of limited economic activity, prolonged high unemployment, and sketchy optimism among construction business owners.

Contractors do appear to be growing cautiously more optimistic about 2011, reporting they expect stable-to-modestly improving business conditions over the coming year. Quarter three's construction labor market showed a bit stronger demand for skilled labor and a small increase in the number of anticipated new positions. However, this growth didn't push construction unemployment down, even though contractors noted a bit more hiring difficulty with new skilled workers, with modestly higher labor costs. Contractors also reported a degree of materials and equipment cost inflation, but they expected virtually no sustainable inflationary trend over the next several quarters. There's also a heightened level of concern that unexpected materials and equipment cost inflation could appear, given current Federal Reserve policy to continue inflating the U.S. money supply and rising rates of global commercial construction growth, particularly in India and China. In combination, these trends create a particularly volatile and uncertain environment for materials and equipment cost inflation; although for the moment, this uncertainty has not resulted in any significant upward pressure on construction cost.

....click here to read more.



## Tax Relief Bill Includes More Positives Than Negatives for Builders



Nation's Building News  
 The Official Online Newspaper of NAHB  
 With the two-year extension of all of the 2001 and 2003 Bush-era tax cuts as its centerpiece, Congress last week approved a

major tax-cut package negotiated by President Obama and top Senate Republicans that is designed to provide tax relief for all working Americans and spur job growth.

H.R. 4853—The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010—cleared the Senate by an overwhelming 81-to-19 margin on Dec. 15 and was approved by the House a day later by vote of 277 to 148. The President signed the bill into law on Dec. 17. Though imperfect, NAHB supported the legislation because it will provide a measure of stability for American working families and home builders....click here to read more.



## "HEIL - IT CAN CARRY THE LOAD"



Winter - 2011

## Banks Open Loan Spigot; Uptick in Lending to Businesses Is Expected to Accelerate

Moody's Analytics estimates that commercial and industrial lending in the fourth quarter grew 0.2% from the third quarter, to \$1.22 trillion, the first quarterly increase in two years. Moody's predicts such lending will rise 3% in 2011. Until recently, a chronic lack of lending to businesses was seen by economists as one of the obstacles to healthy recovery. Commercial and industrial lending "is the last thing that turns in a business cycle," said Mark Zandi, chief economist of Moody's Analytics. Coming off the dramatic lending drop after the financial crisis struck, recent increases in commercial lending reported by banks are modest. The amount of business loans outstanding remains well below historical levels. In addition, new activity varies significantly from bank to bank and industry to industry. Still, the uptick is notable, say banking analysts.

[www.wsj.com](http://www.wsj.com)

Wall Street Journal (12/30/10); Ruth Simon

[Click Here To Read More](#)

## U.S. Architecture Billings Highest Since 2007:AIA

NEW YORK / Wed. Dec 22, 2010 12:09am EST

NEW YORK (Reuters) - The U.S. architecture billings index, a leading indicator of nonresidential construction activity, reached its highest level since December 2007 last month, the American Institute of Architects said on Wednesday.

Its index rose more than 3 points from October to a reading of 52 for November, marking only the second time this year the index has crossed the 50 mark, which indicates expansion.

A separate index of new project inquiries dipped 0.3 to 61.4 last month.

The billings index, by tracking demand for design services, is considered an indicator of construction activity nine to 12 months in the future, and is widely tracked by companies that generate sales from the construction sector. "While this is heartening news, it would be premature to say the design and construction industry is out of the woods yet," said AIA Chief Economist Kermit Baker.

Most diversified industrial companies get at least some revenue from nonresidential construction, selling machinery used for erecting buildings or components such as elevators or electrical and cooling systems. A partial list included Honeywell International Inc. (HON.N), Tyco International Ltd (TYC.N), Johnson Controls Inc. (JCI.N), Caterpillar Inc (CAT.N), Deere & Co (DE.N) and Terex Corp (TEX.N). European companies, like lock maker Assa Abloy (ASSAB.ST) also participate in the sector.....[click here to read more.](#)

## Federal Tax Credits Extended for 2011

The Tax Relief, Unemployment Authorization, and Job Creation Act of 2010 signed by President Obama on December 17, 2010, extended tax credits for qualifying energy efficient water heaters and boilers placed in service between January 1, 2011 and December 31, 2011. The credit amount has changed and will still require a water heater to have an energy factor of 0.82 or a thermal efficiency of 90% or greater and boilers to have an AFUE of 95 or greater.

### Effective Dates

January 1, 2011 through December 31, 2011

### Water Heater & Boiler Qualifications

- Rinnai condensing and non-condensing tankless water heaters with an energy factor (EF) of 0.82 or thermal efficiency of 90% or greater.
- Rinnai condensing wall-mounted boilers with an AFUE of 95 or greater

### Tax Credit Amount

- Qualifying Rinnai Tankless Water Heaters: \$300
- Qualifying Rinnai Boilers: \$150

### Guidelines

- The Rinnai tankless water heater or boiler must be "placed in service" between January 1, 2011 and December 31, 2011. The IRS defines "placed in service" as when the product is ready and available for use.
- The Rinnai tankless water heater or boiler must be installed in or on the taxpayer's principal residence in the United States.
- The tax credit is ONLY available for existing homes.

[Click Here To Read More](#)

# GATEWAY SUPPLY COMPANY

## AFTER 75 YEARS

THE BOLD LOOK  
OF **KOHLER**®

Exclusively from  
**MOEN**  
Buy it for looks. Buy it for life.®

### Introducing the **BEST** Wellworth **EVER!**

Kohler introduces the new Wellworth line of water closets. Kohler's Wellworth line has been providing a unique combination of performance, styling, and value for 75 years. It's only appropriate that the best Wellworth ever is introduced to mark the 75<sup>th</sup> anniversary of this classic.

While the bold new styling is what strikes you first, it's the Wellworth's performance that is most impressive.

All new Wellworth models will flush at least 1000 grams of waste, including the 1.28 gallon-per-flush models.

Unlike top-performing toilets from competing manufacturers, the new Kohler Wellworth doesn't sacrifice cleanliness for a good flush. Greater than 50% more water passes through the bowl rim, optimizing water flow for a long, clean, and efficient rinse.

The new Wellworth water closet also features a durable canister flushing mechanism. The canister won't warp and deteriorate over time, and the shape makes the new Wellworth easy to flush.

The new Wellworth comes in round, elongated, and ADA compliant Comfort Height models. All Wellworth models are available to accommodate 10", 12", or 14" rough-in dimensions.

All the new Wellworth configurations can be ordered either with 1.6 or 1.28 gallon-per-flush performance. Either way, the Wellworth will flush more than 1000 grams of waste, virtually eliminating clogs. Choosing a 1.28 gpf water closet has never made more sense, saving up to 16,500 gallons per year over a standard 1.6 gpf water closet. *Contact your local Gateway Supply location for more information about the fantastic new Kohler Wellworth!*



## ioDIGITAL

*A Luxury Experience - just a Touch Away*

*ioDigital makes creating a truly personalized shower or bath simple. Once you achieve your preferred combination of temperature and water delivery, you can re-create that exact experience any time you desire with the touch of one button. Luxury is literally at your fingertips.*



**RONBOW**  
MATERIALS CORPORATION

*RonBow offers a dynamic design spectrum to fit any style home, from ultra contemporary to old world traditional. Their furniture is manufactured with the highest quality North American & European hardwoods. Versatile designs allow for interchangeable sinks and countertops in wood, glass, stone & ceramic, to match any home décor.*

## Bath Furnishings





# Federal Tax Credit is BACK for 2011!



## BUT the Dollar Figures are Different

The "Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010" includes a one year extension—with revisions—to the federal tax credits on qualifying high-efficiency HVAC equipment.

- The split AC & HP, Gas Furnace, and SPP AC & HP efficiency requirements are the same as for the 2009/2010 program (AFUE minimum for boilers and oil furnaces is changed to 95%).
- The maximum available credits (the tax credit dollars) revert to the FIXED DOLLAR AMOUNTS that we had in the previous 2007 program. There is no longer a 30% calculation.
- The maximum cumulative amount an eligible homeowner may receive in tax credits for "residential energy property" purchased will be reduced from \$1500 to \$500. In addition, the total amount of credits a homeowner claimed for purchases between 2006 and 2010 will be deducted from the \$500 cap. Accordingly, if a homeowner has already claimed credits of \$500 or more through this allowance prior to 2011, they will be unable to claim new credits for improvements made during 2011.

Product	Minimum Efficiency Requirement	Maximum Tax Credit Available
Split System Air Conditioner	16 SEER and 13 EER	\$300
Packaged Air Conditioner	14 SEER and 12 EER	\$300
Split System Heat Pump	15 SEER and 12.5 EER and 8.5 HSPF	\$300
Packaged Heat Pump	14 SEER and 12 EER and 8 HSPF	\$300
Natural Gas or Propane Furnace	95% AFUE	\$150
Advanced Main Air Circulating Fan	Electricity use of no more than 2% of the total energy use of furnace	\$50

## FAST PARTS AT GENERIC PARTS PRICING



Wouldn't it be nice to install a direct replacement part instead of an after-market part?

# NOW YOU CAN!

*Fast Parts and Heil have reduced our cost on selected parts and we are passing these savings on to you!*

So ask your Gateway Supply sales associate to see if a factory part makes sense for you in lieu of an after-market part. Just think of the time it will save you putting back a direct replacement part. Think about the confidence you can give your customer when you tell them that this is a direct replacement part going back in their unit.

# Christmas Lunch



## GATEWAY IN GREENVILLE

Gateway Supply Company in Greenville held their 2010 Christmas Lunch on December 14th at the Chrome Drive location. This was a great way for Gateway to show their appreciation to their customers. The Gateway Christmas lunch menu included Roast Beef, Macaroni & Cheese, Green Beans and Banana Pudding. Good times were had by all.



## 2010 BRAT FRY

The lunch time brat fry/vendor show was held on December 2, 2010 at the Columbia Branch. It was very well supported by our vendors and there was a great turnout of customers on a sunny December day.



## THE GATEWAY GAZETTE

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# GATEWAY SUPPLY COMPANY

## INDUSTRY LINKS

Link to Mechanical Contractors Association of SC  
<http://www.mcasc.com/>

Link to Plumbing Heating Cooling Contractors NC  
<http://www.phccnc.org/>

Link to South Carolina Association of Heating & Air Conditioning Contractors  
<http://www.schvac.org/>

Link to AHRAE  
<http://www.ashrae.com/>

Link to ASPE  
<http://aspe.org/>

Link to Home Builders Association of SC  
<http://www.hbaofsc.com/>

Link to Home Builder Association of NC  
<http://www.nchba.com/>

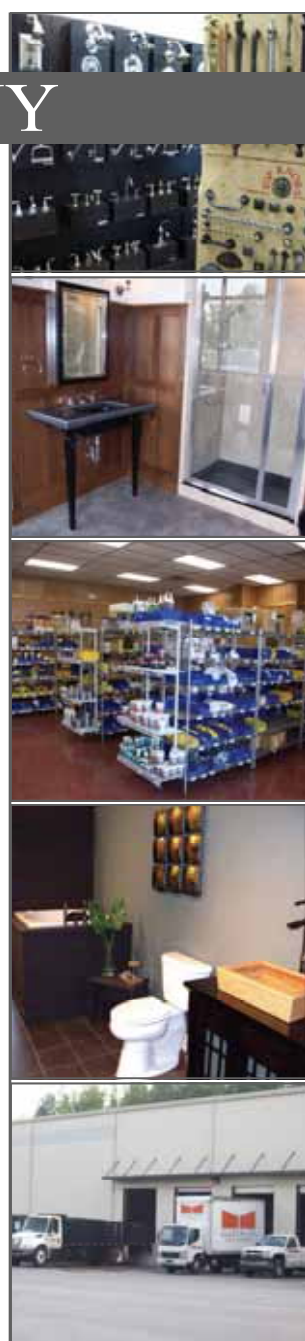
Link to Home Builders Association of GA  
<http://www.hbag.org/>

American Institute of Architects:  
<http://www.aia.org/>  
<http://www.aianc.org/>  
<http://www.aiaga.org/>

American Society of Interior Designers  
<http://www.asidcarolinas.org/>  
<http://www.asidga.org/>

CLICK LINK TO VIEW PAST  
EDITIONS OF  
**THE GATEWAY  
GAZETTE**

**THE GATEWAY  
GAZETTE**



## GATEWAY SUPPLY COMPANY, INC. LOCATIONS

### COLUMBIA, SC

1312 Hamrick Street  
Columbia, SC 29201

**800-922-5312**

803-771-7160 Plumbing  
803-799-7632 HVAC

**803-376-5614 Fax**

### GREENVILLE, SC

70 Chrome Dr.  
Greenville, SC 29615

**800-922-9566**

864-235-7800 Plumbing  
864-770-0860 HVAC

**864-235-7900 Fax**

### HARTSVILLE, SC

1015 Bobo Newsome Hwy  
Hartsville, SC 29550

**800-766-3159**

843-383-4574

Plumbing/HVAC

**843-383-9520 Fax**

### ROCK HILL, SC

1369 Firetower Road  
Rock Hill, SC 29731

803-324-3145

Plumbing

**803-324-3806 Fax**

### SPARTANBURG, SC

2320 South Pine Street  
Spartanburg, SC 29302

**800-379-5548**

864-585-8825

Plumbing

**864-585-4978 Fax**

### COLUMBIA NORTHEAST, SC

1110 Sparkleberry Lane Ext.  
Columbia Northeast, SC 29223

803-736-4848

Plumbing/HVAC

**803-736-3392 Fax**

### MYRTLE BEACH, SC

4928 Hwy 17, Bypass South  
Myrtle Beach, SC 29588

843-293-9367 Plumbing

843-293-9372 HVAC

**843-293-9377 Fax**

### WEST GREENVILLE, SC

2200 W. Parker Road  
Greenville, SC 29617

864-246-4322

Plumbing/HVAC

**864-246-4764 Fax**

### ANDERSON, SC

5299 Hwy 76  
Pendleton, SC 29670

864-622-0176

Plumbing/HVAC

**864-622-0181 Fax**