

- Consumer inquiries, dealer's suggestions, field selling teams;
- Home furnishings magazines, domestic and foreign;
- Competitor's products;
- Fashion trends in ladies' clothing fashions, bedding, domestics, china, silver, color trends, etc.;
- Extensive travel to various U.S. and European markets, antique centers, retail furniture stores, showrooms, etc.

#### 4. Business Conditions

Everyone seems to be predicting a strong recovery of the furniture industry, tied directly to an increase in housing starts. That, indeed, has happened with a very strong spring sales level. One must remember, however, the fickle nature of the consumer. Recent increases in mortgage interest rates from 14.12% to 14.34% and a 10.5% decrease in housing starts seem to have already influenced the consumer. The unofficial result seems to have to be a slight down-turn in furniture purchases at the retail level. Those "in the know," however, tell us that aberrations can be expected and that the recovery will pick up steam again. Jerry Epperson, furniture analyst for Wheat, First Securities, Inc. says that very little furniture is purchased when a family moves into a new house. This occurs because most family's are confronted with a myriad of extra costs when moving to a new house. Usually the down payment is formidable in