



Monty Hall

Owner, *Let's Make A Deal!*
Car dealership

"American automakers' sales are down 20 percent from last year, while foreign car manufacturers have seen an increase of about 12 percent."

- Fuel costs have increased.
- Sales are off because most of our inventory is comprised of trucks and SUVs.
- I've seen a slight increase in sedan sales in recent months.

Monty Hall sells new and used cars in Baton Rouge, Louisiana. His inventory is made up largely of trucks and SUVs, popular among the fishermen and hunters in the state. To balance his inventory and guard against gas price hikes, which generally result in a big drop in sales, he has increased his stock of sedans and used cars. He has also launched a new marketing campaign to attract students and faculty members from nearby Louisiana State University to his sales showroom.

Lester Brown

Owner, *Food4UFarms*
Farmer

"I stopped growing wheat this year. It just didn't make sense. With fuel costs high and wheat prices low, planting the crop doesn't pay."

- Planting and harvesting costs have increased because of the fuel cost to run machines.
- It cost me more to get my product to market.
- We are having trouble getting petroleum-based PVC pipe for irrigation.



Lester Brown is an agriculture specialist and family farmer in central Alabama. He and his family own an 800-acre farm on which they grow a variety of products, including wheat, soybeans, and other row crops. He contracts with grocery stores throughout the state to provide produce, and he and other family members truck their goods to the market.



Rosy Rodgers

Owner, *Everything's Rosy*
Flower shop

"I have changed up my inventory because some specialty flowers have been assessed a 21 percent surcharge and are too expensive to stock."

- Gas price increases and energy costs take more out of my profit margin.
- I'm experiencing sharp increases in the cost of delivering flowers to my customers.
- I don't feel that I am able to pass along cost increases at this time, but I have offered a discount for customers who pick up arrangements.

Rosy Rodgers is the sole proprietor of a flower shop located in downtown Atlanta, Georgia. Her business serves the floral needs of large conferences held in the nearby convention center. She also handles smaller requests such as special occasion floral orders from nearby office towers. She drives every morning to the Atlanta airport—15 miles south of her shop—to pick up her flower orders from around the country and the world.



Mary Stewart

Owner, *A Good Thing*
Regional catering company

"The biggest problem I've encountered is that energy increases have been so sudden. I wasn't able to build the increases into my bids, and now I have to absorb the additional costs."

- I have experienced surcharges for deliveries.
- I have also noticed an increase in the cost of groceries and monthly natural gas and electric utility bills.
- I have had to increase my prices and pass along my costs to all new orders.

Mary Stewart owns a catering company in Birmingham, Alabama. Her signature menu includes gourmet take-out meals and home-style goods made from all-natural ingredients. She depends on nearby farms, which supply her with fresh produce and fruit. Her business is growing, but she is finding it hard to make ends meet because her ingredients are going up in price.



Douglas Trump

Owner, ***Estate Specialties, Inc.***
Real estate developer

“Some vendors are taking advantage of their customers by turning fuel charges into a profit. For instance, the trucking company I contract with to deliver my supplies has tacked on a \$1.50 per gallon surcharge as fuel prices skyrocketed to \$3 per gallon. But when prices moderated, they didn’t remove the surcharge. It’s just not right to make that much unwarranted profit on a good customer like me. I’m tempted to tell them, ‘You’re fired.’ ”

Douglas Trump is a real estate developer in southwestern Florida. As family farms diminish in the state, he buys large tracts of land to convert to smaller tracts—five to 10 acres—for buyers interested in building upscale homes. His developments rely heavily on the building products industry, which supplies his raw materials, and the trucking industry, which transports materials to him. He is also dependent on having a supply of specialized labor to incorporate the fine craftsmanship for which his estates are known.

- Costs go up when energy prices increase—it costs more to put gas in our equipment.
- The increase in shipping costs for materials has been passed along from the manufacturer.
- Builders’ cost increases can be passed along to the consumer

Phil Walker

Owner, ***Need a Ride***
Cab company

“Most cabbies lease taxis from me for about \$100 per day. If fuel costs increase, one of my cab drivers will have to work longer to make up the difference in the increase of fuel costs.”

- My profit margins narrow because gas prices have increased.
- State taxi regulations dictate that my costs are fixed and can’t be passed on to the consumer.



Phil Walker runs his own cab company in Atlanta, Georgia. As taxi service demands have increased substantially in the area over time, he has been able to add to his taxi cab fleet. However, while demand for his service is on the rise, he simultaneously has to deal with gas price fluctuations, labor shortages, and municipal regulations governing pricing structures.