



Power Tool eCommerce Site Weighs in on Residential Construction Slump

Toolup.com, a leading provider of power tools for home repairs, offers an insiders look at this year's holiday retail season. With the decrease in the housing market and equity vanishing, will this year's holiday spending be a record breaker for growth or decline?

Phoenix, AZ ([PRWEB](#)) November 28, 2007 -- Leading provider of power tools for [home repairs](#), and commercial construction tools and supplies, Toolup.com (www.toolup.com), reports that residential construction products sales are down significantly, as would be expected following the decline of the residential housing market across the U.S.

Kevin Hill of Toolup.com leads website development and tracks sales and traffic of his website that sells [power tools](#) with brand names like [Dewalt](#), [Milwaukee](#), [Bosch](#), [Makita](#) and others. He sees the residential construction buyers drop off on a daily basis.

"It has been a rough year for the residential construction contractor, and that has been reflected in sales of items specifically related to that market."

This information is backed by government data citing a residential slump this year, and with the sub-prime lending issue looming on the horizon, a turn-around for this sector of business looks to be many, many months off, if not years.

"We're expecting this slump in building to last for at least 18 months if not 24 months while the market corrects itself, and housing inventories are consumed," Hill says.

With the reduction in consumer money to spend, due to home equity loans, it is expected that a decline in the holiday spend for this year will be felt strongly by all levels of retail. Some journalists and economists are calling this the "long feared" consumer crunch.

Hill states, "We may see a boom during Black Friday and Cyber Monday – but that may be symptomatic of a consumer seeking great deals and bargain prices in order to stretch their spending dollar."

In the past - consumers with equity growing at record rates would either refinance their homes, or secure home equity lines of credit to fund purchases for big ticket items like TV's, boats, cars and other recreational items. This spending fueled the economy and drove economic growth across the board. Now, with consumers seeing their equity shrinking, they are left with no equity to spend, or worse, more loan than equity on houses that just two years ago were worth 10% to 30% more than today.

Economists have been complaining about this cycle of borrowing and spending since the 1980's -- however spending has continued, even through the decline of the late 80's and 90's during the last housing slump.

There may be light at the end of the tunnel. Spending may not have to come from U.S. consumers. With a slumping dollar, foreign consumers are spending on cheaper U.S. items, and traveling to the U.S. where their currencies buy more for less.



Kevin Hill, website manager of Toolup.com states, "We're seeing an increase in purchasing from Canada, which may be a market that's ready to purchase U.S. items for U.S. dollars -- particularly when the Canadian dollar is stronger now."

Looking just north of the border to Canada proves this point. A longtime bastion of high priced books, where the U.S. price would be \$7.99, the Canadian price was \$10.99. Now, with the stronger Canadian dollar, Canadian consumers are crossing the border to save on books, clothes, electronics and many other items that are more expensive at home.

Toolup.com is a leading provider of both residential and commercial construction power tools and power tools supplies, stocking brand names like Dewalt, Greenlee, Milwaukee, Makita, Ridgid, Bosch and many more. Toolup.com has been an industry leader since being founded and prides itself on its expertise and ability to provide outstanding, personal customer service to its many customer bases.

About Toolup.com

Toolup.com was founded in 1999, providing power tools for home repairs, and has been in the business of satisfying customers ever since. The company services orders from their own warehouses, so most orders are shipped within 24 hours of placement. Toolup.com is in the Internet Retailer Top 500, and in 2007 was named the 12th fastest growing internet retailer among the Top 500.

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