



**FOR IMMEDIATE RELEASE**  
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**AGC LEADERS MEET WITH PRESIDENT BUSH; DISCUSS IMPACT OF  
RISING CONSTRUCTION MATERIALS PRICES**

**Washington, D.C.**— Douglas E. Barnhart (J. Reese Construction, Inc; San Diego, Calif.), President of the Associated General Contractors of America and Stephen E. Sandherr, CEO of the Associated General Contractors of America today met with President Bush to discuss the impact of rising petroleum costs on the construction industry.

“Construction costs have risen much more than consumer prices this year, due to the extreme run-up in petroleum costs,” Barnhart explained during a meeting today at the White House. “The producer price index (PPI) for inputs to construction rose 10.4% from June 2007 to June 2008, vs. 5.0% for the consumer price index.

Barnhart continued, “The PPI for highway and street construction, the most fuel- and asphalt-intensive construction segment, rose 18.9%. The national average retail price of on-highway diesel fuel on August 4 was \$4.50 per gallon, up 55% in a year, and 57 cents more than the average for gasoline.”

The construction industry has faced unforeseen increases in all construction materials, which are resulting in a reduction in projects and causing job uncertainty.

Barnhart and Sandherr were among leaders from a coalition of eight other business associations to meet with the President today. During the meeting, President Bush told the group, “Increased domestic energy production will have a ‘psychological impact’ on the marketplace.” He also said that the activities of the coalition, “have worked to increase the pressure on Congress.”

The Associated General Contractors of America (AGC) is the largest and oldest national construction trade association in the United States. AGC represents more than 33,000 firms, including 7,500 of America’s leading general contractors, and over 12,500 specialty-contracting firms. More than 13,000 service providers and suppliers are associated with AGC through a nationwide network of chapters. Visit the AGC Web site at [www.agc.org](http://www.agc.org).

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