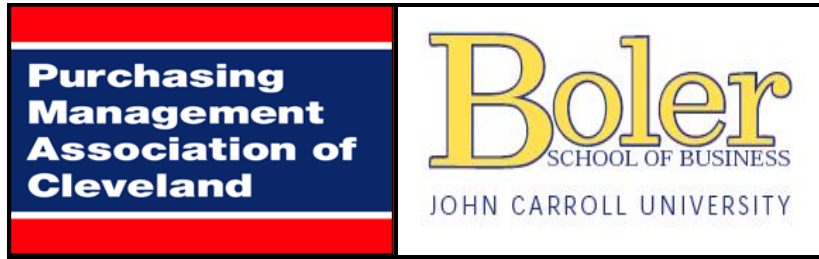


**Northeast Ohio Business Survey Report
for
March, 2011**



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GENERAL BUSINESS CONDITIONS

The barometer index of 50.75 indicates that economic activity is higher than in previous months, and higher than it was a year ago.

The forecast index of 51.5 indicates that manufacturing activity should increase for the next month.

Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding.

Readings below "0" mean generally contracting.

| Month | Mar-11 | Feb-11 | Jan-11 | Mar-10 |
|-----------------------|---------------|---------------|---------------|---------------|
| Cleveland Barometer-% | 50.75 | 47.38 | 42.03 | 36.47 |
| Cleveland Forecast-% | 51.50 | 56.75 | 55.00 | 11.44 |

PRODUCTION

Production activity continues to rise as it has for the past two months

The Production Index is now 44

| Production | %Better | %Same | %Worse | Net | Index |
|-------------------|----------------|--------------|---------------|------------|--------------|
| March 2011 | 50 | 50 | 0 | 50 | 44 |
| February 2011 | 33 | 67 | 0 | 33 | 28 |
| January 2011 | 46 | 31 | 23 | 23 | 37 |

NEW ORDERS

New orders continue to increase, just as they have for the past two months

The New Order Index is now 30

| New Orders | %Better | %Same | %Worse | Net | Index |
|-------------------|----------------|--------------|---------------|------------|--------------|
| March 2011 | 50 | 38 | 12 | 38 | 30 |
| February 2011 | 55 | 45 | 0 | 55 | 50 |
| January 2011 | 38 | 46 | 15 | 23 | 36 |

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EMPLOYMENT

Employment is increasing
The Employment Index is 20

| Employment | %Greater | %Same | %Lower | Net | Index |
|-------------------|-----------------|--------------|---------------|------------|--------------|
| March 2011 | 39 | 46 | 15 | 24 | 20 |
| February 2011 | 17 | 67 | 17 | 0 | 5 |
| January 2011 | 36 | 64 | 0 | 36 | 42 |

INVENTORIES

RAW MATERIALS

Raw material inventories are rising at a faster rate
The Raw Material Index is 14

Raw Material

| Inventories | %Higher | %Same | %Lower | Net | Index |
|--------------------|----------------|--------------|---------------|------------|--------------|
| March 2011 | 39 | 46 | 15 | 24 | 14 |
| February 2011 | 18 | 73 | 9 | 9 | 9 |
| January 2011 | 31 | 62 | 7 | 24 | 29 |

FINISHED GOODS

Finished goods inventories continue to rise
The Finished Goods Index is 21

Finished Goods

| Inventories | %Higher | %Same | %Lower | Net | Index |
|--------------------|----------------|--------------|---------------|------------|--------------|
| March 2011 | 39 | 46 | 15 | 24 | 21 |
| February 2011 | 18 | 73 | 9 | 9 | 13 |
| January 2011 | 23 | 54 | 23 | 0 | 6 |

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BUYING POLICIES

Buying policies for Production Materials remain spread out but are somewhat shorter term
Buying policies for MRO Supplies are somewhat more short term
Capital expenditure decisions are longer term in nature.

PERCENT REPORTING

| PRODUCTION MATERIALS | Hand to Mouth | 30 Days | 60 Days | 90 Days | 6 Mos | 1 Year |
|-----------------------------|----------------------|----------------|----------------|----------------|--------------|---------------|
| March 2011 | 23 | 31 | 31 | 8 | 0 | 8 |
| February 2011 | 36 | 9 | 45 | 9 | 0 | 0 |
| January 2011 | 31 | 31 | 23 | 0 | 15 | 0 |
| MRO SUPPLIES | | | | | | |
| March 2011 | 42 | 33 | 25 | 0 | 0 | 0 |
| February 2011 | 30 | 50 | 20 | 0 | 0 | 0 |
| January 2011 | 55 | 36 | 0 | 9 | 0 | 0 |
| CAPITAL EXPENDITURES | | | | | | |
| March 2011 | 18 | 0 | 18 | 18 | 18 | 27 |
| February 2011 | 11 | 11 | 22 | 11 | 11 | 33 |
| January 2011 | 50 | 0 | 17 | 0 | 17 | 17 |

COMMODITY PRICES

The commodity prices continue to increase, as they have been for the past three months.
The Commodity Price Index is now 78

| Commodity Prices | %Higher | %Same | %Lower | Net | Index |
|-------------------------|----------------|--------------|---------------|------------|--------------|
| March 2011 | 85 | 15 | 0 | 85 | 78 |
| February 2011 | 73 | 27 | 0 | 73 | 71 |
| January 2011 | 85 | 15 | 0 | 85 | 81 |

COMMODITY CHANGES:

Prices Up:

copper, iron, hot rolled steel, steel, wire mesh, SS, alloys,
copper, petrol prods, gaso, polyethylene

Prices Down:

none mentioned

Items in Short Supply:

Components (mainly European) which are shared in the truck market are tight due to upturn in busines this year.
None

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FROM GENERAL REMARKS:

- The Japan disaster will affect the Global, National and Regional economies-although we haven't seen the impact yet. Asian suppliers are beginning to see shortages of non-nuclear energy sources like natural gas.
- Waiting to see the impact of Japan disaster.
- Increasing oil/gasoline prices will slow the economy. We need to drill here and take the Middle East crazies out of the equation.
- All items that can be affected by oil prices are. Suppliers and trades are trying their best to increase costs however the final product is not seeing any price increases. The market still suffers.
- The primary problem we are running into is the lead times are being pushed out from our suppliers due to not having enough staff to handle the production requirements. Our suppliers in the Ohio area are running into the same issues trying to find people with the needed skill sets to hire.
- Business remains strong; no winter lull.
- Business is up, but being very cautiously optimistic.

| Region | Economy | Main Index |
|-----------|---------------|------------|
| Cleveland | Manufacturing | +8.0 |

| Comments |
|----------|
|----------|

| |
|---|
| Manufacturing Economy expansion continued to flatten. Inventories and prices continued to rise. Barometer results above zero indicate an expanding manufacturing economy. |
|---|