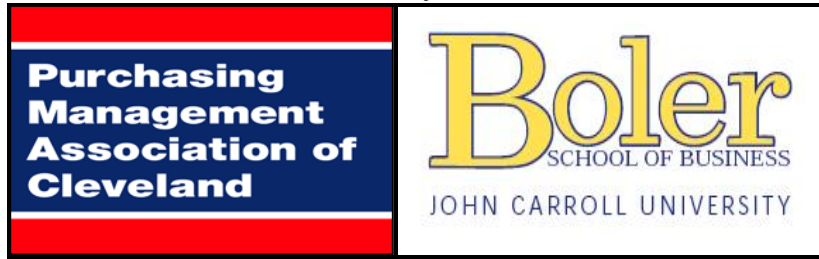


**Northeast Ohio Business Survey Report
for
February, 2011**



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GENERAL BUSINESS CONDITIONS

The barometer index of 44 indicates that economic activity continues to expand, is higher than in previous months and higher than it was a year ago.
The forecast index of 62 indicates that manufacturing activity should continue to 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	Feb-11	Jan-11	Dec-10	Feb-10
Cleveland Barometer-%	44.00	42.38	36.56	32.56
Cleveland Forecast-%	62.00	57.00	51.40	6.20

PRODUCTION

Production activity continues to rise as it has for the past two months
The Production Index is now 28

Production	%Better	%Same	%Worse	Net	Index
February 2011	33	67	0	33	28
January 2011	46	31	23	23	37
December 2010	62	31	7	55	65

NEW ORDERS

New orders continue to increase, just as they have for the past two months
The New Order Index is now 55

New Orders	%Better	%Same	%Worse	Net	Index
February 2011	55	45	0	55	50
January 2011	38	46	15	23	36
December 2010	50	33	17	33	44

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EMPLOYMENT

Employment remained constant after a healthy jump in January.
The Employment Index is 5, indicating a slow growth in the months ahead.

Employment	%Greater	%Same	%Lower	Net	Index
February 2011	17	67	17	0	5
January 2011	36	64	0	36	42
December 2010	23	54	23	0	8

INVENTORIES

RAW MATERIALS

Raw material inventories continue to rise but at a slower rate
The Raw Material Index is 9

Raw Material Inventories	%Higher	%Same	%Lower	Net	Index
February 2011	18	73	9	9	9
January 2011	31	62	7	24	29
December 2010	23	38	38	-15	-5

FINISHED GOODS

Finished goods inventories are rising
The Finished Goods Index is 13

Finished Goods Inventories	%Higher	%Same	%Lower	Net	Index
February 2011	18	73	9	9	13
January 2011	23	54	23	0	6
December 2010	25	33	42	-17	-16

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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 less short term
Capital expenditure decisions have a growing long term component.

PERCENT REPORTING

PRODUCTION MATERIALS	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year
February 2011	36	9	45	9	0	0
January 2011	31	31	23	0	15	0
December 2010	38	8	23	15	15	0
MRO SUPPLIES						
February 2011	30	50	20	0	0	0
January 2011	55	36	0	9	0	0
December 2010	50	25	25	0	0	0
CAPITAL EXPENDITURES						
February 2011	11	11	22	11	11	33
January 2011	50	0	17	0	17	17
December 2010	22	11	22	33	0	11

COMMODITY PRICES

The commodity prices continue to increase, as they have been for the past three months.
The Commodity Price Index is now 71

Commodity Prices	%Higher	%Same	%Lower	Net	Index
February 2011	73	27	0	73	71
January 2011	85	15	0	85	81
December 2010	67	33	0	67	70

COMMODITY CHANGES:

Prices Up: Aluminum ignot, HDPE, plastic compounds, S.S. sheet copper, PVC, oil, gas, steel alloy and S.S. surcharges
Prices Down: Steel scrap surcharges -5, 6%
Items in Short Supply: steel bar lead times

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FROM GENERAL REMARKS:

- Oil prices effect PVC pipe and fittings.
- Some small signs of improving economy, but nothing sustainable at this point.
- Companies are starting to see a slight increase in the economy and are figuring now is the time to get their price increases in before ?????? Everyone is using the excuse due to increased costs in petroleum, etc.
- We expect a very good year.
- The news may report changes in the market but whether say it is up or down, in the real world, we see little if any change at all, except that same STUPID game they play with gasoline.

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.
