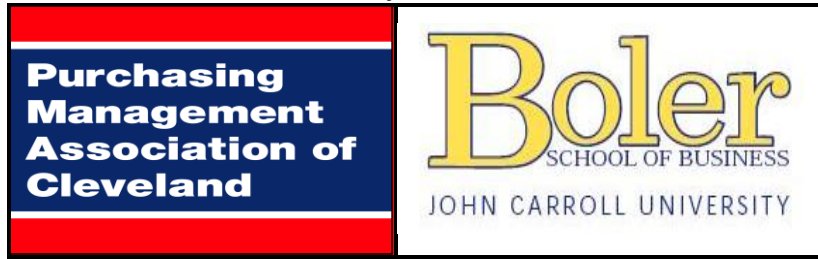


Northeast Ohio Business Survey Report
for
July, 2011



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GENERAL BUSINESS CONDITIONS

The barometer index of 21.63 indicates that economic activity is slightly lower this past month, but higher than it was a year ago.

The forecast index of 17.5 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	Jul-11	Jun-11	May-11	Jul-10
Cleveland Barometer-%	21.63	32.63	42.81	14.28
Cleveland Forecast-%	17.50	32.00	42.20	4.20

PRODUCTION

Production activity declined slightly.

The Production Index is now -10

Production	%Better	%Same	%Worse	Net	Index
July 2011	21	43	36	-15	-10
June 2011	30	70	0	30	28
May 2011	69	31	0	69	61

NEW ORDERS

New orders remain constant.

The New Order Index is now 8.

New Orders	%Better	%Same	%Worse	Net	Index
July 2011	23	54	23	0	8
June 2011	20	70	10	10	11
May 2011	67	33	0	67	61

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EMPLOYMENT

Employment continues to increase.
 The Employment Index is 45

Employment	%Greater	%Same	%Lower	Net	Index
July 2011	43	50	7	36	32
June 2011	50	50	0	50	45
May 2011	23	62	15	8	3

INVENTORIES

RAW MATERIALS

Raw material inventories remained constant.
 The Raw Material Index is -3

Raw Material	%Higher	%Same	%Lower	Net	Index
Inventories					
July 2011	15	70	15	0	-3
June 2011	20	80	0	20	19
May 2011	31	46	23	8	2

FINISHED GOODS

Finished goods inventories are increasing somewhat
 The Finished Goods Index is 3

Finished Goods	%Higher	%Same	%Lower	Net	Index
Inventories					
July 2011	15	77	8	7	3
June 2011	22	78	0	22	20
May 2011	17	50	33	-16	-18

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BUYING POLICIES

Buying policies for Production Materials remain spread out
Buying policies for MRO Supplies becoming more hand to mouth.
Capital expenditure decisions are weighted toward longer term

PERCENT REPORTING

PRODUCTION MATERIALS	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year	
July 2011	23	23	23	15	8	8	100
June 2011	33	11	33	11	0	11	
May 2011	33	8	33	0	17	8	
MRO SUPPLIES							
July 2011	55	27	9	9	0	0	100
June 2011	25	50	25	0	0	0	
May 2011	50	25	25	0	0	0	
CAPITAL EXPENDITURES							
July 2011	10	0	30	10	10	40	100
June 2011	13	0	25	25	13	25	
May 2011	22	0	22	11	22	22	

COMMODITY PRICES

The commodity prices continue to increase
The Commodity Price Index is now 46

Commodity Prices	%Higher	%Same	%Lower	Net	Index
July 2011	50	42	8	42	46
June 2011	60	40	0	60	57
May 2011	75	25	0	75	69

COMMODITY CHANGES:

Prices Up:

Copper, PVC, EVA polyethylene, Acrylic paint, oil, lubricants,
Plastics, cotton based goods, wire mesh

Prices Down:

cotton, polyester, alloy scrap surcharges

Items in Short Supply:

acetylene, RT1-02

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FROM GENERAL REMARKS:

Business climate continues to be slow

Steady at best

June was a record month

Absolutely static business month

Freight charges continue to increase

Slow but steady, expecting modest improvement in 4th quarter but nothing exceptional

July is normal slowdown month, but with fragile economy and all the debt discussions we are not sure

This is a "normal" slow down. Future seems to be very undecided.