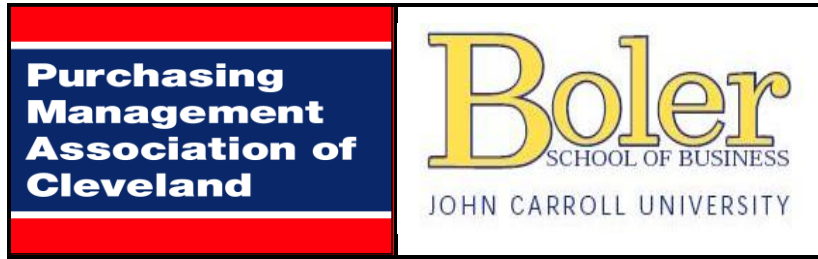


Northeast Ohio Business Survey Report
for
June, 2010



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GENERAL BUSINESS CONDITIONS

The barometer index of 13.50 indicates that economic activity is similar though slightly lower than last month. A year ago, the economic activity was lower. The forecast index of -15.5 indicates that manufacturing activity should decrease somewhat. Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding. Readings below "0" mean generally contracting.

Month	Jun-10	May-10	Apr-10	Jun-09
Cleveland Barometer-%	13.50	21.31	31.47	3.06
Cleveland Forecast-%	-15.50	-3.50	11.44	-26.22

PRODUCTION

Production activity remained constant, compared with slight expansion in May
The Production Index is now -2

Production	%Better	%Same	%Worse	Net	Index
June 2010	27	47	27	0	-2
May 2010	39	39	22	17	9
April 2010	47	47	6	41	24

NEW ORDERS

New orders are increasing though not as quickly as in April/May
The New Order Index is now 7

New Orders	%Better	%Same	%Worse	Net	Index
June 2010	33	40	27	6	7
May 2010	39	39	22	17	11
April 2010	59	29	12	47	28

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EMPLOYMENT

Employment is increasing but at a slower rate than in April/May
The Employment Index is 15

Employment	%Greater	%Same	%Lower	Net	Index
June 2010	33	53	13	20	15
May 2010	45	33	22	23	18
April 2010	25	56	19	6	-5

INVENTORIES

RAW MATERIALS

Raw material inventories are lower with more respondents reporting lower inventories
The Raw Material Index is -27

Raw Material	%Higher	%Same	%Lower	Net	Index
Inventories					
June 2010	7	60	33	-26	-27
May 2010	17	50	33	-16	-22
April 2010	23	59	18	5	0

FINISHED GOODS

Finished goods inventories are lower
The Finished Goods Index is -24

Finished Goods	%Higher	%Same	%Lower	Net	Index
Inventories					
June 2010	7	64	29	-22	-24
May 2010	24	47	29	-5	-7
April 2010	19	56	25	-6	-6

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BUYING POLICIES

Buying policies for Production Materials have a greater "hand to mouth" component
 Buying policies for MRO Supplies are concentrated in 0-30 days.
 Capital expenditures are balanced with a significant long term component

PERCENT REPORTING

PRODUCTION MATERIALS	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year
June 2010	47	18	24	6	6	0
May 2010	39	34	17	5	5	0
April 2010	28	22	33	17	0	0
MRO SUPPLIES						
June 2010	57	43	0	0	0	0
May 2010	53	41	6	0	0	0
April 2010	50	50	0	0	0	0
CAPITAL EXPENDITURES						
June 2010	17	17	25	17	8	17
May 2010	25	6	19	13	6	31
April 2010	27	7	13	13	13	27

COMMODITY PRICES

The commodity prices are slightly higher, as they have been for the past two months.
 The Commodity Price Index is now 17

Commodity Prices	%Higher	%Same	%Lower	Net	Index
June 2010	40	40	20	20	17
May 2010	31	63	6	25	19
April 2010	53	47	0	53	48

COMMODITY CHANGES:

Prices Up: Solvents, corrugated containers, petroleum waxes, plastic compounds, Paper, Lubricants, Alloy surcharges
Prices Down: Steel scrap, Ingot, Aluminum ingot
Items in Short Supply: Bearings, Copper, Titanium dioxide, Epoxy raw materials, polyester photo multiplier tubes, Helium-3 gas

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FROM GENERAL REMARKS:

- Biggest problem is our suppliers do not have enough inventory to service us; we have several materials which are on order control without any advance notice.
- Orders and business are down only slightly and may be due to summer vacation scheduling. We have added a couple of people that we have been doing without for a long time. Forecast is very cautiously optimistic for balance of 2010.
- Slight improvement.
- Status quo since last month; business is steady but flat. Economic and political uncertainty are affecting business planning or lack of it.
- Seeing extended lead times; also t/l freight is up and in short supply.