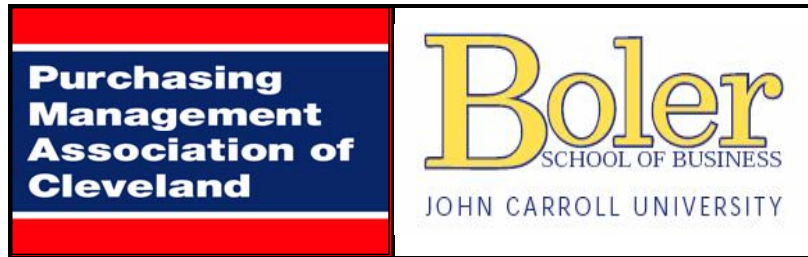


**Northeast Ohio Business Survey Report
for
March 2007**



*Published by: Boler School of Business, John Carroll University
In conjunction with: Purchasing Management Association of Cleveland*

GENERAL BUSINESS CONDITIONS

The barometer reading indicates that economic activity is continuing to increase month to month. The forecast index has dropped for three months in a row. Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding. Readings below "0" mean generally declining.

Month	Mar-07	Feb-07	Jan-07	Mar-06
Cleveland Barometer-%	25.25	22.25	16.33	33.56
Cleveland Forecast-%	3.00	12.25	26.78	11.00

Production levels increased as all of our respondents reported better or same levels of production. Production Index increased to +11

Production	%Better	%Same	%Worse	Net	Index
March 2007	17	83	0	17	11
February 2007	20	60	20	0	-5
January 2007	40	30	30	+10	24

New Orders increased as all of our respondents reported increased or same levels of orders. New Order index rose to +25

New Orders	%Better	%Same	%Worse	Net	Index
March 2007	33	67	0	33	25
February 2007	40	20	40	0	-5
January 2007	60	10	30	+30	47

EMPLOYMENT

Employment levels decreased as 33% of respondents reported lower employment levels while only 17% reported higher levels. The Employment Index is now -20.

Employment	%Greater	%Same	%Lower	Net	Index
March 2007	17	50	33	-16	-20
February 2007	40	40	20	20	25
January 2007	20	60	20	0	6

INVENTORIES

RAW MATERIALS

83% of respondents reported the same or higher raw material inventories
The Raw Material Inventory Index is now +6.

Raw Material

Inventories	%Higher	%Same	%Lower	Net	Index
March 2007	33	50	17	16	6
February 2007	20	40	40	-20	-20
January 2007	40	40	20	20	25

FINISHED GOODS

Finished Goods inventories decreased again for the second month in a row as all respondents reported the same or lower levels of inventory.
Finished Good Index is now -53.

Finished Goods

Inventories	%Higher	%Same	%Lower	Net	Index
March 2007	0	50	50	-50	-53
February 2007	0	60	40	-40	-36
January 2007	10	70	20	-10	-4

BUYING POLICIES

40% of respondents are reporting hand to mouth levels of production materials
MRO supplies continue to contract, with 83% of respondents reporting hand to mouth levels
Commitments for capital goods extended as none of our respondents reports commitments less than 60 days

PERCENT REPORTING

	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year
PRODUCTION MATERIALS						
March 2007	40	20	20	20	0	0
February 2007	25	25	50	0	0	0
January 2007	14	29	43	0	14	0
MRO SUPPLIES						
March 2007	83	17	0	0	0	0
February 2007	80	0	20	0	0	0
January 2007	80	10	0	10	0	0
CAPITAL EXPENDITURES						
March 2007	0	0	50	25	0	25
February 2007	25	0	50	25	0	0
January 2007	33	0	33	17	0	17

COMMODITY PRICES

Once again, all respondents reported the same or higher prices.
The Commodity Price Index is now +53.

Commodity Prices	%Higher	%Same	%Lower	Net	Index
March 2007	60	40	0	60	53
February 2007	40	60	0	40	38
January 2007	50	30	20	+30	26

COMMODITY CHANGES:

Prices Up: Polyethylene, HDPE, resin, steel scrap, steel, ss steel surcharges

Prices Down: Zinc

Items in Short Supply: Steel supply is tightening a little

FROM GENERAL REMARKS:

"New products increasing sales"

"Should see increased sales due to seasonal sales in construction"

"Aluminum ingot pricing has steadied"

"Lead times are average or good"

"New housing market has not shown signs of recovery yet"

"Our business is slowly but steadily picking up after fourth and first quarter declines"