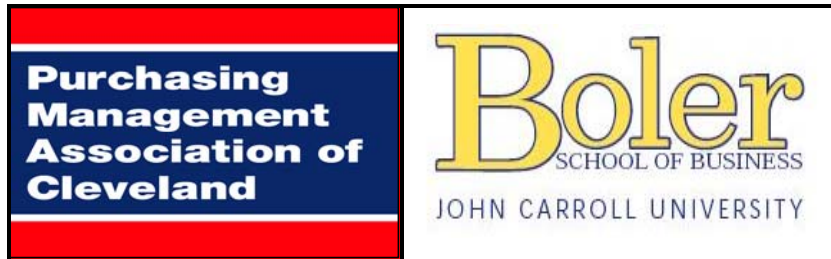


**Northeast Ohio Business Survey Report
for
November 2007**



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

To view this report on-line, please go to www.PMAC.org

GENERAL BUSINESS CONDITIONS

The barometer indicates that economic activity slowing slightly, but still higher than at this time last year. The forecast index is -36.50, indicating that the manufacturing economic activity may trend down. Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding. Readings below "0" mean generally declining.

Month	Nov-07	Oct-07	Sep-07	Nov-06
Cleveland Barometer-%	14.88	19.38	24.64	10.56
Cleveland Forecast-%	-36.50	-21.25	5.33	16.22

PRODUCTION

Production activity has declined slightly, but the majority of respondents are reporting the same levels as last month. Production Index is now -7.

Production	%Better	%Same	%Worse	Net	Index
November 2007	16	63	21	-5	-7
October 2007	24	62	14	10	10
September 2007	36	40	24	12	15

NEW ORDERS

New orders are balanced, showing a slowing trend from the past two months. New Order index is now +3

New Orders	%Better	%Same	%Worse	Net	Index
November 2007	26	48	26	0	3
October 2007	24	67	9	15	13
September 2007	50	33	17	33	33

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EMPLOYMENT

Employment is balanced, with as many respondents reporting an increase as a decrease.
The index indicates downward trend from the past two months.
The Employment Index is now +1.

Employment	%Greater	%Same	%Lower	Net	Index
November 2007	16	63	21	-5	1
October 2007	19	71	10	9	10
September 2007	36	56	8	28	33

INVENTORIES

RAW MATERIALS

Raw material inventories continue to decrease, continuing the pattern of the past few months.
The Raw Material Inventory Index is now -52.

Raw Material

Inventories	%Higher	%Same	%Lower	Net	Index
November 2007	5	31	64	-59	-52
October 2007	5	52	43	-38	-37
September 2007	4	71	25	-21	-21

FINISHED GOODS

Finished Goods inventories continue to decrease, continuing the pattern of the past few months.
Finished Goods Index is now -45.

Finished Goods

Inventories	%Higher	%Same	%Lower	Net	Index
November 2007	6	44	50	-44	-45
October 2007	19	38	43	-24	-28
September 2007	24	52	24	0	5

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BUYING POLICIES

Respondents are buying production materials for slightly further-out delivery.

MRO commitments are contacting slightly.

Capital expenditure commitment are slightly farther out than they have been in the past three months.

PERCENT REPORTING

PRODUCTION MATERIALS	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year
November 2007	19	44	6	19	6	6
October 2007	28	50	11	11	0	0
September 2007	33	24	19	14	5	5
MRO SUPPLIES						
November 2007	56	44	0	0	0	0
October 2007	53	21	21	5	0	0
September 2007	59	32	9	0	0	0
CAPITAL EXPENDITURES						
November 2007	7	7	19	27	13	27
October 2007	25	12	19	19	6	19
September 2007	22	6	17	28	5	22

COMMODITY PRICES

The percentage of respondents reporting higher prices increased this month.

The Commodity Price Index is now +51.

Commodity Prices	%Higher	%Same	%Lower	Net	Index
November 2007	53	42	5	48	51
October 2007	48	43	9	39	44
September 2007	50	41	9	41	48

COMMODITY CHANGES:

Prices Up:

Nickel, HDPE Resin, Hot rolled steel, polyethylene pipe/tubing, PVC, China products, fuel, adhesives

Prices Down:

natural gas 10-20% (due to overcapacity and lower oil prices), aluminum

Items in Short Supply:

alloy steel round bars

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FROM GENERAL REMARKS:

"Energy is the big question mark as oil price affects natural gas and natural gas powers many of our electric power plants"

"Exchange rates are starting to affect potential purchases from overseas"

"Truck market is sluggish-like automotive. We expect increased orders in 1st quarter, but have not seen this indication yet"

"Orders up because customers are getting materials before year-end shutdown...business is remaining strong thru year-end rather than the normal drop off. Also we are trying to build up finished goods inventory to cover during the shutdown, but not gaining on increased demand." "Refining sector to increase capital spending in 2008"

"Changing seasonal trends; winter Oct-April. Hot summer, cold winter, little intermediate weather."

"Prices increasing for China imports. Suppliers stating increases in VAT tax, wages, cost of steel, and cost of fuel for shipments."

"Status quo, not great- not good"