

BUSINESS SURVEY REPORT

February 08

The Seasonally Adjusted Milwaukee Index is down five points to 53. Still growing, but barely. The Raw Index is still at 56. The adjusted index was 58 in February 2007. New Orders Received went up four this month to 65. Production is down ten to 56. Backlog went up eight to 56 and Supplier Lead Times increased two to 40.

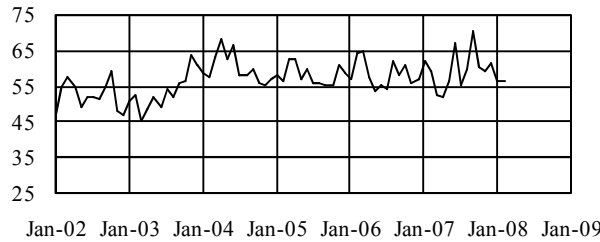
Blue Collar Employment is down one to 52. White Collar Employment is down two points to 54. Inventory Levels declined six points to 52. Capital Equipment Purchases is up six

points to a very healthy 71. The Level of Purchasing Activities is down seven to 62.

The Prices Paid Index is up another two points to 66. Eighteen are above 50, one at 50 and two below. Ten increased this month, three did not change, and eight went down. Aluminum is up twenty and Ferrous increased

nine. Piping and Tubing went up eight and Casting increased seven. Plastics dropped twelve and Forgings are down nine.

Milwaukee Index



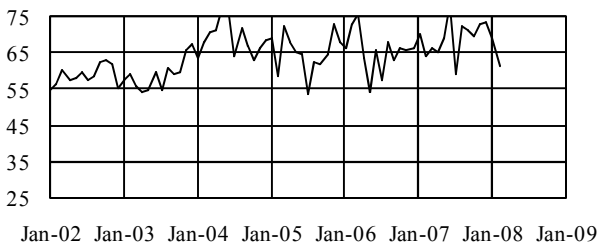
| Date | Index |
|---------------|-------|
| February-2008 | 56 |
| January-2008 | 56 |
| December-2007 | 62 |
| November-2007 | 59 |
| February-2007 | 59 |
| February-2006 | 64 |
| February-2005 | 56 |

Commodity Price Index

| | | |
|---------------------------------|---------------------------|-------------------------------|
| Aluminum 75 | Electronic Components 65 | Plastics 71 |
| Casting 70 | Forgings 56 | Plating 50 |
| Chemicals 81 | Fuel 57 | Precious Metals 86 |
| Computer Hardware/Software 44 | Hydraulic Componentets 65 | Printing Paper 58 |
| Copper, Brass, Bronze 67 | Office Supplies 50 | Rubber Products 56 |
| Corrugated/Packaging 69 | Petroleum Products 83 | Stampings 56 |
| Electric Motors/Transformers 68 | Piping & Tubing 67 | Ferrous (Steel, Stainless) 84 |

Commentary:
Up another two points to 66. Eighteen are above 50.

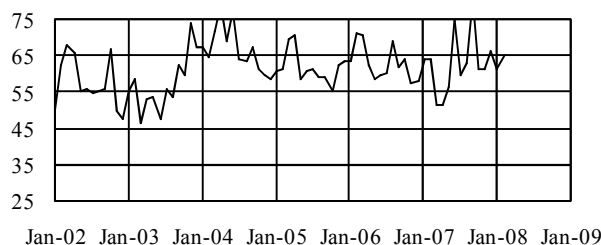
Level of Purchasing Activities



| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 38 | 46 | 15 | 62 |
| January-2008 | 52 | 35 | 13 | 69 |
| December-2007 | 56 | 35 | 9 | 74 |
| November-2007 | 57 | 33 | 10 | 73 |
| February-2007 | 38 | 53 | 9 | 64 |
| February-2006 | 50 | 46 | 4 | 73 |
| February-2005 | 33 | 51 | 15 | 59 |

Commentary: Down seven to 62. We are still very busy.

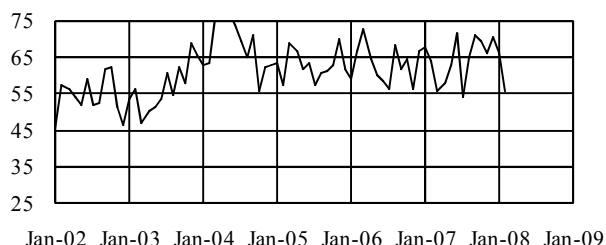
New Orders



Commentary: Up four to 65 this month.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 54 | 23 | 23 | 65 |
| January-2008 | 52 | 19 | 29 | 61 |
| December-2007 | 50 | 32 | 18 | 66 |
| November-2007 | 45 | 32 | 23 | 61 |
| February-2007 | 47 | 34 | 19 | 64 |
| February-2006 | 57 | 30 | 13 | 72 |
| February-2005 | 40 | 43 | 18 | 61 |

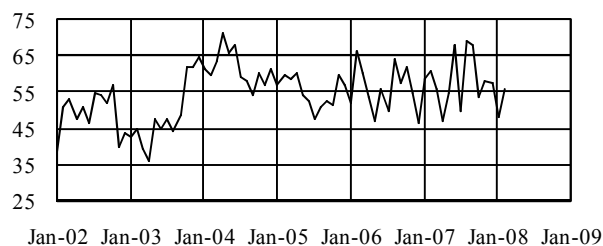
Production



Commentary: Down 10 points to 56 in February.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 46 | 19 | 35 | 56 |
| January-2008 | 48 | 35 | 16 | 66 |
| December-2007 | 53 | 35 | 12 | 71 |
| November-2007 | 45 | 42 | 13 | 66 |
| February-2007 | 44 | 41 | 16 | 64 |
| February-2006 | 40 | 53 | 7 | 67 |
| February-2005 | 30 | 55 | 15 | 58 |

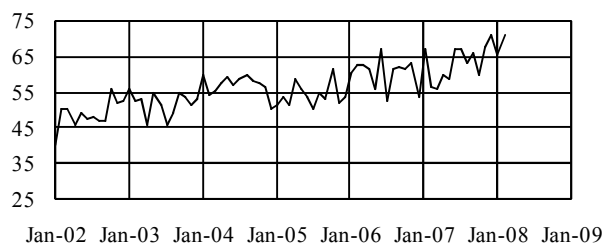
Backlog



Commentary: An eight point increase to 56.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 31 | 50 | 19 | 56 |
| January-2008 | 23 | 52 | 26 | 48 |
| December-2007 | 35 | 44 | 21 | 57 |
| November-2007 | 29 | 58 | 13 | 58 |
| February-2007 | 41 | 41 | 19 | 61 |
| February-2006 | 47 | 40 | 13 | 67 |
| February-2005 | 38 | 45 | 18 | 60 |

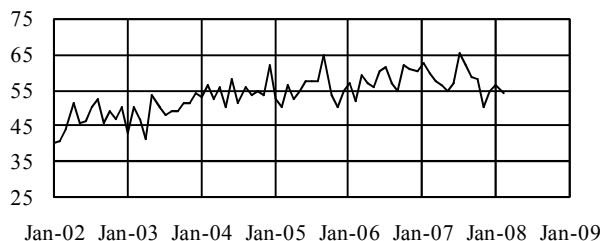
Capital Expenditures



Commentary: A nice six point increase to 71.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 42 | 58 | 0 | 71 |
| January-2008 | 37 | 57 | 7 | 65 |
| December-2007 | 41 | 59 | 0 | 71 |
| November-2007 | 35 | 65 | 0 | 68 |
| February-2007 | 16 | 81 | 3 | 56 |
| February-2006 | 25 | 75 | 0 | 63 |
| February-2005 | 18 | 73 | 10 | 54 |

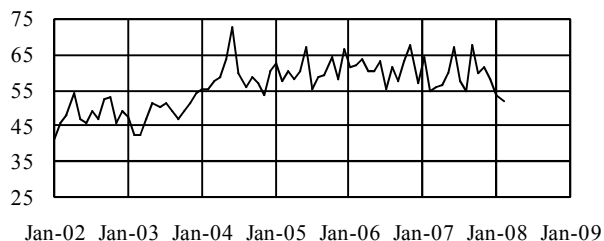
White Collar Employment



Commentary: Down two points to 54.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 12 | 85 | 4 | 54 |
| January-2008 | 23 | 68 | 10 | 56 |
| December-2007 | 15 | 79 | 6 | 54 |
| November-2007 | 6 | 87 | 6 | 50 |
| February-2007 | 19 | 81 | 0 | 59 |
| February-2006 | 10 | 83 | 7 | 52 |
| February-2005 | 10 | 80 | 10 | 50 |

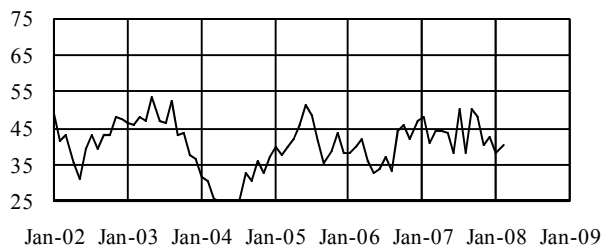
Blue Collar Employment



Commentary: A one point drop to 52. Barely growing.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 15 | 73 | 12 | 52 |
| January-2008 | 13 | 81 | 6 | 53 |
| December-2007 | 22 | 72 | 6 | 58 |
| November-2007 | 32 | 58 | 10 | 61 |
| February-2007 | 16 | 78 | 6 | 55 |
| February-2006 | 27 | 70 | 3 | 62 |
| February-2005 | 20 | 75 | 5 | 58 |

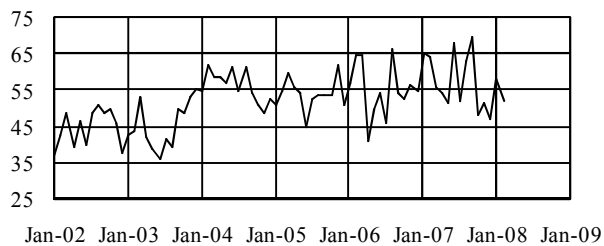
Supplier Lead Times



Commentary: Up two points to 40. Still too slow.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 27 | 65 | 8 | 40 |
| January-2008 | 23 | 77 | 0 | 38 |
| December-2007 | 21 | 74 | 6 | 43 |
| November-2007 | 26 | 68 | 6 | 40 |
| February-2007 | 19 | 81 | 0 | 41 |
| February-2006 | 20 | 80 | 0 | 40 |
| February-2005 | 28 | 70 | 3 | 38 |

Inventory Levels



Commentary: A six point drop to 52. Still growing, but very slow.

| Date | Increase % | Same % | Decrease % | Index |
|---------------|------------|--------|------------|-------|
| February-2008 | 35 | 35 | 31 | 52 |
| January-2008 | 40 | 37 | 23 | 58 |
| December-2007 | 32 | 29 | 38 | 47 |
| November-2007 | 30 | 43 | 27 | 52 |
| February-2007 | 41 | 47 | 13 | 64 |
| February-2006 | 47 | 37 | 17 | 65 |
| February-2005 | 35 | 40 | 25 | 55 |