

BUSINESS SURVEY REPORT

October - 2007

The Seasonally Adjusted Milwaukee Index is down seven points to a still healthy 63. New Orders Received dropped nineteen points to 62. Production is down two points to 69. Backlog dropped four-teen points to 54 this month. Supplier Lead Times declined two points to 48. Blue Collar Employment went down seven points to 60.

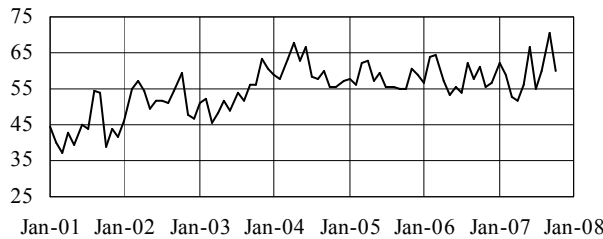
White Collar Employment dropped a point to 58. Inventory Levels had a large drop. It is down twenty-two points to 48. Capital Equipment dropped six points to 60 this month. There was a one point drop in Level of Purchasing Activities.

It is now at 70.

The Prices Paid Index increased a point to 56. Nine declined, one did not change and eleven dropped. Ten are above 50, two at 50 and nine below. Fuel went down thirty-eight and Petroleum and Petro-leum dropped twenty-three. Castings are down four-teen and Forgings

declined eleven, Precious Metal increased thirty-nine to 83 and Copper is up twenty-nine to 75. Corrugated-Packaging increased eighteen points and Printing Paper is up nine points.

Milwaukee Index



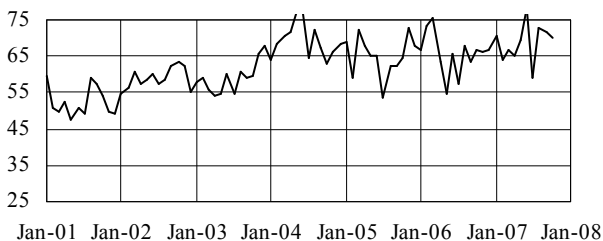
Date	Index
October-2007	60
September-2007	70
August-2007	60
July-2007	55
October-2006	61
October-2005	55
October-2004	56

Commodity Price Index

Aluminum	41	Electronic Components	58	Plastics	68
Casting	40	Forgings	50	Plating	44
Chemicals	77	Fuel	29	Precious Metals	83
Computer Hardware/Software	41	Hydraulic Componentets	50	Printing Paper	63
Copper, Brass, Bronze	75	Office Supplies	46	Rubber Products	55
Corrugated/Packaging	94	Petroleum Products	50	Stampings	54
Electric Motors/Transformers	63	Piping & Tubing	46	Ferrous (Steel, Stainless)	44

Commentary:
The average is up a point to 56 this month.

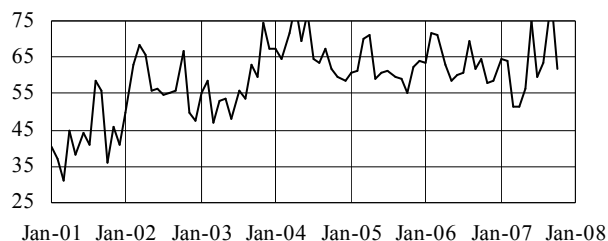
Level of Purchasing Activities



Date	Increase %	Same %	Decrease %	Index
October-2007	48	44	8	70
September-2007	46	50	4	71
August-2007	48	48	3	73
July-2007	33	52	15	59
October-2006	39	55	6	67
October-2005	44	41	15	65
October-2004	40	45	14	63

Commentary: A one point drop to 70. Still busy.

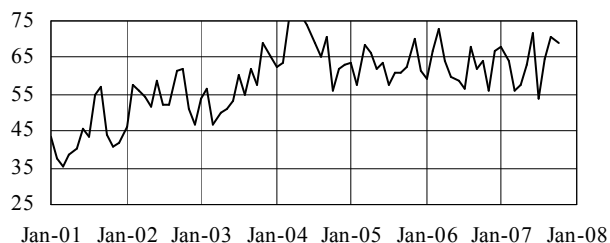
New Orders



Commentary: A 19 point drop, but still a healthy 62.

Date	Increase %	Same %	Decrease %	Index
October-2007	46	31	23	62
September-2007	72	17	10	81
August-2007	41	44	15	63
July-2007	35	50	15	60
October-2006	40	49	11	64
October-2005	32	46	21	55
October-2004	37	49	14	62

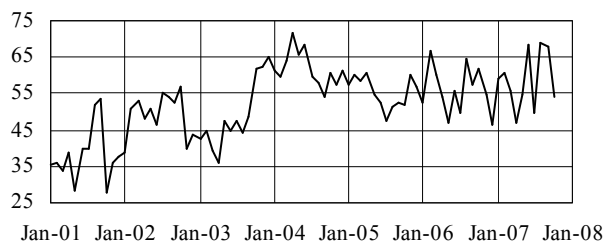
Production



Commentary: Down two points to 69. Still strong.

Date	Increase %	Same %	Decrease %	Index
October-2007	58	23	19	69
September-2007	52	38	10	71
August-2007	41	47	12	65
July-2007	31	46	23	54
October-2006	37	54	9	64
October-2005	32	61	7	63
October-2004	30	51	19	56

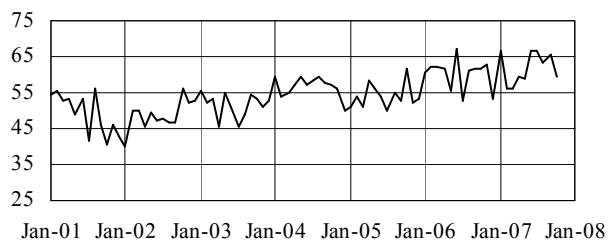
Backlog



Commentary: A 14 point decline to 54. Still growing, but slow.

Date	Increase %	Same %	Decrease %	Index
October-2007	27	54	19	54
September-2007	43	50	7	68
August-2007	50	38	12	69
July-2007	27	46	27	50
October-2006	38	47	15	62
October-2005	29	46	25	52
October-2004	35	51	14	60

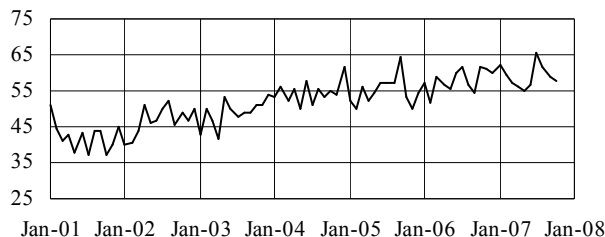
Capital Expenditures



Commentary: Down six points to 60. Still quite healthy.

Date	Increase %	Same %	Decrease %	Index
October-2007	31	58	12	60
September-2007	34	62	3	66
August-2007	29	68	3	63
July-2007	37	59	4	67
October-2006	29	66	6	61
October-2005	23	77	0	62
October-2004	19	76	5	57

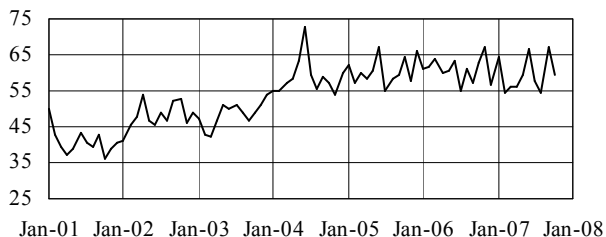
White Collar Employment



Commentary: A one point drop to 58 this month.

Date	Increase %	Same %	Decrease %	Index
October-2007	24	68	8	58
September-2007	24	69	7	59
August-2007	26	71	3	62
July-2007	31	69	0	65
October-2006	24	76	0	62
October-2005	18	71	11	54
October-2004	12	86	2	55

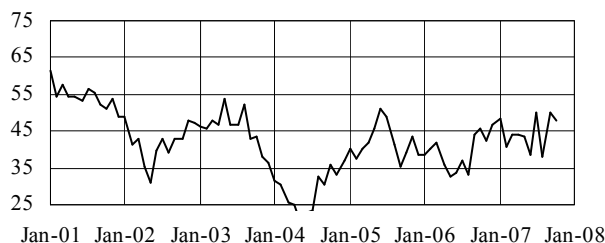
Blue Collar Employment



Commentary: Down seven points to 60. Still not bad.

Date	Increase %	Same %	Decrease %	Index
October-2007	23	73	4	60
September-2007	38	59	3	67
August-2007	21	68	12	54
July-2007	27	62	12	58
October-2006	26	74	0	63
October-2005	32	64	4	64
October-2004	19	77	5	57

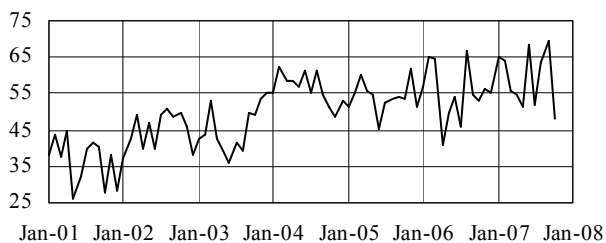
Supplier Lead Times



Commentary: Down two to 48.

Date	Increase %	Same %	Decrease %	Index
October-2007	15	73	12	48
September-2007	7	86	7	50
August-2007	26	71	3	38
July-2007	15	69	15	50
October-2006	14	80	6	46
October-2005	26	70	4	39
October-2004	28	72	0	36

Inventory Levels



Commentary: A very significant 22 point decline. Now at 48.

Date	Increase %	Same %	Decrease %	Index
October-2007	27	42	31	48
September-2007	50	39	11	70
August-2007	44	38	18	63
July-2007	38	27	35	52
October-2006	34	37	29	53
October-2005	26	56	19	54
October-2004	30	42	28	51