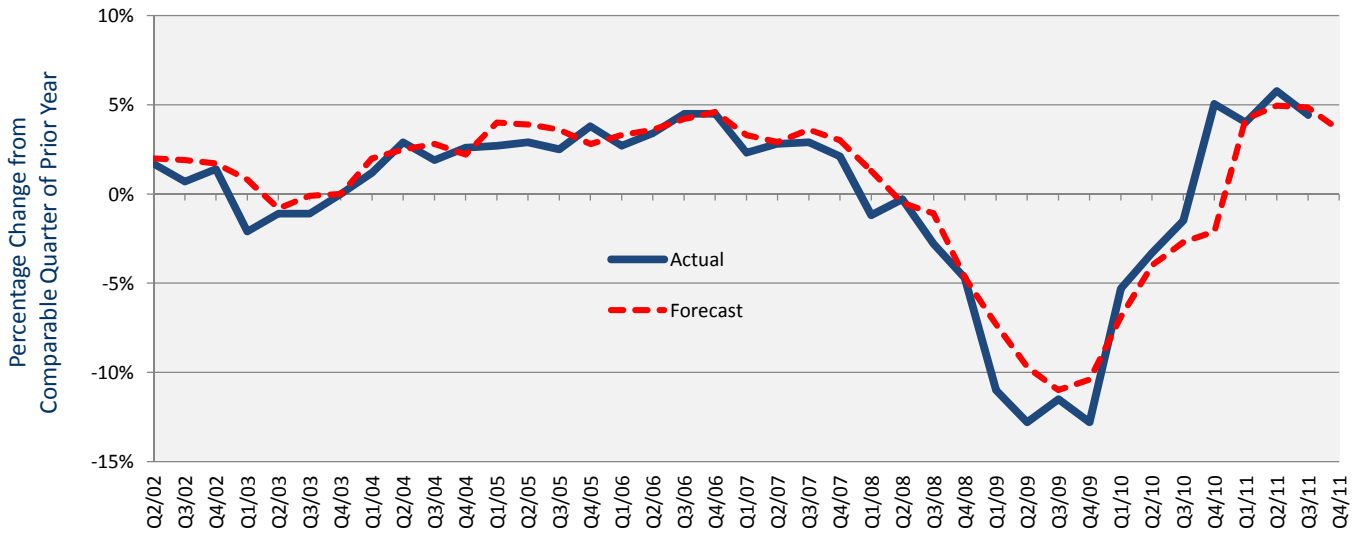


# MAFSI businessbarometer

The industry's definitive non-food sales/trend indicator

Q3/11 Report

## Overall Sales Per Quarter



## Q3/11 MAFSI Business Barometer Indicates Slower Growth

*Q4 forecast calls for more moderate growth at 3.6%*

Overall sales for Q3/11 compared with Q3/10 grew by 4.4%, slower than the previous quarter's report of 5.7% and less than the 4.8% level that had been forecasted. Nevertheless, this marked the fourth consecutive quarterly increase after three years of contraction. While sales are still tracking positively, growth seems to be moderating.

On a regional basis, sales increases varied from 5.6% in the Midwest, 4.9% in the West, 4.7% in the Northeast (7.3% last quarter), 3.4% in the South and only 2.6% in Canada. This is the first time that Canada has ranked behind all areas of the United States.

By product categories, overall sales growth ranged from 5.0% in equipment, to 3.3% in furnishings, 3.1% in supplies and 2.7% in tabletop.

MAFSI Reps are predicting slower growth of 3.6% in the fourth quarter.

Of growing concern is the reported shrinking of backlogs as well as a slowing down of consultant activity. Only 45.2% report that they are quoting more as opposed to 69.4% just six months ago. Furthermore 26.8% of reps report less consultant activity versus just 8.3% six months ago.

The stubbornly high unemployment rate particularly in the manufacturing sector, the continued political pre-election stalemate, the soft housing market as well as European concerns are all serving to take the bloom off of the rose of a full scale economic recovery. There are some positives like stronger auto sales, an increase in disposable income, low interest rates, and better corporate earnings to name a few. - *Written/compiled by Michael R. Posternak.*

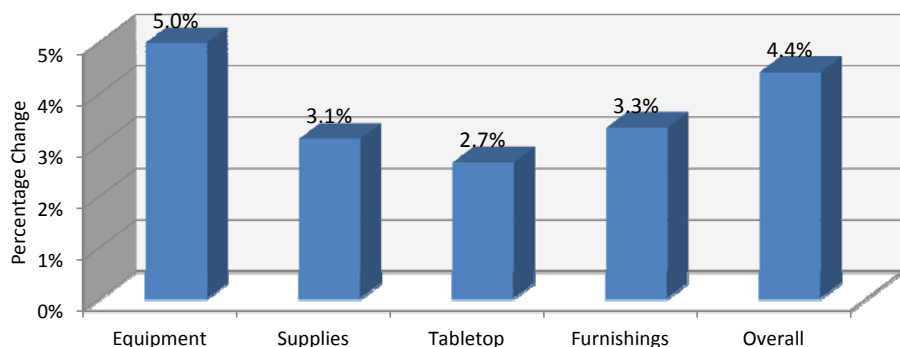
**MAFSI Business Confidence Index for 4th Quarter 2011**  
Oct 1 - Dec 31 compared to 4th Quarter 2010

**All Regions**  
**3.6%**

**MAFSI Business Confidence Index for 2011**  
Compared to 2010

**Overall**  
**5.8%**

## 3rd Quarter 2011 Overall Sales Jul 1 - Sep 30 compared to 3rd Quarter 2010



# MAFSI businessbarometer

## Projected 4th Quarter 2011 Sales Percentage Change

Oct 1 - Dec 31 compared to 4th Quarter 2010

**Northeast**  
3.3%

**South**  
0.8%

**Midwest**  
3.7%

**West**  
4.8%

**Canada**  
6.1%

## Projected 2011 Overall Sales Percentage Change Forecast

Compared to Overall Sales for 2010

**Northeast**  
7.1%

**South**  
3.2%

**Midwest**  
6.0%

**West**  
5.7%

**Canada**  
7.0%

## 3rd Quarter 2011 Overall Sales Percentage Change

Jul 1 - Sep 30 compared to 3rd Quarter 2010

