

EFC Weekly Pulse - Customer Supply / Demand - RESULTS - September 25th



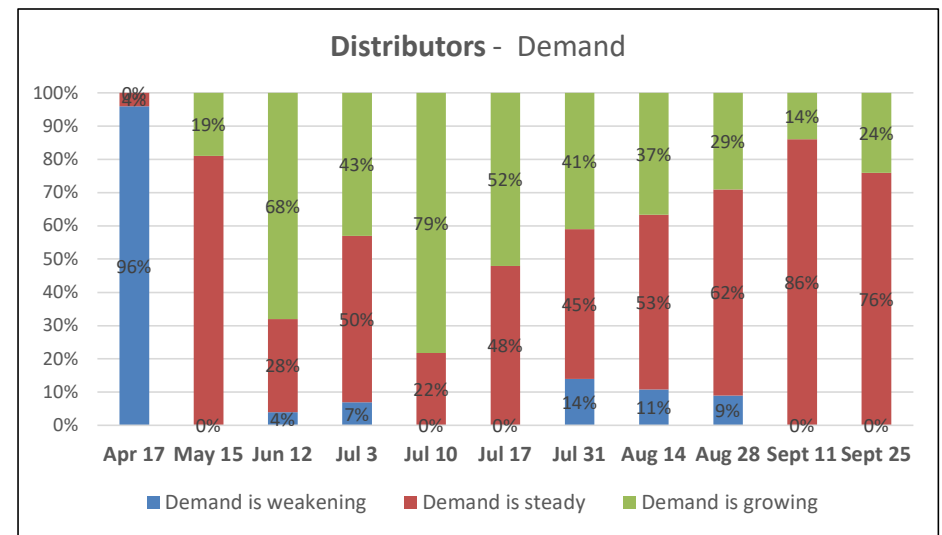
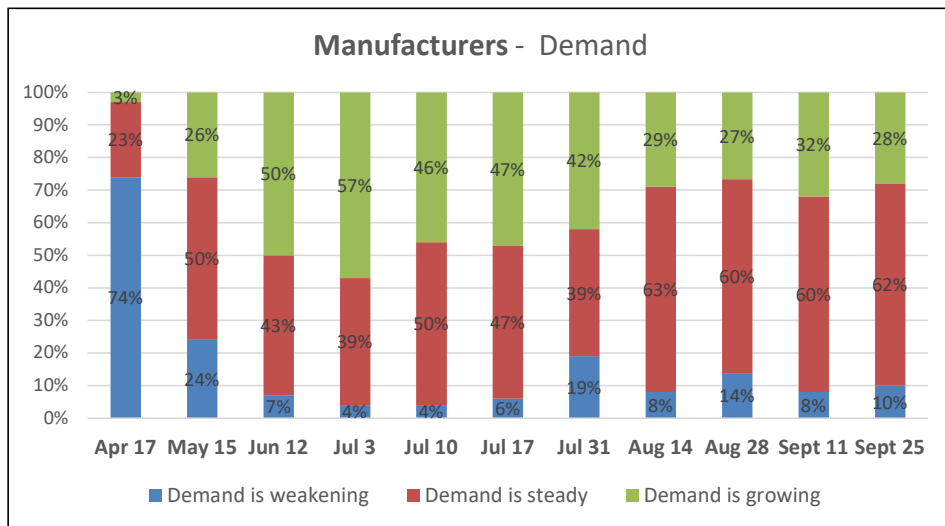
Please find the latest comparison data on the weekly supply and demand pulse. This poll is meant to be a snapshot of the industry at that point in time.

All EFC Manufacturers and Distributors are invited to provide input, however we are not closely tracking which companies are responding each week, thus the results will fluctuate based on that week's make up.

EFC will continue to monitor the status of our industry for the weeks to come. We encourage you to continue to provide input. THANK YOU !

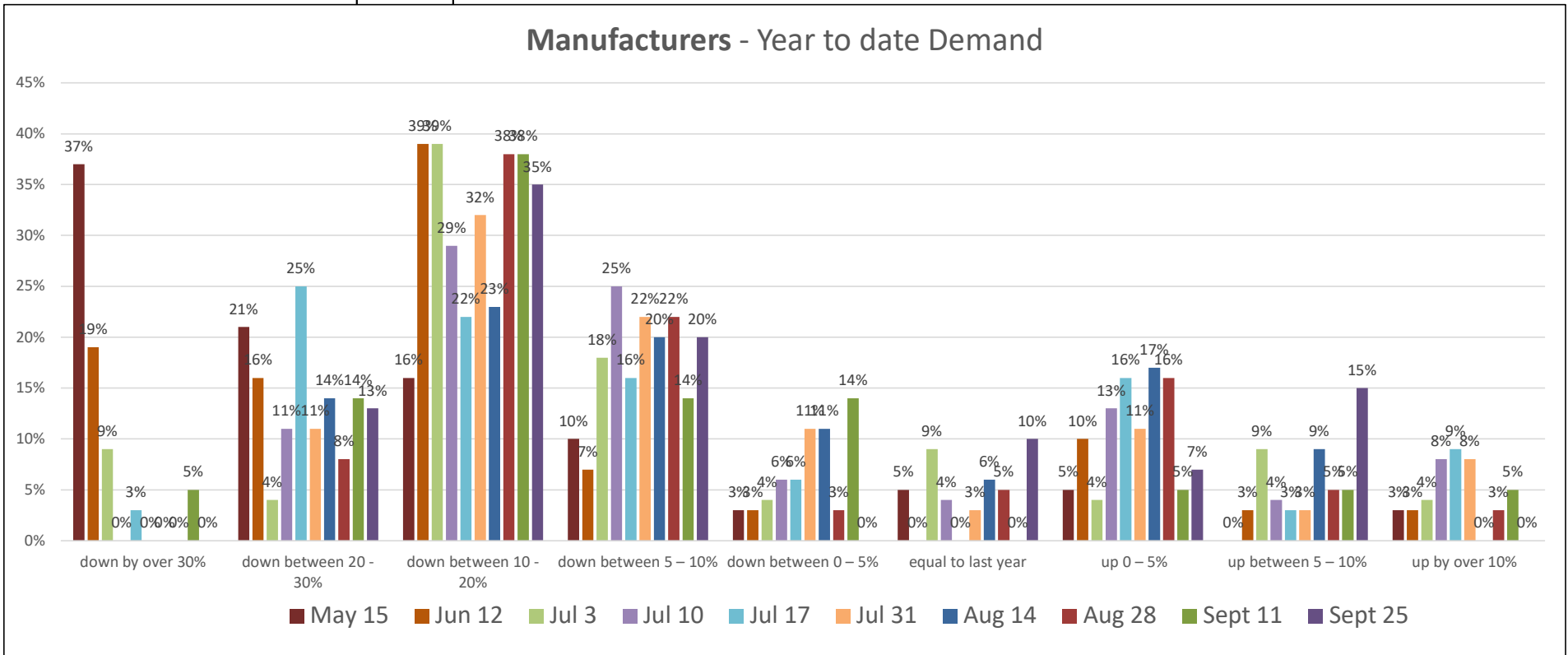
MANUFACTURERS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sept 11	Sept 25	Change from
Demand is weakening	74%	24%	7%	4%	4%	6%	19%	8%	14%	8%	10%	2%
Demand is steady	23%	50%	43%	39%	50%	47%	39%	63%	60%	60%	62%	2%
Demand is growing	3%	26%	50%	57%	46%	47%	42%	29%	27%	32%	28%	-4%

DISTRIBUTORS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sept 11	Sept 25	Change from
Demand is weakening	96%	0%	4%	7%	0%	0%	14%	11%	9%	0%	0%	0%
Demand is steady	4%	81%	28%	50%	22%	48%	45%	53%	62%	86%	76%	-10%
Demand is growing	0%	19%	68%	43%	79%	52%	41%	37%	29%	14%	24%	10%



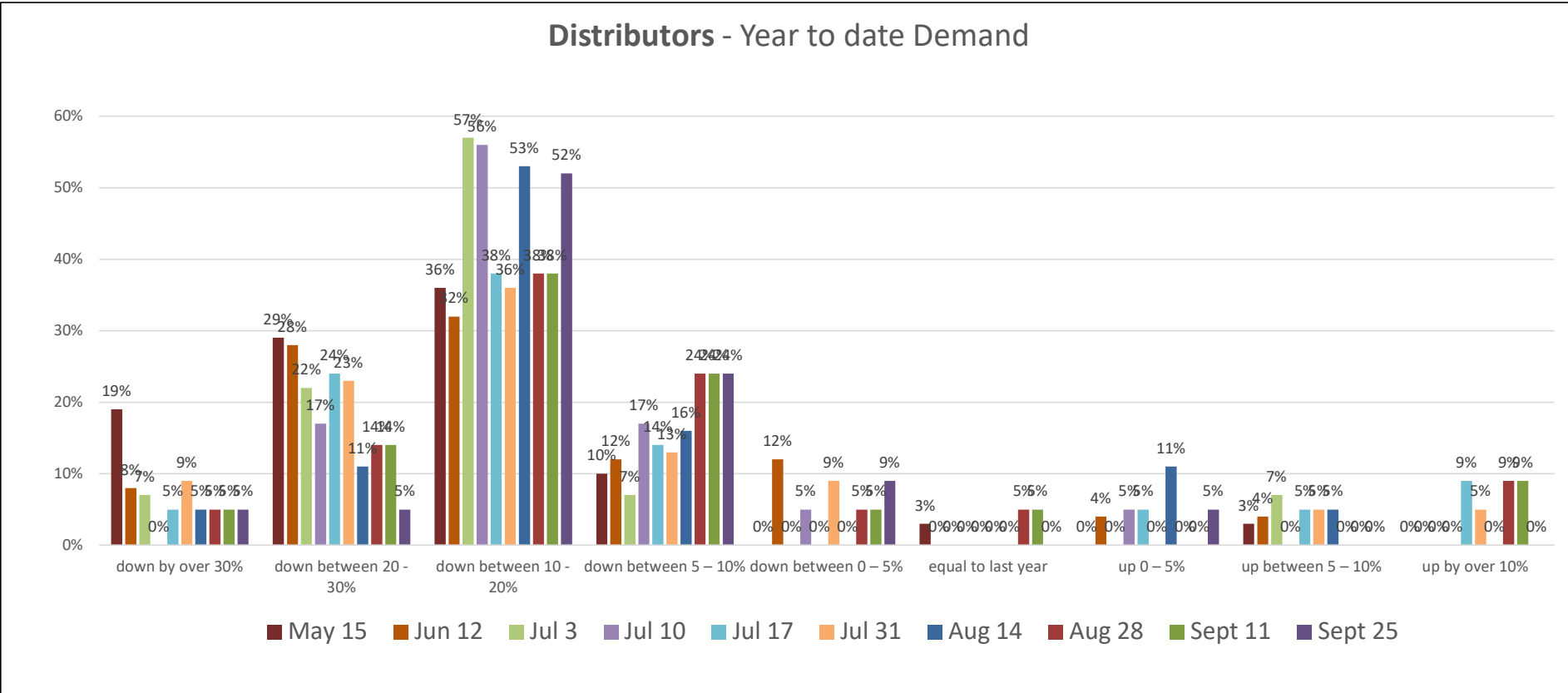
Q2. Please indicate the status of DEMAND as it relates to your business on a YTD basis:

MANUFACTURERS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sept 11	Sept 25
down by over 50%	23%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
down by over 30%	17%	37%	19%	9%	0%	3%	0%	0%	0%	5%	0%
down between 20 - 30%	27%	21%	16%	4%	11%	25%	11%	14%	8%	14%	13%
down between 10 - 20%	17%	16%	39%	39%	29%	22%	32%	23%	38%	38%	35%
ST down by over 10%	84%	74%	74%	52%	40%	50%	43%	37%	46%	57%	48%
down between 5 – 10%	3%	10%	7%	18%	25%	16%	22%	20%	22%	14%	20%
down between 0 – 5%	10%	3%	3%	4%	6%	6%	11%	11%	3%	14%	0%
equal to last year	3%	5%	0%	9%	4%	0%	3%	6%	5%	0%	10%
up 0 – 5%	0%	5%	10%	4%	13%	16%	11%	17%	16%	5%	7%
up between 5 – 10%	0%	0%	3%	9%	4%	3%	3%	9%	5%	5%	15%
up by over 10%	0%	3%	3%	4%	8%	9%	8%	0%	3%	5%	0%



Q2. Please indicate the status of DEMAND as it relates to your business on a YTD basis:

DISTRIBUTORS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sept 11	Sept 25
down by over 50%	9%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
down by over 30%	30%	19%	8%	7%	0%	5%	9%	5%	5%	5%	5%
down between 20 - 30%	22%	29%	28%	22%	17%	24%	23%	11%	14%	14%	5%
down between 10 - 20%	35%	36%	32%	57%	56%	38%	36%	53%	38%	38%	52%
ST down by over 10%	96%	84%	68%	86%	73%	67%	68%	69%	57%	57%	62%
down between 5 – 10%	4%	10%	12%	7%	17%	14%	13%	16%	24%	24%	24%
down between 0 – 5%	0%	0%	12%	0%	5%	0%	9%	0%	5%	5%	9%
equal to last year	0%	3%	0%	0%	0%	0%	0%	0%	5%	5%	0%
up 0 – 5%	0%	0%	4%	0%	5%	5%	0%	11%	0%	0%	5%
up between 5 – 10%	0%	3%	4%	7%	0%	5%	5%	5%	0%	0%	0%
up by over 10%	0%	0%	0%	0%	0%	9%	5%	0%	9%	9%	0%



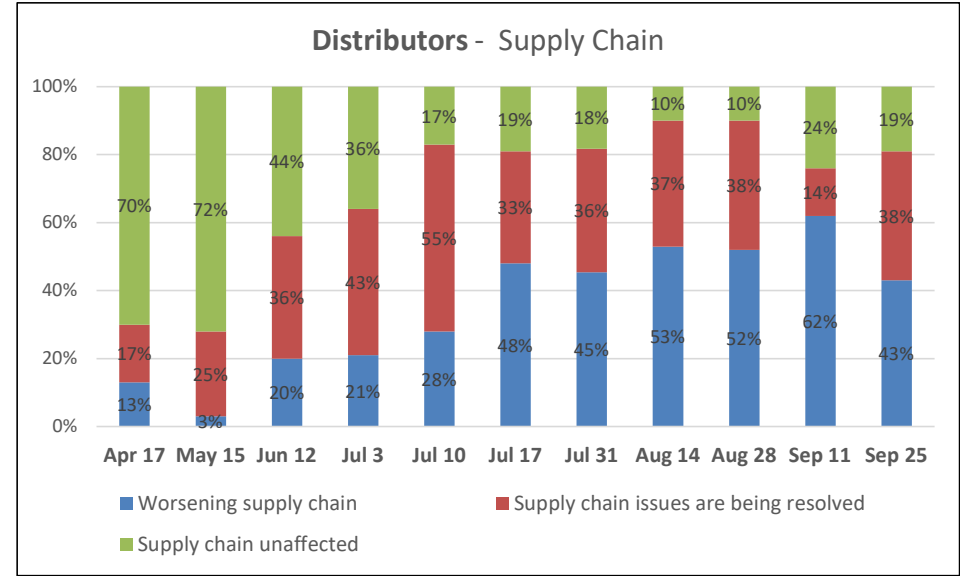
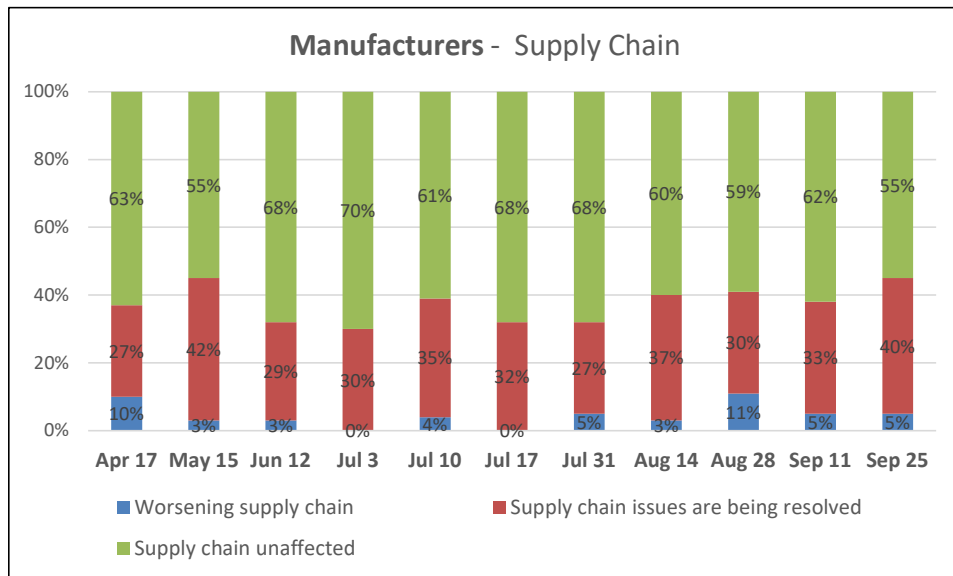
Q3. Please check the box that describes the status of the supply chain for your products/services:

MANUFACTURERS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sep 11	Sep 25
Worsening supply chain	10%	3%	3%	0%	4%	0%	5%	3%	11%	5%	5%
Supply chain issues are being resolved	27%	42%	29%	30%	35%	32%	27%	37%	30%	33%	40%
Supply chain unaffected	63%	55%	68%	70%	61%	68%	68%	60%	59%	62%	55%

Change from Prev
0%
7%
-7%

DISTRIBUTORS	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sep 11	Sep 25
Worsening supply chain	13%	3%	20%	21%	28%	48%	45%	53%	52%	62%	43%
Supply chain issues are being resolved	17%	25%	36%	43%	55%	33%	36%	37%	38%	14%	38%
Supply chain unaffected	70%	72%	44%	36%	17%	19%	18%	10%	10%	24%	19%

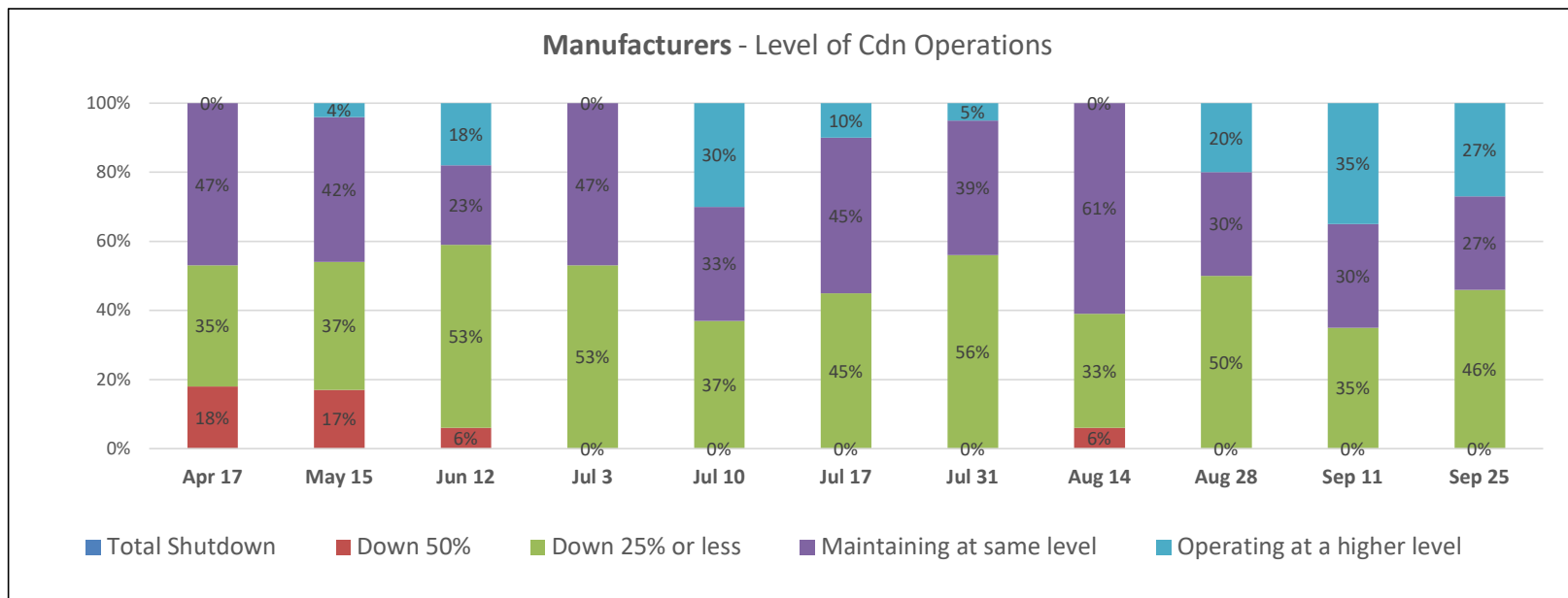
Change from Prev
-19%
24%
-5%



Q4. If applicable, What level are you Canadian Operations at? (versus January & February average)

Results based on those with manufacturing facilities only

	Apr 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sep 11	Sep 25
Total Shutdown	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Down 50%	18%	17%	6%	0%	0%	0%	0%	6%	0%	0%	0%
Down 25% or less	35%	37%	53%	53%	37%	45%	56%	33%	50%	35%	46%
Maintaining at same level	47%	42%	23%	47%	33%	45%	39%	61%	30%	30%	27%
Operating at a higher level	0%	4%	18%	0%	30%	10%	5%	0%	20%	35%	27%



Q5. Are you currently reviewing your supply chains to focus more on domestic manufacturing components/products?

MANUFACTURERS
Yes
No
Under Consideration

Aug 14	Aug 28	Sep 11	Sep 25
26%	21%	22%	18%
51%	49%	57%	49%
23%	30%	22%	33%

DISTRIBUTORS
Yes
No
Under Consideration

Aug 14	Aug 28	Sep 11	Sep 25
26%	43%	29%	25%
42%	33%	52%	40%
32%	24%	19%	35%

Survey Responses	April 17	May 15	Jun 12	Jul 3	Jul 10	Jul 17	Jul 31	Aug 14	Aug 28	Sep 11	Sep 25
Manufacturers	30	38	31	23	48	32	37	35	37	37	40
Distributors	23	32	25	14	18	21	22	19	21	21	21

COMMENT SECTION

Sept 25

Manufacturers

get us border open

Distributors

Supply chain is getting to be a very big challenge

Where is the supplier leadership, where have you gone? As a general statement, many suppliers who have been very visible in the past seem to have disappeared and are struggling to find ways to connect in Covid with channel and customers during Covid, especially as supply chain issues have gotten worse through the pandemic. Many suppliers are also increasingly sensitive / defensive (even insulted) about when we address the operational performance Issues we are facing; rather than being open, proactive and communicative about their supply issues. We're experiencing a significant step back in national or regional Supplier teams actively engaged / communicating with the channel partners. Few suppliers are proactively working with distributor branches/teams or customers in the trenches actively communicating to grow the business or solve problems. As a general statement, it does seem that suppliers that are working through agents are giving better (more timely, engaged, proactive) service to channel partners and customers. Well done agents!

Covid is affecting normal day to day business. Highlighting the importance of this through some questions, would help to maintain the focus on this.

Sept 11

Manufacturers

Include demand by region (West, Central, East)

get the us border open and people travelling again

Distributors

August was weaker than expected so hoping Sept shows good improvement.

Aug 28

Manufacturers

India is a major problem!

Action Plan in event of a fall resurgence

get the borders open!

Acceleration of major infrastructure projects like LRT and the electrification of transport

Distributors

Maybe how is a lack of direct contact with: a) customers b), effecting day to day business, sales calls etc.

Aug 14

Manufacturers

Concerns regarding wearing masks and a fall resurgence of COVID-19

This would be a question for distributors.....Are they allowing vendor/supplier salesperson visits?

open the us/Canada border!!

A resurgence in the fall may be likely and without a vaccine what measures are expected to be taken this time around

Distributors

The end of CERB should help the economy restart faster.

Jul 31st

Manufacturers

July sales are down but that is due to Quebec construction this month.

pick up in USA oil industry weak

Distributors

Supply chain is becoming an issue as various global facilities are experiencing problems being able to fulfill demand due either to work slowdowns from Covid or are still in a backlog situation and trying to catch up to demand due to plant closures/reduced staffing that occurred in late Q1 and early Q2

QC construction holiday has really hurt the July results

Jul 17th

Manufacturers

A resurgence in the fall is concerning

Distributors

Worsening supplier issues, between stock and errors. Anything out of Mexico is taking a really long time. Worse is the errors, we are not sure if it is the lack of employees or if it is the increase in order (for less dollars) but the are on the rise. Then couriers are probably going crazy but missing packages are on the rise!

Jul 10th

Manufacturers

push on the large infrastructure project

Q3 will be an important measurement back to (a slow) q1

Still have concerns of a potential resurgence in the fall flu season

would be nice that manufacture share the sales calls protocol documents they have established .

Distributors

n/a

Jul 3rd

Manufacturers

Need US border open

Concerned about a resurgence in the fall

Distributors

n/a

Jun 26th

Manufacturers

Expecting a resurgence in the fall, what precautions may be required? What is status of vaccine?

Would be interesting to know if due to general success of work from home during covid-19 if any companies in our industry in distribution and/or manufacturing are thinking to allow employees to permanently work from home in the future.

Distributors

A concerted effort by our industry to request the government to lower the CEWS threshold to 15 or 20%

Jun 19th

Manufacturers

Would be nice to know the position of manufacture and distributors about the outside sales force, are they on the road making calls or most of them are still working from home? if they are on the road are they having difficulties making appointments? Would be nice to know more, you could add a survey about this in your report

Considering plans for Autumn and winter

get the economy open---look to Sweden

Supply chain is not affecting service, but getting employees to work in production and warehouse is proving to be difficult.

Distributors

n/a

Jun 12th

Manufacturers

Get on with opening up

Distributors

Encourage EVERYONE in the industry to lead by example and wear a mask in any business location

Alberta is not recovering at the pace of the other provinces, likely due to oil prices, not COVID19.

Jun 5th

Manufacturers

Things are slowly starting to improve

Public health admin has lost its credibility. Lets get the economy open - gradually.

Distributors

BCAP Loans inevitably end up being high interest loans and at best should only be used out of desperation