

## EFC Pulse - Customer Supply / Demand - RESULTS - March 4th

Please find the latest comparison data on the MONTHLY supply and demand pulse.

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

We encourage you to continue to provide input. THANK YOU !

### Q1. Looking ahead to the next quarter, what are you expectations for your company's sales for quarter 2022 vs. quarter 2021?

	Q1 21 vs. Q1 20			Q4 21 v. Q4 20				Q1 22 vs. Q1 21		
	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
<b>MANUFACTURERS</b>										
Sales down over 10%	5%	0%	0%	0%	0%	5%	0%	0%	5%	0%
Sales down 6 - 10%	11%	10%	11%	0%	0%	0%	3%	0%	2%	3%
Sales down 1% - 5%	21%	10%	5%	0%	7%	0%	3%	3%	5%	11%
No change	13%	10%	11%	5%	3%	13%	3%	8%	7%	0%
Sales up 1% - 5%	26%	23%	39%	21%	23%	23%	26%	32%	19%	31%
Sales up 6 - 10%	18%	36%	18%	26%	20%	30%	40%	37%	28%	31%
Sales up 11 - 20%				26%	37%	15%	20%	13%	26%	14%
Sales up 21 - 30%	5%	10%	16%	13%	7%	10%	3%	5%	2%	3%
Sales up over 30%				10%	3%	5%	3%	3%	7%	6%

	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
	<b>DISTRIBUTORS</b>									
Sales down over 10%	0%	4%	11%	0%	0%	0%	0%	0%	0%	0%
Sales down 6 - 10%	15%	9%	17%	0%	0%	0%	4%	0%	0%	0%
Sales down 1% - 5%	19%	17%	11%	4%	10%	4%	0%	0%	4%	0%
No change	8%	13%	11%	0%	5%	0%	0%	5%	0%	5%
Sales up 1% - 5%	42%	22%	28%	0%	25%	7%	12%	14%	13%	0%
Sales up 6 - 10%	0%	26%	6%	25%	10%	21%	32%	41%	42%	38%
Sales up 11 - 20%				32%	35%	39%	28%	36%	21%	38%
Sales up 21 - 30%	15%	9%	17%	21%	15%	14%	12%	5%	17%	14%
Sales up over 30%				18%	0%	14%	12%	0%	4%	5%

	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
	<b>COMBINED</b>									
Sales down over 10%	3%	2%	4%	0%	0%	3%	0%	0%	3%	0%
Sales down 6 - 10%	13%	10%	13%	0%	0%	0%	3%	0%	1%	2%
Sales down 1% - 5%	20%	13%	7%	1%	8%	1%	2%	2%	4%	7%
No change	11%	11%	11%	3%	4%	7%	2%	7%	4%	2%
Sales up 1% - 5%	33%	23%	36%	12%	24%	16%	20%	25%	16%	20%
Sales up 6 - 10%	11%	32%	14%	25%	16%	26%	37%	38%	33%	34%
Sales up 11 - 20%				28%	36%	25%	23%	22%	24%	23%
Sales up 21 - 30%	9%	10%	16%	16%	10%	12%	7%	5%	7%	7%
Sales up over 30%				13%	2%	9%	7%	2%	6%	5%

**Q3. What are your expectations for your company's sales for 2022 vs. 2021?**

<b>MANUFACTURERS</b>
Sales down over 10%
Sales down 6 - 10%
Sales down 1% - 5%
No change
Sales up 1% - 5%
Sales up 6 - 10%
Sales up 11 - 20%
Sales up 21 - 30%
Sales up over 30%

Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
0%	0%	0%	0%	0%	0%	0%
3%	7%	3%	3%	0%	0%	3%
0%	3%	0%	3%	0%	7%	0%
0%	3%	5%	0%	3%	0%	9%
28%	30%	25%	20%	26%	14%	14%
46%	37%	40%	46%	39%	39%	43%
18%	20%	25%	26%	29%	27%	26%
0%	0%	3%	3%	0%	9%	6%
5%	0%	0%	0%	3%	5%	0%

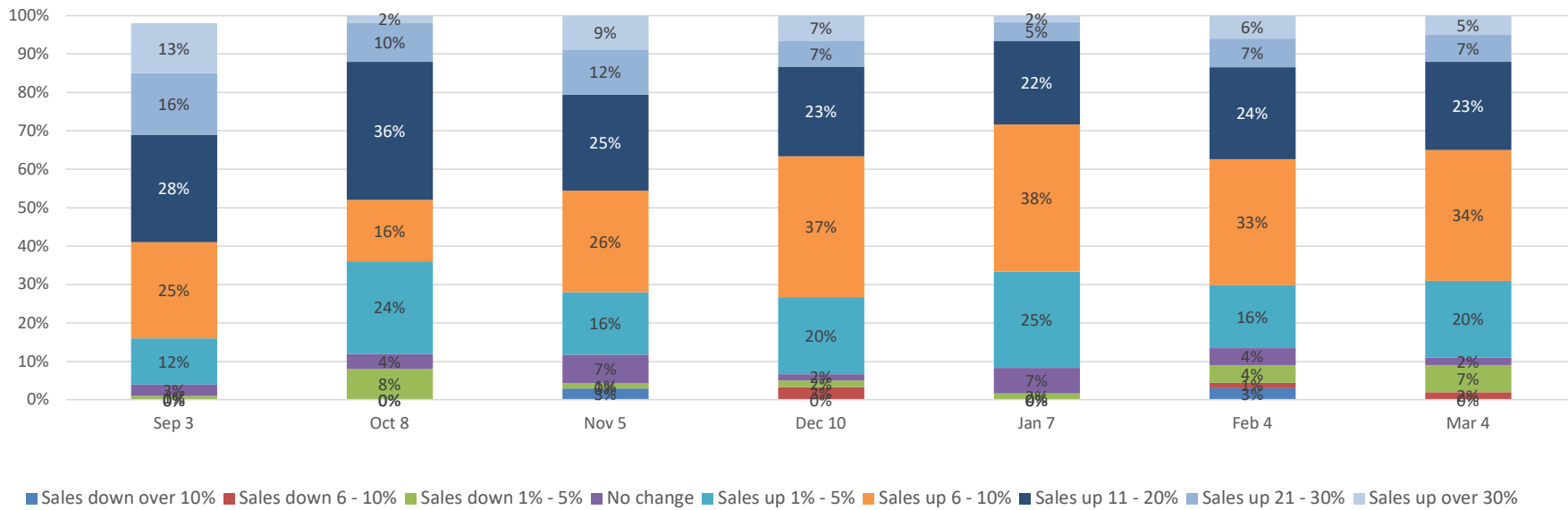
<b>DISTRIBUTORS</b>
Sales down over 10%
Sales down 6 - 10%
Sales down 1% - 5%
No change
Sales up 1% - 5%
Sales up 6 - 10%
Sales up 11 - 20%
Sales up 21 - 30%
Sales up over 30%

Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
11%	5%	4%	4%	5%	0%	5%
39%	30%	14%	8%	14%	13%	5%
25%	40%	57%	52%	50%	33%	57%
18%	25%	18%	28%	32%	46%	29%
4%	0%	0%	8%	0%	4%	0%
4%	0%	7%	0%	0%	4%	5%

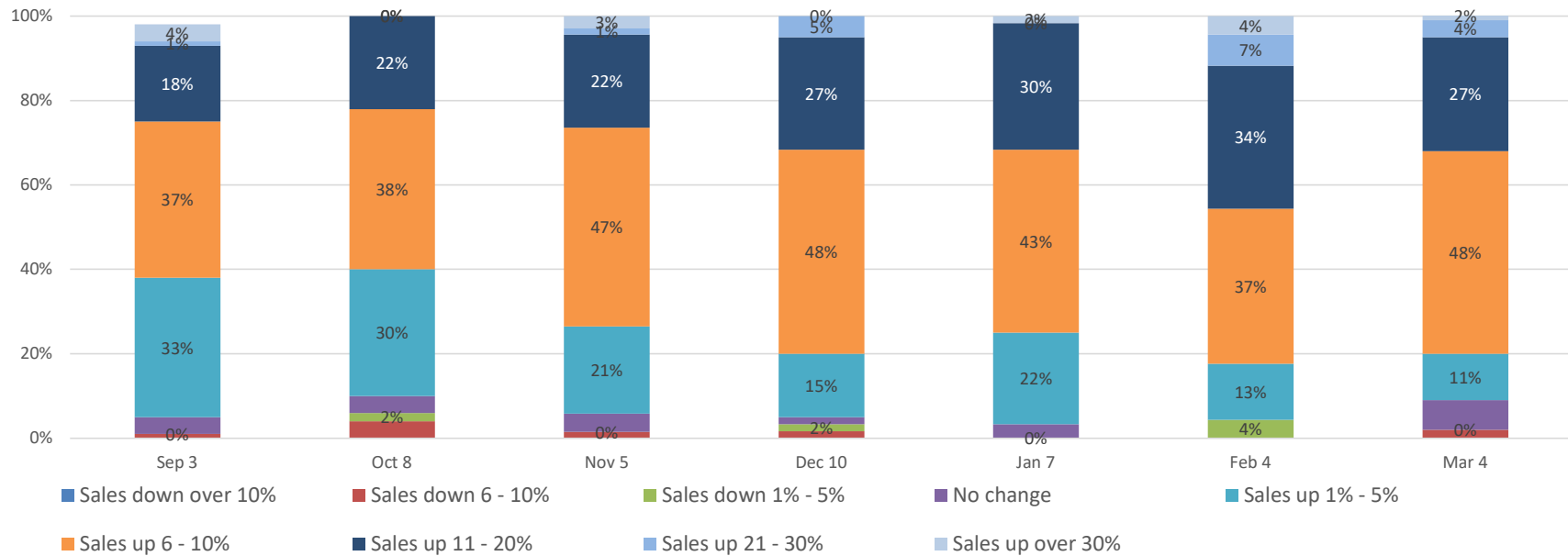
<b>COMBINED</b>
Sales down over 10%
Sales down 6 - 10%
Sales down 1% - 5%
No change
Sales up 1% - 5%
Sales up 6 - 10%
Sales up 11 - 20%
Sales up 21 - 30%
Sales up over 30%

Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
0%	0%	0%	0%	0%	0%	0%
1%	4%	1%	2%	0%	0%	2%
0%	2%	0%	2%	0%	4%	0%
4%	4%	4%	2%	3%	0%	7%
33%	30%	21%	15%	22%	13%	11%
37%	38%	47%	48%	43%	37%	48%
18%	22%	22%	27%	30%	34%	27%
1%	0%	1%	5%	0%	7%	4%
4%	0%	3%	0%	2%	4%	2%

**Latest Expectations for your company's sales for the next Quarter vs. previous year**  
(Manufacturers & Distributors combined)

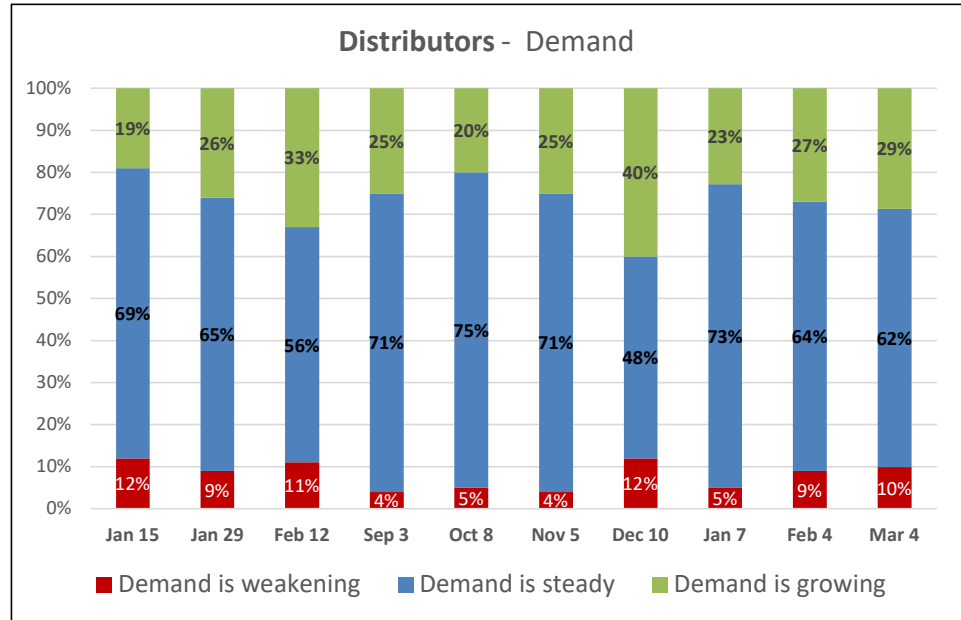
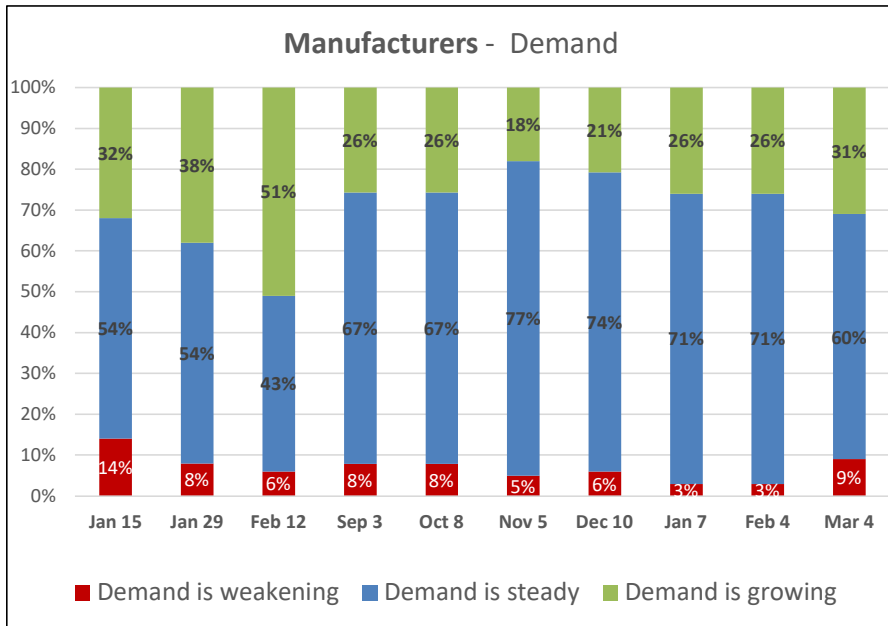


**Latest Expectations for your company's sales 2022 vs. 2021**  
(Manufacturers & Distributors combined)



**Q4. Please indicate the status of DEMAND as it relates to your business on a YTD basis:**

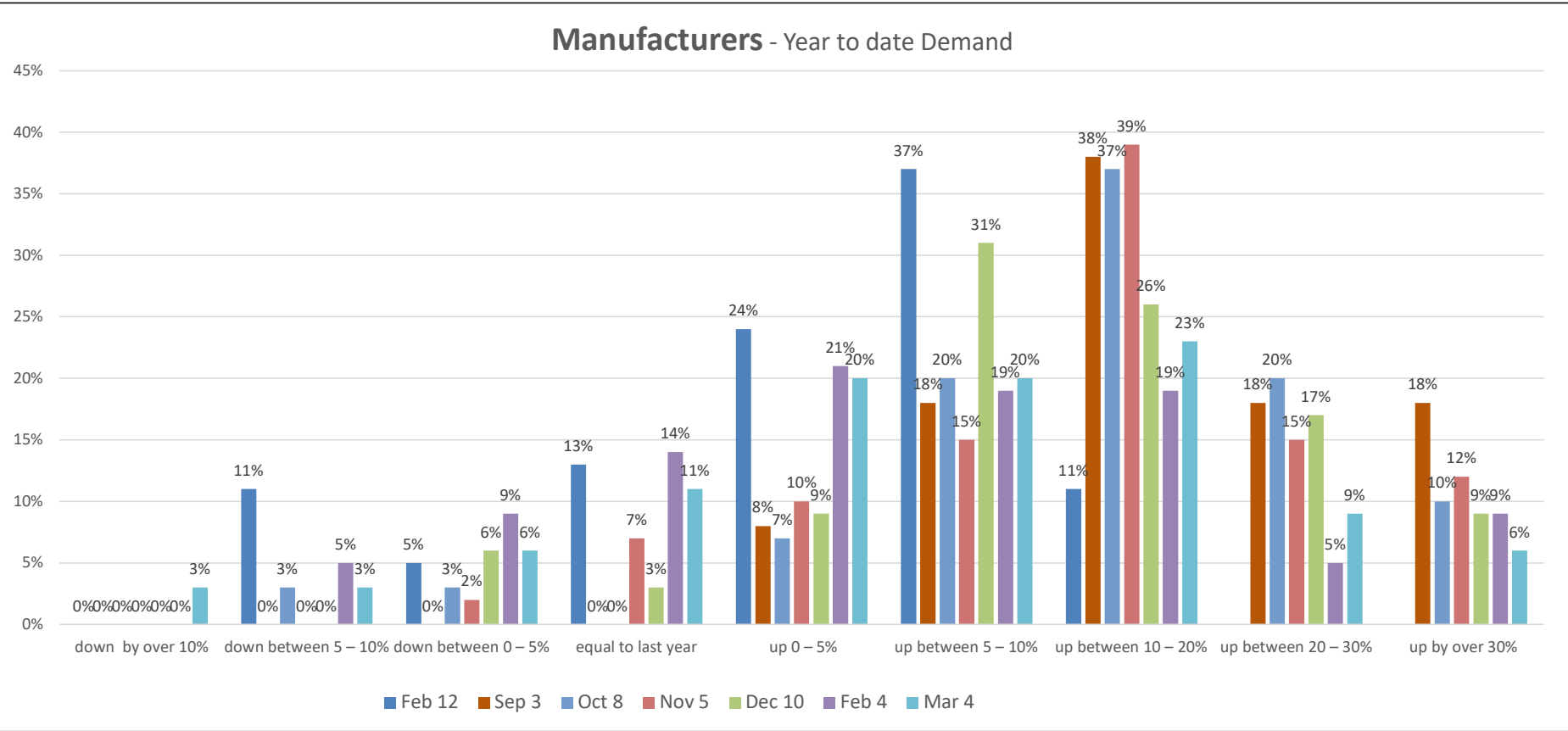
	2021							2022			Change from Previous
	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4	
<b>MANUFACTURERS</b>											
Demand is weakening	14%	8%	6%	8%	8%	5%	6%	3%	3%	9%	6%
Demand is steady	54%	54%	43%	67%	67%	77%	74%	71%	71%	60%	-11%
Demand is growing	32%	38%	51%	26%	26%	18%	21%	26%	26%	31%	5%
<b>DISTRIBUTORS</b>											
Demand is weakening	12%	9%	11%	4%	5%	4%	12%	5%	9%	10%	1%
Demand is steady	69%	65%	56%	71%	75%	71%	48%	73%	64%	62%	-2%
Demand is growing	19%	26%	33%	25%	20%	25%	40%	23%	27%	29%	2%



**Q4. Please indicate the status of demand as it relates to your business on a Year-to-date (January to now) basis**

<b>MANUFACTURERS</b>
down by over 10%
down between 5 – 10%
down between 0 – 5%
equal to last year
up 0 – 5%
up between 5 – 10%
up between 10 – 20%
up between 20 – 30%
up by over 30%

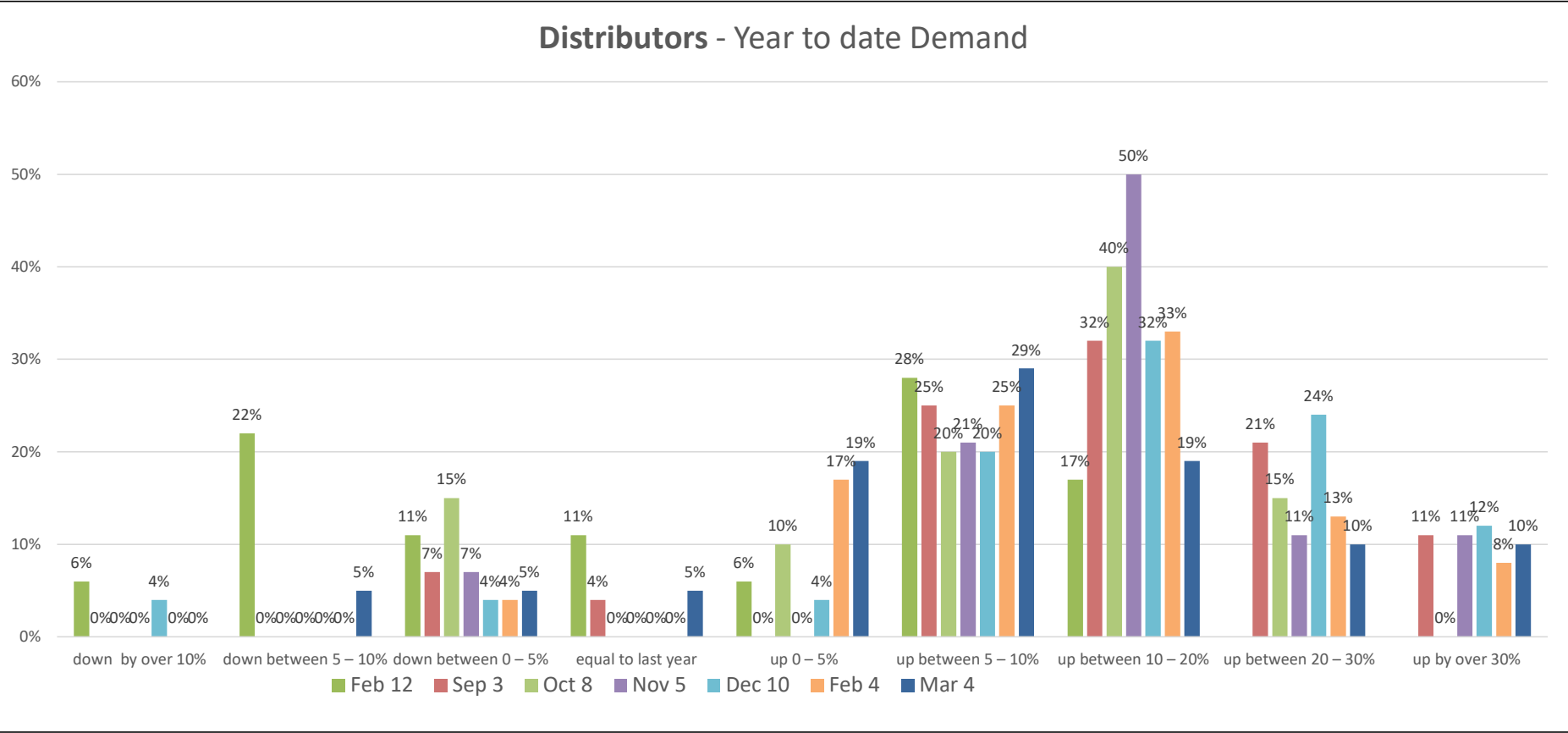
	2021					2022	
	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Feb 4	Mar 4
down by over 10%	0%	0%	0%	0%	0%	0%	3%
down between 5 – 10%	11%	0%	3%	0%	0%	5%	3%
down between 0 – 5%	5%	0%	3%	2%	6%	9%	6%
equal to last year	13%	0%	0%	7%	3%	14%	11%
up 0 – 5%	24%	8%	7%	10%	9%	21%	20%
up between 5 – 10%	37%	18%	20%	15%	31%	19%	20%
up between 10 – 20%	11%	38%	37%	39%	26%	19%	23%
up between 20 – 30%		18%	20%	15%	17%	5%	9%
up by over 30%		18%	10%	12%	9%	9%	6%



**Q5. Please indicate the status of DEMAND as it relates to your business on a YTD basis:**

<b>DISTRIBUTORS</b>
down by over 10%
down between 5 – 10%
down between 0 – 5%
equal to last year
up 0 – 5%
up between 5 – 10%
up between 10 – 20%
up between 20 – 30%
up by over 30%

	2021					2022	
	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Feb 4	Mar 4
down by over 10%	6%	0%	0%	0%	4%	0%	0%
down between 5 – 10%	22%	0%	0%	0%	0%	0%	5%
down between 0 – 5%	11%	7%	15%	7%	4%	4%	5%
equal to last year	11%	4%	0%	0%	0%	0%	5%
up 0 – 5%	6%	0%	10%	0%	4%	17%	19%
up between 5 – 10%	28%	25%	20%	21%	20%	25%	29%
up between 10 – 20%	17%	32%	40%	50%	32%	33%	19%
up between 20 – 30%		21%	15%	11%	24%	13%	10%
up by over 30%		11%	0%	11%	12%	8%	10%



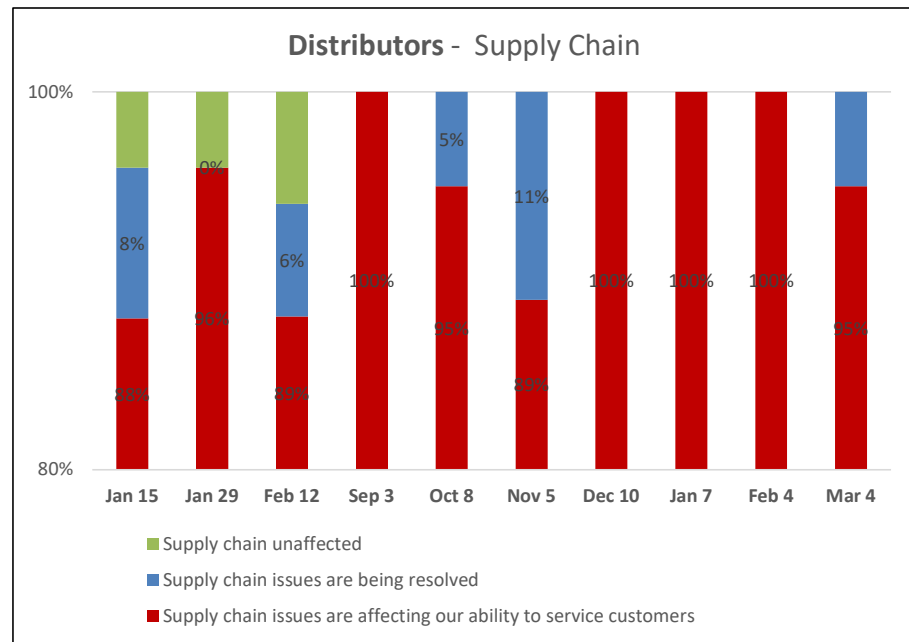
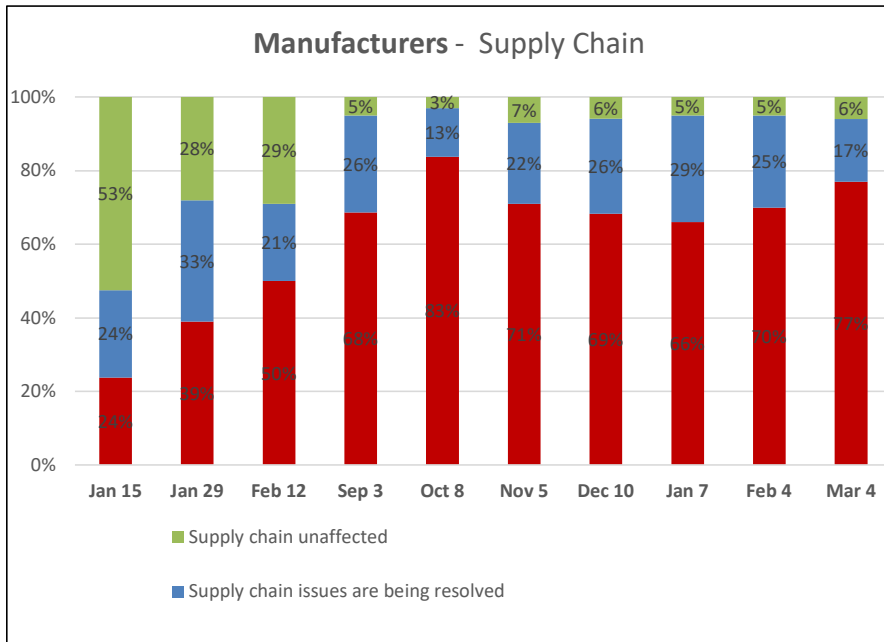
**Q6. Please check the box that describes the status of the supply chain for your products/services:**

	2021							2022		
	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
<b>MANUFACTURERS</b>										
Supply chain issues are affecting our ability to service customers	24%	39%	50%	68%	83%	71%	69%	66%	70%	77%
Supply chain issues are being resolved	24%	33%	21%	26%	13%	22%	26%	29%	25%	17%
Supply chain unaffected	53%	28%	29%	5%	3%	7%	6%	5%	5%	6%

Change from Previous
7%
-8%
1%

	2021							2022		
	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
<b>DISTRIBUTORS</b>										
Supply chain issues are affecting our ability to service customers	88%	96%	89%	100%	95%	89%	100%	100%	100%	95%
Supply chain issues are being resolved	8%	0%	6%	0%	5%	11%	0%	0%	0%	5%
Supply chain unaffected	4%	4%	6%	0%	0%	0%	0%	0%	0%	0%

Change from Previous
-5%
5%
0%



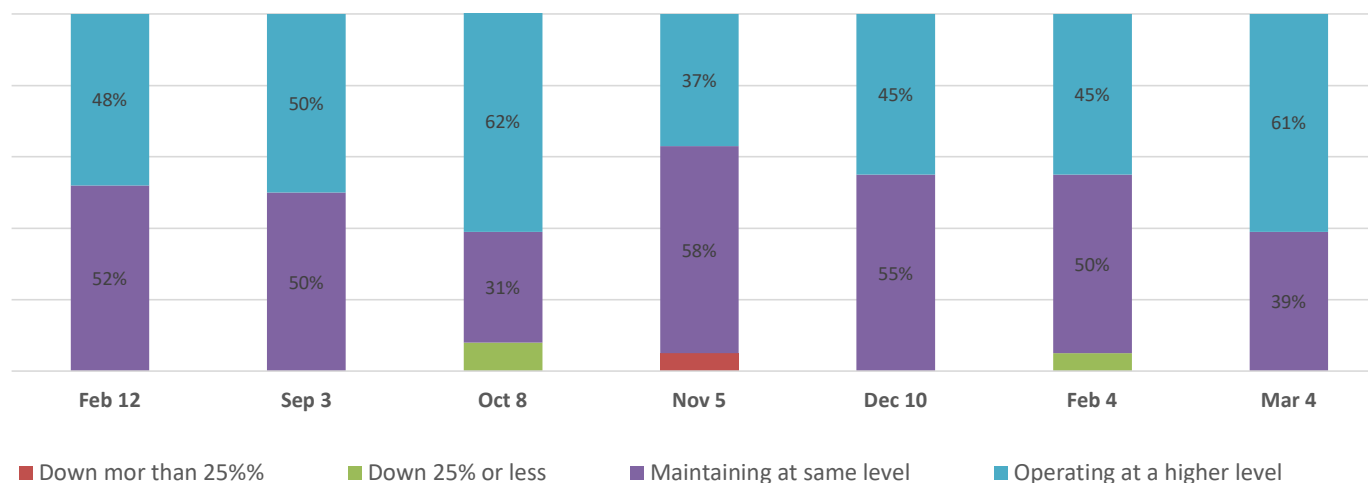
### Q7. If applicable, What level are your Canadian manufacturing operations at versus January?

Results based on those with manufacturing facilities only

Down mor than 25%%
Down 25% or less
Maintaining at same level
Operating at a higher level

2021					2022	
Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Feb 4	Mar 4
0%	0%	0%	5%	0%	0%	0%
0%	0%	8%	0%	0%	5%	0%
52%	50%	31%	58%	55%	50%	39%
48%	50%	62%	37%	45%	45%	61%

Manufacturers - Level of Cdn Operations





Survey Responses	Jan 15	Jan 29	Feb 12	Sep 3	Oct 8	Nov 5	Dec 10	Jan 7	Feb 4	Mar 4
Manufacturers	38	39	38	39	30	40	35	38	44	35
Distributors	26	23	18	28	20	28	25	22	24	21

## COMMENT SECTION

### March 4th 2022

#### Manufacturers

Buy America policies affecting Canadian manufacturing especially in Light Rail, Truck, Bus and Automotive sectors. Transportation costs up 40% due to issues with Trucker mandates, increasing carbon taxes and overall inflation.

us market is stronger than canada

#### Distributors

Maybe a question about inflation vs market growth.

### February 4th 2022

#### Manufacturers

What are manufacturers doing differently to attract new factory employees?

get economy open

#### Distributors

none

### January 7th 2022

#### Manufacturers

how are businesses dealing with the difficulty in hiring people

What are your growth expectations of each segment in %?: Industrial:Commercial:Residential:

Some questions about cost inflation would be helpful. E.g. what level of materials/transportation/wage increases are expected in 2022 vs 2021

risk from the dark cloud of covid panic

#### Distributors

none

### December 10th

#### Manufacturers

thanks for the ongoing market pulse - clearly needed in this atypical pandemic situation

Consider a question with regards to sales YTD 2021 vs 2020 by region i.e. Western Canada Vs Eastern Canada.

You might ask about pricing changes. For example last year our pricing went up more than 40% (transport, raw materials, metals). When you ask if businesses have grown, some may have increased their revenue but not actually increased their unit sales because the prices have jumped so much.

On supply chain, product/materials allocations restrictions are becoming a big thing for '22. It may be worth exploring that separately.

unavailability of workers is a main concern. Need to cancel CERB.

### **Distributors**

I like this format

all good

## **November 5th**

### **Manufacturers**

Note - Prices in many cases have risen more since January 1 than the 30% max growth limit used in the survey. This means that \$ could be up more than 30% but sales by item actually down.

the US border closing is an embarrassment to Canada

### **Distributors**

none

## **October 8th**

### **Manufacturers**

when will the US border open??

### **Distributors**

The last 12 months have shown that we need to improve our pricing processes industry wide. Manufacturers, in our experience, are not operationally excellent in pricing processes. The historical approaches worked in the past but their inefficiencies were crippling to channel partners last year, when they made changes more frequently and on short notice. I wonder if others agree and if this is a topic EFC could dig into or help with?

## **September 3rd**

### **Manufacturers**

Since product prices have increased so much this year (eg 30-40% in some cases), the info you're asking for doesn't specify units vs dollars, so almost everyone should be up considerably in dollars but may be up much less so in units. You may wish to clarify going forward.

need to get the us border fully open----then international inflation is a monster being ignored by Bof C

Production would be higher if we could find employees for production. This continues to be a significant struggle locally.

### **Distributors**

n/a