

MILL DIRECT

Outlook 2012:

At Mill Direct, we operate in all segments of North America as well as abroad. We service hundreds of clients, big & small. Quite often, we are asked by a scaffold/access company on the east coast, "How are things in the Midwest and the west coast?" We do not proclaim to be forecasters of the economy but would like to share our views and findings with respect to what we are seeing and hearing around the country.

Business activity in the construction arena is certainly recovering in many areas while lagging in others compared to last year. The laggards are feeling the "hang-over" from the discontinuation of stimulus spending. Those sectors that were not fortunate enough to enjoy such windfalls are seeing modest increases in activity. Certainly, the ability to borrow money, despite the notion of quantitative easing, is one of many hurdles for projects to get off paper & become "real."

The economic growth outlook for the U.S. is bleak (Goldman Sachs) but certainly not dead. We are seeing the multifamily sector of construction as a "hot" area; especially on the West Coast. Additionally, the industrial sector appears to be "pent-up." Many firms have delayed maintenance & capital expansions that are imminent. When the finger comes out of the dam is only a guess, but certainly a positive on the horizon.

Last, history tells us that an election year has certainly served the economic climate well, even in our scaffold & access industry. Here is to hoping 2012 lives up to history.

Colby Hubler
Mill Direct Lumber Sales, Inc.

Mill Direct Lumber Sales, Inc.
5400 Meadows Road
Suite #350
Lake Oswego, OR 97035
Ph. 866.261.5563
www.milldirectlumber.com

MILL DIRECT