



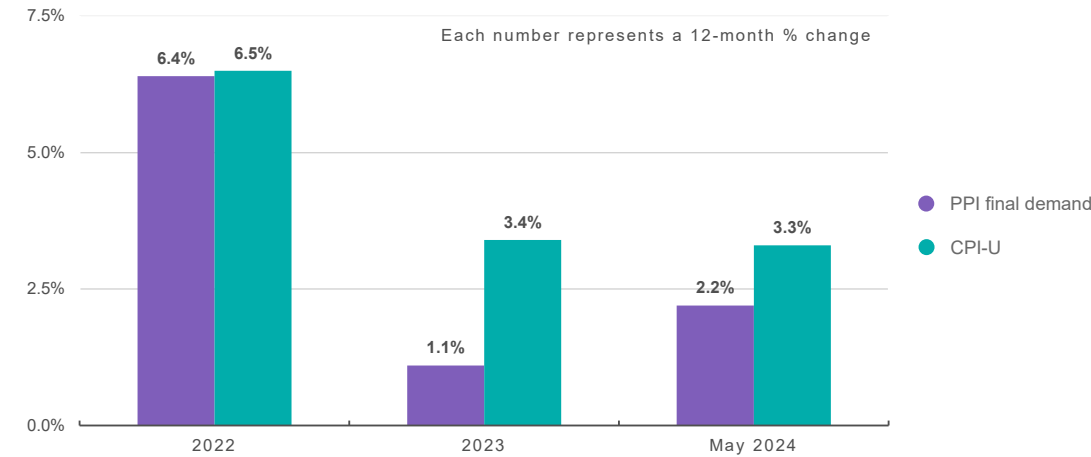
Market Insights: Q2-2024

Facilities and construction quarterly newsletter



PPI and CPI

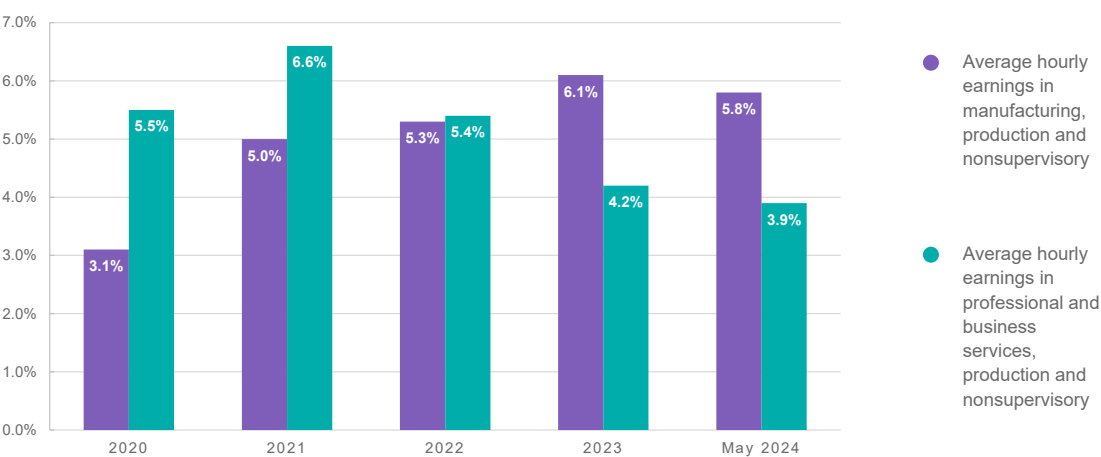
PPI Final Demand and CPI-U measure changes in the US consumer prices of goods and services. Over the last two years, there have been continued decreases in both indexes. As of February 2024, PPI was 0.6% higher than at the end of 2023, and CPI has shown a decrease of 0.2% for the same time period.



Sources: U.S. Bureau of Labor Statistics, Producer Price Index - Producer Price Index Home : U.S. Bureau of Labor Statistics (bls.gov); U.S. Bureau of Labor Statistics, Consumer Price Index - CPI Home : U.S. Bureau of Labor Statistics (bls.gov)

Labor and manufacturing

Hourly wages in the manufacturing sector continue rising well above industry historical norms. A shortage of available labor and the return of manufacturing to the U.S. will continue putting pressure on higher wages which puts further pressure on the price of goods. Wages in the service industry have begun returning to a more normal range.



Sources: U.S. Bureau of Labor Statistics, Current Employment Statistics - Current Employment Statistics - CES (National) : U.S. Bureau of Labor Statistics (bls.gov)

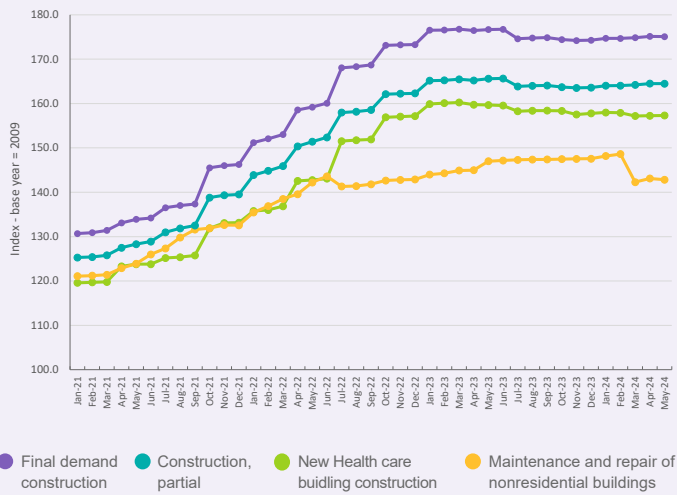
Current lead times

Air Filters	1 week	
Carts and Shelving	8 weeks	
Ceiling Products	3 weeks	
Division 7 - Thermal Moisture	1 week	
Doors and Door Hardware	4 weeks	
Floor Coverings	3 weeks	
Furniture	8 weeks	
Generators	50 weeks	
Headwalls and Flatwalls	10 weeks	
Hoods	10 weeks	
HVAC and Chillers	30 weeks	
Ice Systems	4 weeks	
Nurse Call Systems	6 weeks	
Paint and Related Sundries	1 week	
Pneumatic Tube Systems	11 weeks	
Rail Systems	2 weeks	
Refrigerators and Freezers	2 weeks	
Televisions and Accessories	1 weeks	
Wall Protection	3 weeks	

No change or improved
 Increased 1-4 weeks
 Increased 5+ weeks

Construction

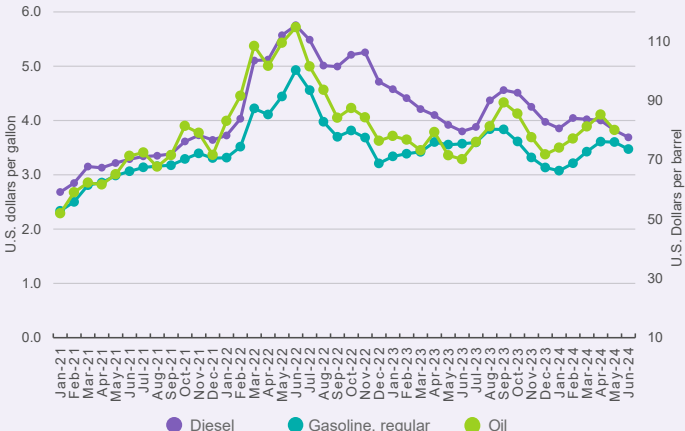
The industry has seen sustained leveling off of construction costs from mid-2023 in both new construction and maintenance, repair, and operation (MRO) costs.



Source: Homepage - U.S. Bureau of Labor Statistics, Producer Price Index - Producer

Oil and diesel

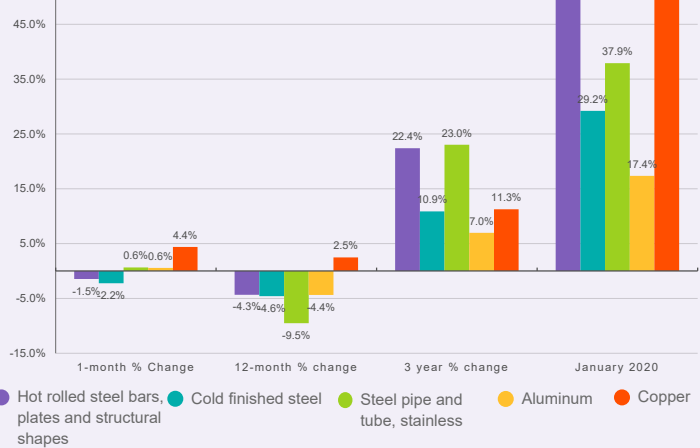
Several factors have kept oil high this year and will help sustain long-term pressure on prices: conflicts within or near high production countries with the potential for further escalation, Saudi Arabia continuing previous production cuts through 2024 and demand growing from developing countries. However, the weak U.S., European and Chinese economies have placed strong downward pressure on oil and other energy prices.



Source: Homepage - U.S. Bureau of Labor Statistics, Producer Price Index - Producer Price Index Home: U.S. Bureau of Labor Statistics (bls.gov)

Metals

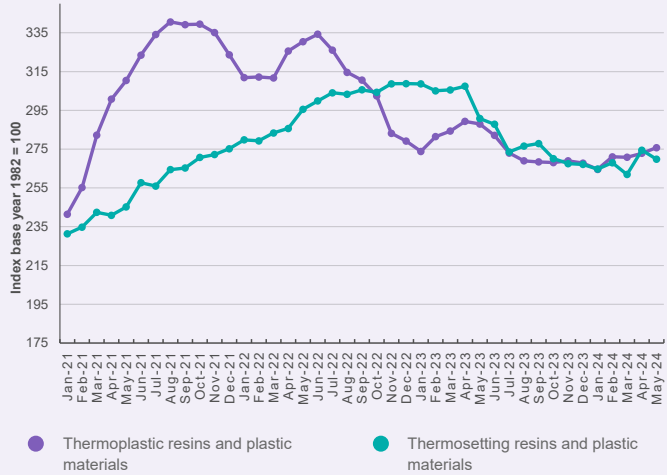
Steel prices have declined most of this year with weak global demand. Aluminum, copper and stainless steel have experienced up and down fluctuation so far in 2024 with recent drops due to low demand. Metals won't see sustained increases until growth occurs in manufacturing orders, however elevated shipping costs and upcoming escalation of tariffs on steel from China could lead to rising metal prices before an economic rebound.



Source: Homepage - U.S. Bureau of Labor Statistics, Producer Price Index - Producer Price Index Home: U.S. Bureau of Labor Statistics (bls.gov)

Resins

Low production from resin manufacturers and solid demand has led to recent price surges after being mostly stable to start 2024. Prices are not expected to continue rising long-term as the overall economy doesn't support



Source: Homepage - U.S. Bureau of Labor Statistics, Producer Price Index - Producer Price Index Home: U.S. Bureau of Labor Statistics (bls.gov)



2024 Vizient Connections Summit | September 16 – 20 at the Wynn Las Vegas

Join us this September as we celebrate reflection; the cornerstone of growth and development, allowing us to learn from past experiences, clarify our goals and chart a course for the future.

It is with great excitement, Vizient announces the kickoff of the 2024 Vizient Connections Summit, taking place September 16 – 20 at the Wynn Las Vegas. Supplier Early Registration is expected to be June 20th through August 15th. Member registration is expected to open early summer. As a result, The Facilities and Construction team would like to provide recommendations, insight, and what to keep an eye out for.

Overview

Vizient’s once-a-year event where Suppliers and Members can take advantage of dedicated networking time with a variety of leaders in attendance - from C-suite leaders to service line clinicians and supply chain decision makers – who are eager to partner to discuss new and innovative solutions.

This premier event is dedicated to connecting thought leaders across the healthcare continuum – creating a destination event like no other. Join us this September at the Wynn Las Vegas as we celebration reflection; the cornerstone of growth and development, allowing us to learn from past experiences, clarify our goals, and chart a course for the future. In our industry, where the stakes are high and the challenges complex, the ability to reflect critically is paramount. By examining our practices, policies, and approaches, we can identify areas for improvement and innovation, ultimately enhancing patient outcomes and driving positive change.

Tentative schedule

- Sept. 16, 4:30 – 5:30 pm | Vizient Connections Summit Opening General Session
- Sept. 17, 4 8:00 am – 4:00 pm | Vizient Connections Summit Full Day (6:00 – 9:00 Member Awards Reception and Dinner)
- Sept. 18, 1:00 – 2:00 pm | Vizient Connections Summit Closing Session
- Sept. 18, 2:30 – 5:00 pm | Innovative Technology Exchange (reception at the Exchange)
- Sept. 18, 4 6:00 – 9:00 pm | Closing Celebration at XS
- Sept. 19 | Member Council meetings

Recommendations

- Plan your meetings in advance around the Suppliers/Members/Vizient Team who will be in attendance. Timing is very limited as is the windows to meet with all you intend to possibly sequester time with.
- Wear comfortable shoes
- Encourage everyone to attend the Innovative Technology Exchange. Regardless, if it is not a category you or they manage, having the opportunity to view what is coming to Market may be intuitive to consider in your environment or ways to possibly navigate other Suppliers/Products to this platform.
- Bring Plenty of business cards, more than you usually would or have a digital card ready to share

Learn more about the 2024 Vizient Connections Summit

Visit the contract page in [Vizient Catalog](#) for more information. For general inquiries, [contact us](#).

Innovative Tech: Exchange (ITE) September 18 2:30 – 5:00 pm | Wynn, Las Vegas

Vizient defines “Innovative Technology” as an innovative device, product or solution offering known or expected incremental clinical or business benefit to health care organizations over other technologies. The event is open to all Members/Providers, Vizient employees, and those participating Suppliers.

The Innovative Technology Product may be either:

- First of its kind to market or,
- Improvement over an existing technology within the same product class or category

The following Suppliers from the Facilities and Construction space will have a product on display at this year’s ITE:

Supplier	Product Name	Current contracted supplier?
OFS Brands, Inc.	Carolina Chrys Lounge	Yes, CE3384
Comfor Tek	Contessa100-CCB	No, In Review
Comfor Tek	T2-Swivel-CC5	No, In Review
Cortech BH	Cortech Fall Risk Patient Bed	No, In Review
Cortech BH	Cascade Table	No, In Review
Distribution Systems International, Inc.	Modu-Max CTS	Yes, CE2910
Global Industries, Inc.	Willow	Yes, CE3374
Kwalu LLC	Carrara Sleeper Sofa	Yes, CE3370
Pineapple Furniture	Boden Rocker	No, In Review
Southwest Solutions Group	Pathology Specimen Tracking System	Yes, CE2900
Stance Healthcare Inc.	Lotus Casegoods for Behavioral Health	No, In Review
Steelcase	Project Ghost	Yes, CE3386



Connect with your facilities and construction team members in 2024

- [ASHE Health Care Facilities Innovation Conference](#): July 21-24 in Anaheim, CA
- [Healthcare Facilities Symposium](#): Sept. 24-26 in Austin, TX
- [Healthcare Design Conference and Expo](#): Oct. 5-8 in Indianapolis, Indiana