



Challenger, Gray & Christmas, Inc.
The original outplacement company



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JOB CUT ANNOUNCEMENTS RISE 21 PERCENT TO START THE NEW YEAR AT 52,988

CHICAGO, January 31, 2019 – Employers at U.S.-based companies announced plans to cut 52,988 jobs from their payrolls in January, 20.7 percent higher than the 43,884 announced in December, according to a report released Thursday from global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

January's total is 18.7 percent higher than the 44,653 cuts announced in the same month last year. While it is lower than the average of 86,347 cuts announced during the month of January since 1993, it is higher than 20 of the last 24 monthly totals.

“Employers are continuing the trend of reducing staff that we saw in the fourth quarter of last year, as several industries pivot to emerging technologies. Companies are battling economic uncertainty and, while consumer confidence was high, consumer spending missed estimates at major retailers during the holiday season,” said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

In fact, Retail leads all sectors in job cuts in January with 22,327. That is 45 percent higher than the 15,378 cuts announced in this sector last January. Most are related to Gymboree's plan to liquidate remaining stores in the U.S. and Canada, costing a reported 10,000 jobs.

Meanwhile, home improvement retailer Lowe's announced it would hire 50,000 seasonal workers for the spring, as well as 10,000 permanent roles and 6,000 managers.

“Retail is going through a transformation that may cost many jobs, but is also creating many jobs. The new retail position is much more than giving change and stocking shelves. Retail workers must be tech-savvy,” said Challenger.

Financial firms announced the second-highest number of planned cuts with 4,230, followed by the Automotive sector, which announced 3,949, and Entertainment/Leisure companies that announced 3,533 planned cuts.

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Note: Challenger has updated the names of two industries to better describe the companies that are tracked therein. “Computer” will now be labeled “Technology” and “Commodities” will now be called “Mining.”

Challenger is also breaking out Financial Tech firms, which will be referred to as “FinTech.” These changes are represented in Table 2 (Job Cuts by Industry) and Table 7 (Announced Hiring Plans).

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT**

Table 1: EXECUTIVE SUMMARY

	2019	2018
Retail	22,327	15,378
Financial	4,230	637
Automotive	3,949	703
Entertainment/Leisure	3,533	440
Services	2,530	3,212

MONTH-BY-MONTH TOTALS

	2019	2018
January	52,988	44,653
February		35,369
March		60,357
April		36,081
May		31,517
June		37,202
July		27,122
August		38,472
September		55,285
October		75,644
November		53,073
December		43,884
TOTAL	52,988	538,659

Some reductions are identified by employers as workers who will take early retirement offers or other special considerations to leave the company.

LAYOFF LOCATION

Year To Date

California	16,483
Illinois	11,129
New York	5,950
Nevada	2,160
Colorado	2,102

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

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Table 2: JOB CUTS BY INDUSTRY

	18-Jan	18-Dec	19-Jan
Aerospace/Defense	295	3,271	1,735
Apparel	0	0	122
Automotive	703	2,058	3,949
Chemical	65	151	247
Construction	69	0	95
Consumer Products	7,158	949	2,074
Education	135	603	58
Electronics	571	241	0
Energy	1,129	717	247
Entertainment/Leisure	440	1,591	3,533
Financial	637	848	4,230
FinTech	N/A	N/A	186
Food	1,286	2,409	1,339
Government	328	1,157	661
Health Care/Products	6,531	4,665	1,780
Industrial Goods	964	2,684	2,283
Insurance	428	0	370
Legal	0	0	0
Media	855	3,599	1,279
Mining	153	60	144
Non-Profit	36	193	53
Pharmaceutical	976	5,135	539
Real Estate	55	110	78
Retail	15,378	2,059	22,327
Services	3,212	6,352	2,530
Technology	756	1,008	638
Telecommunications	951	50	461
Transportation	1,472	3,463	1,315
Utility	70	84	0
Warehousing	0	427	715
TOTAL	44,653	43,884	52,988

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Table 3: JOB CUTS BY REGION, STATE

EAST	January
New York	5,950
New Jersey	1,001
Pennsylvania	742
Maryland	273
Maine	245
Massachusetts	143
Connecticut	0
Dist. of Columbia	0
Rhode Island	0
New Hampshire	0
Vermont	0
Delaware	0
TOTAL	8,354

MIDWEST	January
Illinois	11,129
Wisconsin	1,608
Ohio	726
Missouri	446
Minnesota	237
Kansas	93
Indiana	50
Iowa	40
Michigan	0
Nebraska	0
TOTAL	14,329

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Table 3 (cont'd): JOB CUTS BY REGION, STATE

WEST	January
California	16,483
Nevada	2,160
Colorado	2,102
Texas	1,825
Washington	330
Wyoming	101
Oregon	81
South Dakota	70
Alaska	70
Utah	60
Arizona	54
Oklahoma	0
New Mexico	0
Idaho	0
North Dakota	0
Hawaii	0
Montana	0
TOTAL	23,336

SOUTH	January
Georgia	1,943
Virginia	1,245
Louisiana	864
Mississippi	754
North Carolina	750
Florida	635
Alabama	459
Tennessee	288
Arkansas	31
South Carolina	0
Kentucky	0
West Virginia	0
TOTAL	6,969

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Table 4: JOB CUTS BY REASON

	January
Bankruptcy	19,984
Restructuring	10,055
Closing	7,492
Cost-Cutting	6,968
No Reason Provided	3,097
Contract Loss	2,459
Technological Update	900
Voluntary Severance/Buyouts	801
Acquisition/Merger	546
Relocation	253
Relocation Overseas	160
Demand Downturn	158
Financial Losses	65
Contract Dispute	50
TOTAL	52,988

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Table 5: QUARTER BY QUARTER

	Q1	Q2	Q3	Q4	TOTAL
1989	9,850	10,100	24,085	67,250	111,285
1990	107,052	87,686	49,104	72,205	316,047
1991	110,056	76,622	147,507	221,107	555,292
1992*	110,815	85,486	151,849	151,850	500,000
1993	170,615	84,263	194,486	165,822	615,186
1994	192,572	107,421	117,706	98,370	516,069
1995	97,716	114,583	89,718	137,865	439,882
1996	168,695	101,818	91,784	114,850	477,147
1997	134,257	51,309	95,930	152,854	434,350
1998	139,140	131,303	161,013	246,339	677,795
1999	210,521	173,027	173,181	118,403	675,132
2000	141,853	81,568	168,875	221,664	613,960
2001	406,806	370,556	594,326	585,188	1,956,876
2002	478,905	292,393	269,090	426,435	1,466,823
2003	355,795	274,737	241,548	364,346	1,236,426
2004	262,840	209,895	251,585	315,415	1,039,735
2005	287,134	251,140	245,378	288,402	1,072,054
2006	255,878	180,580	202,771	200,593	839,822
2007	195,986	197,513	194,095	180,670	768,264
2008	200,656	275,292	287,142	460,903	1,223,993
2009	562,510	318,165	240,233	151,122	1,272,030
2010	181,183	116,494	113,595	118,701	529,973
2011	130,749	115,057	233,258	127,018	606,082
2012	143,094	139,997	102,910	137,361	523,362
2013	145,041	113,891	128,452	121,667	509,051
2014	121,341	124,693	117,374	119,763	483,171
2015	140,214	147,458	205,759	105,079	598,510
2016	180,920	132,834	121,858	91,303	526,915
2017	126,201	100,799	94,478	97,292	418,770
2018	140,379	104,800	120,879	172,601	538,659
AVG	196,959	152,383	174,332	195,907	

**Estimate based on half-year total. Challenger began tracking job cut data in 1993. Before that, it was tabulated by an independent newsletter no longer published.*

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Table 6: ANNOUNCED HIRING PLANS

By Month

	2019	2018	2017	2016	2015
January	74,041	41,890	136,501	8,362	8,774
February		139,925	25,765	7,539	14,574
March		14,525	127,006	10,997	6,412
April		13,842	61,537	11,557	13,898
May		9,889	77,447	24,732	12,598
June		13,504	40,095	13,564	11,176
July		9,823	88,142	16,051	11,637
August		17,274	14,530	9,101	11,778
September		595,997	422,726	487,075	492,306
October		130,338	37387	135,532	86,107
November		15,422	61,300	108,994	10,026
December		15,999	8,218	35,198	11,465
TOTAL	74,041	1,018,428	1,100,654	868,702	690,751

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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	January
Aerospace/Defense	1,300
Apparel	
Automotive	400
Chemical	
Construction	
Consumer Products	
Education	
Electronics	
Energy	100
Entertainment/Leisure	
Financial	520
FinTech	
Food	
Government	
Health Care/Products	200
Industrial Goods	210
Insurance	1,350
Legal	
Media	
Mining	
Non-Profit	
Pharmaceutical	
Real Estate	
Retail	66,700
Services	210
Technology	50
Telecommunications	
Transportation	3,000
Utility	
Warehousing	
TOTAL	74,040