



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



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JOB CUTS PLUMMET TO 27,122 IN JULY, LOWEST MONTHLY TOTAL IN 20 MONTHS

CHICAGO, August 2, 2018 – The pace of downsizing fell to the lowest level of the year in July, as U.S.-based employers announced plans to cut 27,122 workers from payrolls during the month, according to a report released Thursday by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

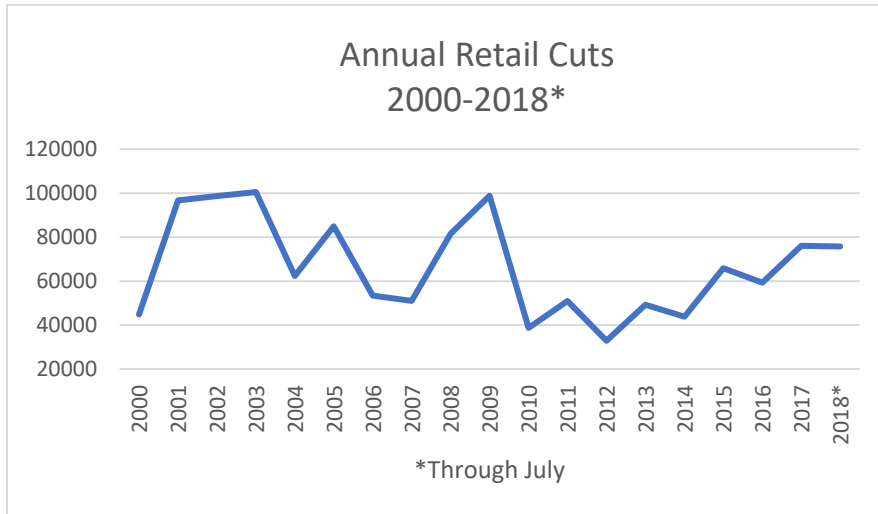
July's total fell 27.1 percent from the 37,202 cuts announced in June and 4.2 percent from the same time last year, when 28,307 cuts were announced.

Last month's total was the lowest of the year, falling below the previous low of 31,517 recorded in May. July's cuts were the lowest since November 2016, when employers announced 26,936 cuts.

"The economy is at near-full employment. Nearly 90 percent of companies recently polled by Challenger are either actively hiring or in retention mode. Companies are not letting go of their workforces right now," said John Challenger, Chief Executive Officer of Challenger, Gray & Christmas, Inc.

So far this year, employers have announced 272,301 cuts, 6.7 percent higher than the 255,307 announced through this point last year.

Retailers continue to lead in job cuts, with 75,763 announced so far this year. That is 18.4 percent higher than the 63,989 Retail jobs cut through this point last year. The seven-month total for Retail job cuts is 321 cuts away from the full-year total in 2017.



Source: Challenger, Gray & Christmas, Inc. ©

“Retail cuts have been inching up the last four years, as online shopping causes disruptions to business as usual. We’re starting to see layoffs in this sector that rival recession years,” said Challenger.

Health Care companies follow in cuts with 28,484, up 32 percent from the 21,554 cuts announced in this sector in the first seven months of last year.

“Health Care providers are undergoing cost-cutting measures and targeting labor costs, all while dealing with skills shortages. Hospitals especially face challenges in balancing cost-saving measures with quality-of-care issues,” said Challenger.

The Services sector announced 24,168 cuts so far this year. Consumer Products manufacturers announced 22,210 through July, 238.7 percent more than the 6,558 cuts announced through July 2017.

In the last two months, the Trump Administration’s steel tariffs have cost a total of 70 jobs, according to Challenger tracking.

Automotive manufacturers, vulnerable to trade war fears, round out the top five job-cutting industries this year with 11,696, down 13.5 percent from the 13,521 announced through July 2017.

“We simply do not yet know what impact the tariffs on steel, as well as other proposed tariffs, may have on jobs. We’re seeing a trickle of job cuts related to these tariffs, but it is not yet torrential,” said Challenger.

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CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT
TOP FIVE INDUSTRIES
Year To Date

	2018	2017
Retail	75,763	63,989
Health Care/Products	28,484	21,554
Services	24,168	18,022
Consumer Products	22,210	6,558
Automotive	11,696	13,521

MONTH BY MONTH TOTALS

	2018	2017
January	44,653	45,934
February	35,369	36,957
March	60,357	43,310
April	36,081	36,602
May	31,517	33,092
June	37,202	31,105
July	27,122	28,307
August		33,825
September		32,346
October		29,831
November		35,038
December		32,423
TOTAL	272,301	418,770

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	43,898
New Jersey	38,839
Texas	20,963
New York	16,302
Ohio	15,472

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

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT
JOB CUTS BY INDUSTRY

	17-Jul	18-Jun	18-Jul	YTD 2017	YTD 2018
Aerospace/Defense	2,295	1,062	420	11,092	4,165
Apparel		238	100	0	338
Automotive	951	4,260	531	13,521	11,696
Chemical		52	266	556	805
Commodities	25			25	395
Computer	1,448	1,737	2,182	11,136	8,124
Construction		362	502	937	1,356
Consumer Products	1,918	3,212	3,793	6,558	22,210
Education	1,059	1,722	1,882	10,063	6,404
Electronics	640	2,079	554	3,398	8,703
Energy	1,614	575		10,392	5,088
Entertainment/Leisure	728	409	1,808	7,626	6,796
Financial	1,474	1,661	716	7,385	8,667
Food	1,601	1,848	636	13,063	8,528
Government	808	104	352	6,954	1,695
Health Care/Products	3,634	4,745	2,286	21,554	28,484
Industrial Goods	1,531	1,412	1,082	12,693	8,276
Insurance	53	705	576	5,083	3,466
Legal	17			148	0
Media	249	235	787	3,094	7,222
Non-Profit		678	351	1,159	1,798
Pharmaceutical	877	870	610	4,805	5,388
Real Estate		55		505	357
Retail	3,862	3,750	2,697	63,989	75,763
Services	2,607	3,265	1,540	18,022	24,168
Telecommunications	202	478	1,152	11,569	9,525
Transportation	714	1,520	2,187	8,450	11,399
Utility			50	1,530	938
Warehousing	N/A	168	62	N/A	547
TOTAL	28,307	37,202	27,122	255,307	272,301

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JOB-CUT ANNOUNCEMENT REPORT**

JOB CUTS BY REGION, STATE

EAST	July	YTD
New Jersey	816	38,839
New York	1,954	16,302
Pennsylvania	857	9,610
Massachusetts	455	6,254
Connecticut	149	3,323
Maryland	144	1,892
Rhode Island		690
Dist. of Columbia		367
New Hampshire	25	235
Delaware	224	224
Vermont		59
Maine		0
	4,624	77,795

MIDWEST	July	YTD
Ohio	331	15,472
Illinois	1,299	10,326
Wisconsin	568	7,951
Michigan	114	7,006
Minnesota	156	6,637
Indiana	308	4,526
Iowa	303	4,193
Missouri	524	3,813
Nebraska	314	2,317
Kansas		916
TOTAL	3,917	63,157

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**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT
JOB CUTS BY REGION, STATE**

WEST	July	YTD
California	6,951	43,898
Texas	924	20,963
Washington	309	3,365
Colorado	559	2,401
Arizona		2,182
Oregon	146	1,344
Oklahoma		1,156
Idaho	810	1,081
Alaska	175	1,028
New Mexico		846
South Dakota	11	686
Utah	105	624
Nevada		210
North Dakota	25	52
Montana		16
Hawaii		0
Wyoming		0
TOTAL	10,015	79,852

SOUTH	July	YTD
Florida	2,547	10,710
North Carolina	1,073	7,155
Virginia	389	6,942
Georgia		5,212
South Carolina	971	3,941
Tennessee	389	3,648
Louisiana	514	3,385
Kentucky	1,479	3,225
Alabama	221	2,831
Mississippi	771	1,860
West Virginia	212	1,406
Arkansas		1,182
TOTAL	8,566	51,497

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JOB-CUT ANNOUNCEMENT REPORT
JOB CUTS BY REASON**

	JUNE	YTD
Restructuring	12,494	100,489
Closing	8,743	92,202
Bankruptcy	207	30,673
Cost-Cutting	1,186	23,218
Acquisition/Merger	1,524	11,753
Contract Loss	2,668	9,968
Relocation	75	2,288
Outsourcing	215	1,640
Tariffs	10	70
TOTAL	27,122	272,301

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JOB-CUT ANNOUNCEMENT REPORT**

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			245,179
AVG	196,959	152,383	176,176	196,740	

**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.*

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

ANNOUNCED HIRING PLANS

By Month

	2018	2017	2016	2015	2014	2013
January	41,890	136,501	8,362	8,774	6,312	60,585
February	139,925	25,765	7,539	14,574	11,054	92,372
March	14,525	127,006	10,997	6,412	6,860	8,115
April	13,842	61,537	11,557	13,898	11,145	9,322
May	9,889	77,447	24,732	12,598	10,141	9,618
June	13,504	40,095	13,564	11,176	15,530	8,774
July	9,823	88,142	16,051	11,637	16,544	9,728
August		14,530	9,101	11,778	9,657	7,662
September		422,726	487,075	492,306	567,705	445,617
October		37387	135,532	86,107	147,935	87,874
November		61,300	108,994	10,026	11,291	14,177
December		8,218	35,198	11,465	7,332	11,362
TOTAL	243,398	1,100,654	868,702	690,751	821,506	765,206

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JOB-CUT ANNOUNCEMENT REPORT**

ANNOUNCED HIRING PLANS

INDUSTRY	July	YEAR-TO-DATE
Aerospace/Defense	900	3,054
Apparel		0
Automotive	561	4,351
Chemical		100
Commodities		17
Computer		4,312
Construction		290
Consumer Products	375	3,166
Education		537
Electronics	775	21,131
Energy	100	2,325
Entertainment/Leisure	500	15,815
Financial		7,854
Food	467	2,477
Government		0
Health Care/Products	75	525
Industrial Goods	679	4,222
Insurance	250	1,710
Legal		0
Media	500	500
Non-Profit		0
Pharmaceutical	50	275
Real Estate		0
Retail	250	155,470
Services	606	7,208
Telecommunications		1,090
Transportation	3,480	6,635
Utility	255	334
Warehousing		
TOTAL	9,823	243,398

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