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JOB CUTS FALL TO 41,557 IN SEPTEMBER, YOY UP 28%; Q3 UP 10.8% OVER LAST YEAR

CHICAGO, October 3, 2019 – Job cuts announced by U.S.-based employers fell to 41,557 in September, 22.3% lower than the 53,480 announced in August. This is the second lowest monthly total in 2019, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

Last month's total is 24.8% lower than the 55,285 cuts announced in the same month last year. It is the lowest monthly total since April, when 40,023 cuts were announced.

Despite the drop, so far this year, employers have announced plans to cut 464,869 jobs from their payrolls, 26.9% higher than the 366,058 cuts announced in the same nine months last year. It is the highest January-September total since 2015, when 493,431 cuts were announced.

Third-quarter job cuts totaled 133,882, 4.8% lower than the previous quarter, when 140,577 cuts were announced. It is 10.8% higher than the same quarter last year, when 120,879 cuts were recorded. It is the highest third-quarter total since 2015, when 205,759 cuts were announced.

"Employers held off on making any large-scale employment decisions in September. Most likely, companies will monitor consumer behavior, government regulation or deregulation, and market conditions during the final quarter of the year in order to make staffing decisions for next year," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

Retail led all sectors in September with 8,132 announced cuts, bringing the year-to-date total to 65,358. That is 23.5% lower than the 85,385 cuts announced in this sector during the same period last year.

Industrial Goods manufacturers followed with 5,067 cuts in September, 2,261 of which were from steel manufacturers. So far this year, Industrial Goods manufacturers have announced 60,943 cuts, 194% higher than the 20,699 announced through the same period last year.

Automotive companies announced 4,912 job cuts last month, and 41,060 so far this year. That is 194% higher than the 13,963 announced through September 2018.

“Cuts in this sector will likely continue to rise, especially if the strike at General Motors continues and the fallout impacts suppliers. Canadian auto suppliers announced thousands of cuts last month,” said Challenger.

While job cut announcements dropped last month, seasonal hiring announcements surged. Challenger has tracked 432,964 seasonal hiring announcements so far this year, with 424,964 in September (Table 8).

In addition to seasonal hiring, employers announced 34,725 hires in September, 30,000 of which came from Amazon. The company, which has not announced seasonal hiring plans, announced these positions would be permanent (Tables 6, 7).

While job cuts are up in every region, companies located in the Southern United States have seen the largest jump in job cut announcements, as employers in this region have announced 65% more job cuts than through the same period last year: 105,665 compared to 64,117 in 2018. Companies in the Eastern United States had the second-largest percentage increase, with 42%, as employers in this region announced 125,218 cuts in 2019 compared to 87,969 last year (Table 3).

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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

TOP FIVE INDUSTRIES

Year To Date

	2019	2018
Retail	65,358	85,385
Industrial Goods	60,943	20,699
Automotive	41,060	13,963
Technology	40,257	9,485
Health Care/Products	31,796	32,997

MONTH-BY-MONTH TOTALS

	2019	2018
January	52,988	44,653
February	76,835	35,369
March	60,587	60,357
April	40,023	36,081
May	58,577	31,517
June	41,977	37,202
July	38,845	27,122
August	53,480	38,472
September	41,557	55,285
October		75,644
November		53,073
December		43,884
TOTAL	464,869	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	71,604
New York	50,483
Massachusetts	34,777
Texas	27,949
Michigan	27,510

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

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

Table 2: JOB CUTS BY INDUSTRY

	18-Sep	19-Aug	19-Sep	YTD 2018	YTD 2019	YoY Percentage Change
Aerospace/Defense		522	1,350	4,950	5,953	↑20%
Apparel	530	18	300	1,024	1,606	↑56.8%
Automotive	1,613	1,769	4,912	13,963	41,060	↑194.1%
Chemical	14	69	57	819	963	↑17.6%
Construction	141	518	270	1,615	3,325	↑105.9%
Consumer Products	1,563	715	625	28,489	13,772	-51.7%
Education	804	252	180	8,716	14,628	↑67.8%
Electronics	624	10	94	10,475	1,795	See Technology
Energy	380	1,531	2,972	6,567	22,767	↑246.7%
Entertainment/Leisure	1,322	414	1,150	8,599	10,861	↑26.3%
Financial	27,343	2,638	1,691	38,935	19,417	-50.1%
FinTech	N/A	0		N/A	1,501	
Food	1,151	3,010	1,255	10,089	20,036	↑98.6%
Government	95	5,785	482	2,116	12,367	↑484.5%
Health Care/Products	2,106	5,040	2,857	32,997	31,796	-3.6%
Industrial Goods	2,235	3,822	5,067	20,699	60,943	↑194.4%
Insurance	507	470		3,973	2,880	-27.5%
Legal				124	0	-100.0%
Media	849	290	380	8,480	8,478	
Mining		433	687	395	4,512	↑1,042.3%
Non-Profit	180	116	626	1,999	2,753	↑37.7%
Pharmaceutical	2,163	454	760	7,638	8,388	↑9.8%
Real Estate		329	156	357	2,046	↑473.1
Retail	5,907	2,059	8,132	85,385	65,358	-23.5%
Services	1,629	2,672	3,285	26,455	19,769	-25.3%
Technology	727	15,355	1,621	9,485	40,257	↑72.9%*
Telecommunications	1,111	616	177	12,902	14,731	See Technology
Transportation	1,854	3,554	1,441	15,620	24,034	↑53.9%
Utility	101	269		2,309	1,163	-49.6%
Warehousing	336	750	1,030	883	7,710	↑773.2%
TOTAL	55,285	53,480	41,557	366,058	464,869	↑27.9%

*Percentage increase includes industry totals for Electronics, Technology, and Telecommunications. These three industries have seen a 72.9% rise in job cuts this year over last.

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 3: JOB CUTS BY REGION, STATE

EAST	September	YTD 2019	YTD 2018	
Connecticut	226	1,916	3,586	
Delaware		525	224	
Dist. of Columbia	449	1,906	407	
Maine		2,065	126	
Maryland	97	3,625	3,295	
Massachusetts	426	34,777	7,060	
New Hampshire		25	330	
New Jersey	98	9,371	40,188	
New York	2,028	50,483	19,829	
Pennsylvania	2,186	20,226	12,032	
Rhode Island		61	833	YoY Percentage Change
Vermont	19	238	59	Eastern U.S.
TOTAL	5,529	125,218	87,969	↑42.3%

MIDWEST	September	YTD 2019	YTD 2018	
Illinois	3,312	27,334	14,169	
Indiana	450	5,104	5,256	
Iowa	209	3,282	4,662	
Kansas	542	1,209	990	
Michigan	2,779	27,510	7,586	
Minnesota	533	6,895	7,080	
Missouri	189	2,418	7,789	
Nebraska	32	3,108	2,394	
Ohio	1,099	12,906	21,435	YoY Percentage Change
Wisconsin	394	6,897	17,694	Midwestern U.S.
TOTAL	9,539	96,663	89,055	↑8.5%

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 3 (cont'd): JOB CUTS BY REGION, STATE

WEST	September	YTD 2019	YTD 2018	
Alaska		3,777	1,238	
Arizona	327	3,987	2,926	
California	6,195	71,604	80,842	
Colorado	241	7,295	3,360	
Hawaii	412	523	0	
Idaho	812	1,827	1,256	
Montana	62	318	28	
Nevada	60	2,469	210	
New Mexico		1,960	982	
North Dakota	50	150	369	
Oklahoma	180	1,051	1,613	
Oregon	905	2,645	1,396	
South Dakota		802	1,281	
Texas	951	27,949	24,330	
Utah	21	363	1,162	
Washington	945	8,642	3,924	YoY Percentage Change
Wyoming		1,961	0	Western U.S.
TOTAL	11,161	137,323	124,917	↑9.9%

SOUTH	September	YTD 2019	YTD 2018	
Alabama	388	1,826	3,344	
Arkansas	250	1,292	1,185	
Florida	1,357	14,929	14,566	
Georgia	1,500	10,991	7,560	
Kentucky	1,129	6,816	3,558	
Louisiana	1,104	5,278	3,785	
Mississippi	10	2,513	1,881	
North Carolina	116	12,526	10,068	
South Carolina	257	10,129	4,117	
Tennessee	7,445	15,617	4,054	
Virginia	1,678	21,463	8,224	YTD Percentage Change
West Virginia	94	2,285	1,775	Southern U.S.
TOTAL	15,328	105,665	64,117	↑64.8%

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

Table 4: JOB CUTS BY REASON

	September	YTD	YTD 2018
Restructuring	5,217	101,138	156,779
Closing	11,027	101,147	111,600
No Reason Provided	7,257	57,931	0
Bankruptcy	7,665	51,002	33,378
Cost-Cutting	2,606	46,690	25,176
Contract Loss	2,458	19,677	11,885
Voluntary Severance/Buyouts	200	15,804	300
Acquisition/Merger	575	12,311	14,823
Demand Downturn	480	12,051	2,112
Trade Difficulties	19	10,507	
Relocation (Domestic)	83	6,239	5,004
Market Conditions	416	5,712	
Government Regulation	137	4,861	1,365
Financial Losses		3,083	365
Labor Dispute	2,536	2,576	
Fires		2,455	11
Tariffs	382	2,458	685
Relocation (International)		1,499	
Technological Update		1,078	60
Natural Gas Downturn	207	965	
Outsourcing Operations to Another US Company	70	839	
Consolidation		797	
Coal Downturn		685	613
Hurricane Michael		600	
ICE Inquiry		540	
Steel Downturn		405	
Reduced Medicaid/Medicare Payouts		384	
Competition		372	30
Fired		303	14
Listeria	200	200	
Hurricane Florence		115	
Reorganization		113	
New Focus		89	
Climate Legislation		60	
Contract Dispute		50	
Privatization		40	
Price Downturn		40	
Flood		25	
Hurricane Matthew		6	
Legal Trouble	22	22	62
Outsourcing			1,796
TOTAL	41,557	464,869	366,058

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

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	1,120,908
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
2019	190,410	140,577	133,882		464,869
AVG	196,748	152,002	173,027	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.*

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

Table 6: ANNOUNCED HIRING PLANS

By Month

	2019	2018	2017	2016	2015	2014
January	74,040	41,890	136,501	8,362	8,774	6,312
February	15,279	139,925	25,765	7,539	14,574	11,054
March	96,368	14,525	127,006	10,997	6,412	6,860
April	258,302	13,842	61,537	11,557	13,898	11,145
May	8,663	9,889	77,447	24,732	12,598	10,141
June	11,946	13,504	40,095	13,564	11,176	15,530
July	22,316	9,823	88,142	16,051	11,637	16,544
August	24,937	17,274	14,530	9,101	11,778	9,657
September	459,689	595,997	422,726	487,075	492,306	567,705
October		130,338	37387	135,532	86,107	147,935
November		15,422	61,300	108,994	10,026	11,291
December		15,999	8,218	35,198	11,465	7,332
TOTAL	971,540	1,018,428	1,100,654	868,702	690,751	821,506

NOTES:

In March, The Home Depot announced 80,000 hires.

In April, McDonald's announced 250,000 hires.

For Seasonal Hiring Announcements, see Table 8.

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

Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	SEPTEMBER	YTD
Aerospace/Defense	347	4,102
Apparel		1,295
Automotive	500	22,468
Chemical		10
Construction		5,800
Consumer Products	70	2,000
Education		286
Electronics		1,147
Energy	100	271
Entertainment/Leisure	900	2,940
Financial		2,020
FinTech	1,000	3,855
Food	600	2,286
Government		0
Health Care/Products	270	9,525
Industrial Goods	25	4,720
Insurance		3,510
Legal		0
Media		622
Mining		490
Non-Profit		0
Pharmaceutical		3,889
Real Estate		0
Retail	299,200	714,590
Services	80	5,006
Technology	270	15,891
Telecommunications	300	1,650
Transportation	150,263	161,503
Utility		250
Warehousing	5,764	6,414
TOTAL	459,689	976,540

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

Table 8: ANNOUNCED SEASONAL HIRING PLANS

Company	2012	2013	2014	2015	2016	2017	2018	2019
Amazon	50,000	70,000	80,000	100,000	120,000	120,000	100,000	
Target	88,000	70,000	70,000	70,000	77,500	100,000	120,000	133,000
UPS	55,000	55,000	95,000	95,000	95,000	95,000	100,000	95,000
Macy's	80,000	83,000	86,000	85,000	83,000	87,000	80,000	
FedEx (Transportation)	20,000	20,000	50,000	55,000	50,000	50,000	55,000	55,000
JCPenney	40,000	35,000	35,000	30,000	40,000	40,000	39,000	
Michaels						15,000	15,000	15,000
Kroger						14,000	10,000	
Nordstrom				11,800	11,400	13,650		
Toys"R"Us	45,000	45,000	45,000	40,000		12,500		
Burlington Stores						12,000		
The Bon-Ton Stores					13,500	10,000		
1-800-FLOWERS.COM Inc.						8,000	8,000	8,000
McDonald's						3,179		
Williams-Sonoma						2,000		
Fanatics						2,000		
Plow & Hearth						400		
Opryland					300	400		
Kohl's	52,700	53,000	76,970	79,160	69,000		90,000	90,000
Walmart	50,000	55,000	60,000	60,000				
GameStop	17,000	17,000	25,000	28,000				
Sports Authority				3,500				
Best Buy	14,000							
Meijer	12,000	9,000	10,000					
Radial					20,000	23,000	20,000	5,764
Party City					35,000			25,000
Gap			63,000				65,000	5,000
Versant Supply Chain					2,000			
L Brands					4,000		4,000	
XPO Logistics						6,000	8,000	
Hickory Farms (Food)	5,225	6,000						
Alter'd State								1,200
Total	528,925	518,000	695,970	657,460	620,700	614,129	714,000	432,964

*Announcements tracked for 2019 so far.