



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



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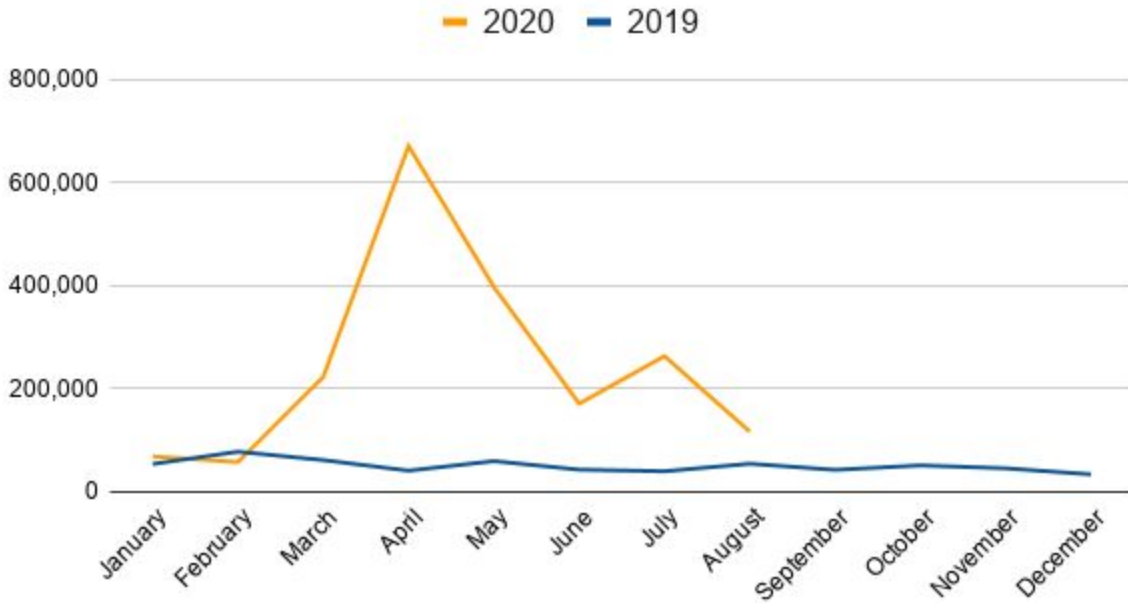
## **EMPLOYERS ANNOUNCE 115,762 JOB CUTS IN AUGUST; HIGHEST NUMBER OF CUTS TRACKED IN A SINGLE YEAR ON RECORD**

**CHICAGO, September 3, 2020** – Job cuts announced by U.S.-based employers in August totaled 115,762, 116% higher than the August 2019 total of 53,480, according to a monthly report released Thursday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

August's total is 56% lower than the 262,649 job cuts announced in July. It is the highest total in August since 2002, when 118,067 job cuts were announced. So far this year, employers have announced 1,963,458 cuts, 231% higher than the 592,556 cuts tracked in January-August of 2019. Announced job cuts in 2020 have surpassed the previous record annual total of 1,956,876 recorded in 2001.

"The leading sector for job cuts last month was Transportation, as airlines begin to make staffing decisions in the wake of decreased travel and uncertain federal intervention. An increasing number of companies that initially had temporary job cuts or furloughs are now making them permanent," said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

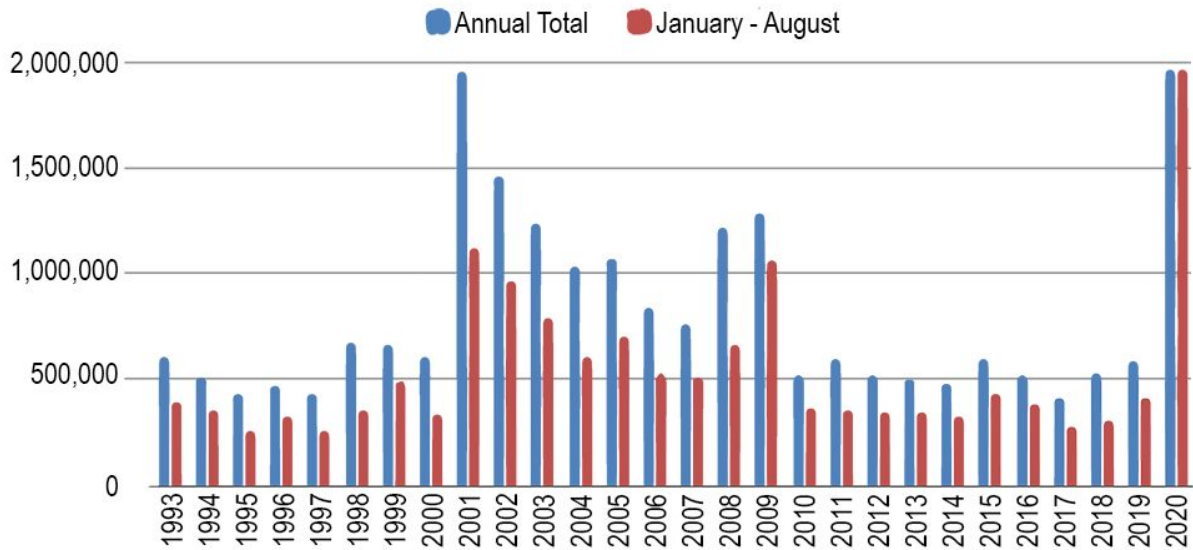
## MONTH-BY-MONTH JOB CUT TOTALS



Transportation companies announced 26,545 cuts in August. Although this was 59% lower than the 65,093 cuts announced in July, it is 647% higher than the 3,554 cuts announced in August 2019. So far this year, the sector has cut 131,571 jobs, a 482% increase over the 22,593 cuts announced in January-August 2019.

Entertainment/Leisure companies, including bars, restaurants, hotels, and amusement parks, posted the second-highest number in August, with 17,271 job cuts, bringing the year-to-date total in that industry to 799,051, the highest of the 30 industries tracked by Challenger. That is 8,128% higher than the 9,711 cuts reported in January-August 2019. Retail companies posted the second-highest total of job cuts through August at 168,403, 194% higher than the 57,226 cuts through August 2019.

## HISTORICAL JOB CUTS



Market conditions caused 44,651 of the announced cuts in August, followed by 29,982 cuts due to demand downturn, and 22,532 cuts due to cost-cutting. COVID-19 is the reason cited for 1,083,394 cuts so far this year.

Companies announced 160,411 hiring plans in August. Entertainment/Leisure led with 45,575 hires, followed by Construction, which plans to add 31,052 jobs.

“The employment landscape is dealing with a host of burdens that reach beyond job cuts. COVID-19 and the recession continue to cause volatile conditions in many industries,” said Challenger.

“Both companies and workers are grappling with increasing uncertainty due to stalled economic relief, the approaching election, and child care and education concerns. This is undoubtedly impacting talent management concerns,” said Challenger.

“Many employees hesitate to return to the job force out of fear of exposure to COVID. Parents are trying to determine if they can safely send their children back to school or daycare, or if they need to facilitate remote learning. In some cases, working parents do not have a choice,” he added.

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

**Table 1: EXECUTIVE SUMMARY  
TOP FIVE INDUSTRIES  
Year To Date**

	2020	2019
Entertainment/Leisure	799,051	9,711
Retail	168,403	57,226
Services	133,245	16,484
Transportation	131,571	22,593
Automotive	85,517	36,148

**MONTH-BY-MONTH TOTALS**

	2020	2019
January	67,735	52,988
February	56,660	76,835
March	222,288	60,587
April	671,129	40,023
May	397,016	58,577
June	170,219	41,977
July	262,649	38,845
August	115,762	53,480
September		41,557
October		50,275
November		44,569
December		32,843
<b>TOTAL</b>	<b>1,963,458</b>	<b>592,556</b>

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	355,661
New York	215,251
Florida	183,532
Texas	150,842
Ohio	90,357

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**

	19-Aug	20-Jul	20-Aug	YTD 2019	YTD 2020
Aerospace/Defense	522	1,847	765	4,603	55,896
Apparel	18	10,839	556	1,306	26,529
Automotive	1,769	9,037	1,664	36,148	85,517
Chemical	69			906	284
Construction	518	595	22	3,055	9,062
Consumer Products	715	1,537	5,527	13,147	31,508
Education	252	5,391	2,787	14,448	30,921
Electronics	10		5,579	1,701	9,398
Energy	1,531	8,881	1,395	19,795	35,128
Entertainment/Leisure	414	109,940	17,271	9,711	799,051
Financial	2,638	1,334	45	17,726	9,100
FinTech		373		1,501	2,172
Food	3,010	6,299	568	18,781	21,881
Government	5,785	2,034	14,249	11,885	61,398
Health Care/Products	5,040	4,755	574	28,939	52,471
Industrial Goods	3,822	5,146	2,789	55,876	75,177
Insurance	470			2,880	2,970
Legal		69		0	984
Media	290	3,619	4,429	8,098	26,259
Mining	433	1,629	102	3,825	10,180
Non-Profit	116	2,132	2,866	2,127	50,091
Pharmaceutical	454	80	43	7,628	1,239
Real Estate	329	4,649	199	1,890	14,512
Retail	2,059	6,517	5,291	57,226	168,403
Services	2,672	7,299	11,504	16,484	133,245
Technology	15,355	2,259	7,419	38,636	64,819
Telecommunications	616	356	250	14,554	29,706
Transportation	3,554	65,093	26,545	22,593	131,571
Utility	269			1,163	1,651
Warehousing	750	939	3,323	6,680	22,335
<b>TOTAL</b>	<b>53,480</b>	<b>262,649</b>	<b>115,762</b>	<b>423,312</b>	<b>1,963,458</b>

**CHALLENGER, GRAY & CHRISTMAS, INC.**  
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**Table 3: JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>Aug-20</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Connecticut	825	9,223	1,690
Delaware		4,678	525
Dist. of Columbia	13,360	20,201	1,457
Maine	64	2,423	2,065
Maryland	507	35,328	3,528
Massachusetts	8,098	42,041	34,351
New Hampshire	21	256	25
New Jersey	1,940	39,458	9,273
New York	10,428	215,251	48,455
Pennsylvania	2,778	72,353	18,040
Rhode Island	1,518	3,119	61
Vermont		822	219
<b>TOTAL</b>	<b>39,539</b>	<b>445,153</b>	<b>119,689</b>

<b>MIDWEST</b>	<b>Aug-20</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Illinois	190	49,252	24,022
Indiana	128	26,082	4,654
Iowa	187	5,874	3,073
Kansas	575	14,449	667
Michigan	1,373	44,976	24,731
Minnesota	2,100	69,896	6,362
Missouri	2,421	32,996	2,229
Nebraska	19	2,163	3,076
Ohio	4,606	90,357	11,807
Wisconsin	796	26,942	6,503
<b>TOTAL</b>	<b>12,395</b>	<b>362,987</b>	<b>87,124</b>

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

<b>WEST</b>	<b>Aug-20</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Alaska		1,844	3,777
Arizona	1,180	19,933	3,660
California	29,832	355,661	65,409
Colorado	34	37,060	7,054
Hawaii	424	3,232	111
Idaho	76	1,838	1,015
Montana		370	256
Nevada	776	65,437	2,409
New Mexico	134	4,402	1,960
North Dakota		583	100
Oklahoma		7,979	871
Oregon	630	24,974	1,740
South Dakota		524	802
Texas	1,195	150,842	26,998
Utah		1,190	342
Washington	6,465	83,730	7,697
Wyoming		1,295	1,961
<b>TOTAL</b>	<b>40,746</b>	<b>760,894</b>	<b>126,162</b>

<b>SOUTH</b>	<b>Aug-20</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Alabama	284	5,099	1,438
Arkansas		2,081	1,042
Florida	6,944	183,532	13,572
Georgia	2,142	35,113	9,491
Kentucky	29	27,124	5,687
Louisiana	3,453	14,972	4,174
Mississippi		3,629	2,503
North Carolina	5,884	36,303	12,410
South Carolina	1,180	12,779	9,872
Tennessee	1,370	50,676	8,172
Virginia	1,796	15,766	19,785
West Virginia		7,350	2,191
<b>TOTAL</b>	<b>23,082</b>	<b>394,424</b>	<b>90,337</b>

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**Table 4: JOB CUTS BY REASON**

	Aug-20	YTD
COVID-19	8,490	1,083,394
Market Conditions	44,651	350,335
Demand Downturn	29,982	153,374
Closing	5,897	85,394
Cost-Cutting	22,532	69,169
No Reason Provided		65,815
Restructuring	1,750	52,393
Voluntary Severance/Buyouts	108	25,996
Oil Price Downturn		22,805
Bankruptcy	1,437	12,995
Contract Loss	614	10,342
Financial Losses		8,056
Acquisition/Merger	66	6,848
Refocus		4,799
737 MAX Halt in Production		3,233
Relocation (Domestic)	38	2,213
Technological Update		1,327
Police Protests	127	1,247
Outsourcing Operations to Another U.S. Company		755
Consolidation	70	626
Steel Downturn		578
Government Regulation		489
Coal Downturn		429
Fires		260
Relocation (International)		260
Legal Trouble		218
Tariffs		108
<b>TOTAL</b>	<b>115,762</b>	<b>1,963,458</b>



**CHALLENGER, GRAY & CHRISTMAS, INC.  
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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	1,120,908
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	127,687	592,556
2020	346,683	1,238,364			1,585,047
AVG	201,433	185,951	173,027	193,633	

*\*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**

	2020	2019	2018	2017	2016	2015
January	23,229	74,040	41,890	136,501	8,362	8,774
February	88,202	15,279	139,925	25,765	7,539	14,574
March	824,610	96,368	14,525	127,006	10,997	6,412
April	285,639	258,302	13,842	61,537	11,557	13,898
May	38,981	8,663	9,889	77,447	24,732	12,598
June	75,454	11,946	13,504	40,095	13,564	11,176
July	246,507	22,316	9,823	88,142	16,051	11,637
August	160,411	24,937	17,274	14,530	9,101	11,778
September		459,689	595,997	422,726	487,075	492,306
October		190,835	130,338	37387	135,532	86,107
November		19,063	15,422	61,300	108,994	10,026
December		26,313	15,999	8,218	35,198	11,465
<b>TOTAL</b>	<b>1,743,033</b>	<b>1,207,751</b>	<b>1,018,428</b>	<b>1,100,654</b>	<b>868,702</b>	<b>690,751</b>

## NOTES:

In January 2020, Dollar General announced it would add 8,000 jobs.

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

In March, COVID-19 caused companies to announce 821,810 hiring plans.

In April, COVID-19 caused companies to announce 280,200 hiring plans.

In May, COVID-19 caused companies to announce 32,000 hiring plans.

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**JOB CUT ANNOUNCEMENT REPORT**  
**Table 7: ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>AUGUST</b>	<b>YEAR-TO-DATE</b>
Aerospace/Defense	3,065	11,766
Apparel		2,000
Automotive	8,392	12,391
Chemical		190
Construction	31,052	32,838
Consumer Products	2,380	4,236
Education	5,832	23,153
Electronics	1,150	1,466
Energy		4,142
Entertainment/Leisure	45,575	151,464
Financial	6,118	8,297
FinTech		90
Food	4,285	13,918
Government	3,040	35,116
Health Care/Products	5,142	74,518
Industrial Goods	677	5,145
Insurance	1,100	2,351
Legal	24	24
Media	50	1,576
Mining		0
Non-Profit	110	1,572
Pharmaceutical		1,344
Real Estate	12,050	12,253
Retail	16,798	609,516
Services	4,598	39,094
Technology	5,756	18,345
Telecommunications	500	4,230
Transportation	250	567,300
Utility	667	953
Warehousing	1,800	103,745
<b>TOTAL</b>	<b>160,411</b>	<b>1,743,033</b>