



## CONTACT

Colleen Madden Blumenfeld, Director of Public Relations

Mobile: 314-807-1568

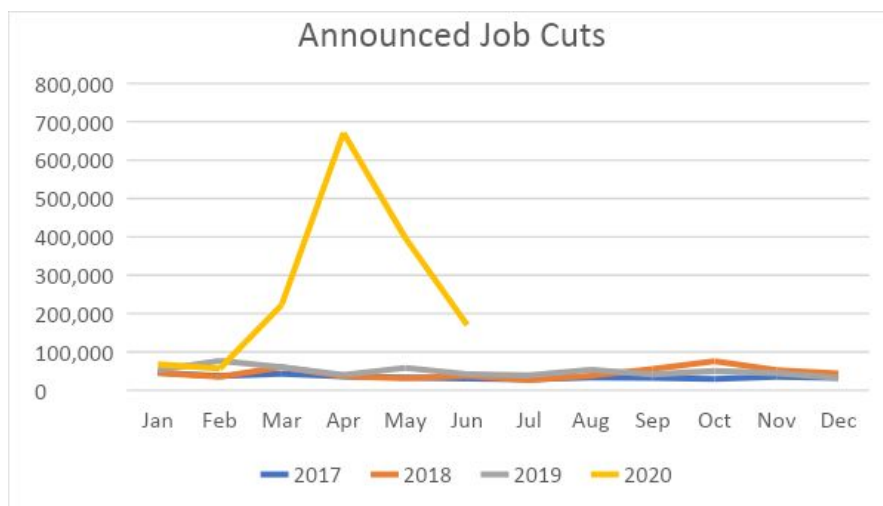
[colleenmadden@challengergray.com](mailto:colleenmadden@challengergray.com)

**FOR RELEASE AT 7:30 A.M. ET, WEDNESDAY, JULY 1, 2020**

## EMPLOYERS ANNOUNCE MORE THAN 1.2 MILLION JOB CUTS IN SECOND QUARTER; MARKET CONDITIONS INCREASINGLY BLAMED FOR CUTS

**CHICAGO, July 1, 2020** – Job cuts announced by U.S.-based employers hit 1,238,364 in the second quarter, the highest quarterly total on record, according to a monthly report released Thursday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

June job cuts totaled 170,219, down 57% from May's total of 397,016, and up 306% from the 41,977 cuts recorded in the same month last year. Prior to when cuts began to increase this year in March, it is the highest monthly total since February 2009, when 186,350 job cuts were announced.



Source: Challenger, Gray & Christmas, Inc. ©

Second quarter cuts are up 257% from the 346,683 tracked in the first quarter of this year and 781% from the 140,577 recorded in the same quarter last year. It is 108% higher than the previous record quarterly total of 594,326 cuts Challenger tracked in the third quarter of 2001.

So far this year, employers have announced 1,585,047 cuts, 379% higher than the 330,987 cuts tracked in January-June of 2019. It is up 77% from the previous January-June record of 896,675 tracked in 2009.

“Job cuts are trending down, as expected, as businesses begin the difficult task of reopening. However, with a resurgence in cases, millions of Americans out of work, and enhanced unemployment benefits coming to an end soon, we may expect more companies to make cuts as consumer and business spending slows,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

While COVID-19 was cited as the reason for 1,011,387 of the 1,585,047 cuts this year, market conditions were to blame for 228,592. Another 71,814 cuts were due to closings and 62,564 were due to a demand downturn. So far this year, Challenger has tracked 16,805 cuts due to the downturn in oil prices.

“We are beginning to see the impact of the recession spreading to companies that were not directly impacted by the virus. At the same time, companies that attempted to reopen but were only able to attract a fraction of their pre-COVID customers are closing down again. Meanwhile, a number of high-profile companies are filing for bankruptcy,” said Challenger.

Bankruptcy has caused 9,581 job cuts so far this year.

“Many people who thought they were temporarily out of work or simply furloughed are learning their positions are gone for good,” said Challenger.

Of the 30 industries Challenger tracks, only three have seen fewer cuts this year than during the same period last year. Pharmaceutical companies have announced 1,116 cuts, down 73% from the 4,112 announced through June last year. Chemical companies have announced 284 cuts, 63% lower than the 769 announced in the same period last year, and Financial companies have announced 40% fewer cuts this year: 7,721 announced in 2020 compared to 12,945 in the same period last year.

“It’s no surprise companies engaged in Pharmaceuticals manufacturing and sales and Chemicals are recession proof right now. These industries are actively developing treatments so desperately needed to get the economy back on track,” said Challenger.

The majority of cuts came from Entertainment/Leisure companies, including bars, restaurants, hotels, and amusement parks, which announced 92,954 cuts in June. Although this was 43% lower than the 163,680 cuts announced in May, it is 12,846% higher than the 718 cuts announced in June 2019. So far this year, this sector has cut 671,840 jobs, a 7,535% increase over the 8,799 cuts announced January through June 2019.

Retailers posted the second-highest number of job cuts so far this year with 156,595, 194% higher than the 53,248 cuts announced January through June 2019.

The Services sector, which includes companies that provide catering, linen, marketing, and administrative services, announced 114,442 cuts so far in 2020, 842% higher than the 12,148 cuts announced through the same period in 2019.

The Automotive sector, including makers, suppliers, and dealers, has cut 74,816 jobs so far in 2020, up 131% from the 32,350 cuts announced January through June 2019.

So far this year, 1,836,115 hiring plans have been announced; 75,454 were announced in June, the majority in Health Care/Products, followed by Government, Aerospace/Defense, and Technology.

###

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

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

|                       | 2020    | 2019   |
|-----------------------|---------|--------|
| Entertainment/Leisure | 671,840 | 8,799  |
| Retail                | 156,595 | 53,248 |
| Services              | 114,442 | 12,148 |
| Automotive            | 74,816  | 32,350 |
| Industrial Goods      | 67,242  | 47,651 |

**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         |                  | 38,845         |
| August       |                  | 53,480         |
| September    |                  | 41,557         |
| October      |                  | 50,275         |
| November     |                  | 44,569         |
| December     |                  | 32,843         |
| <b>TOTAL</b> | <b>1,585,047</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 | 301,813 |
| New York   | 184,199 |
| Florida    | 137,057 |
| Texas      | 116,578 |
| Ohio       | 81,130  |

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**

|                       | 19-Jun        | 20-May         | 20-Jun         | YTD 2019       | YTD 2020         |
|-----------------------|---------------|----------------|----------------|----------------|------------------|
| Aerospace/Defense     | 1,201         | 21,960         | 6,274          | 4,079          | 53,284           |
| Apparel               | 152           | 1,896          | 1,488          | 1,220          | 15,134           |
| Automotive            | 10,904        | 17,284         | 1,240          | 32,350         | 74,816           |
| Chemical              | 310           | 84             |                | 769            | 284              |
| Construction          | 179           | 1,567          | 1,157          | 2,479          | 8,445            |
| Consumer Products     | 821           | 7,363          | 2,830          | 11,084         | 24,444           |
| Education             | 1,458         | 5,519          | 7,416          | 11,763         | 22,743           |
| Electronics           | 255           | 1,772          | 354            | 1,017          | 3,819            |
| Energy                | 1,624         | 3,271          | 1,278          | 14,527         | 24,852           |
| Entertainment/Leisure | 718           | 163,680        | 92,954         | 8,799          | 671,840          |
| Financial             | 509           | 990            | 427            | 12,945         | 7,721            |
| FinTech               | 95            | 491            | 175            | 1,275          | 1,799            |
| Food                  | 1,891         | 2,486          | 1,295          | 14,137         | 15,014           |
| Government            | 419           | 2,979          | 24,911         | 6,090          | 45,115           |
| Health Care/Products  | 4,766         | 13,031         | 1,712          | 22,280         | 47,142           |
| Industrial Goods      | 3,099         | 21,200         | 2,852          | 47,651         | 67,242           |
| Insurance             | 480           | 401            | 79             | 2,222          | 2,970            |
| Legal                 |               | 222            | 86             | 0              | 915              |
| Media                 | 543           | 8,091          | 1,461          | 7,775          | 18,211           |
| Mining                | 210           | 1,518          | 248            | 1,482          | 8,449            |
| Non-Profit            | 96            | 18,758         | 987            | 1,434          | 45,093           |
| Pharmaceutical        | 1,516         | 32             | 165            | 4,112          | 1,116            |
| Real Estate           | 222           | 1,333          | 65             | 998            | 9,664            |
| Retail                | 3,005         | 37,089         | 5,179          | 53,248         | 156,595          |
| Services              | 800           | 34,229         | 7,076          | 12,148         | 114,442          |
| Technology            | 3,209         | 18,480         | 2,069          | 21,777         | 55,141           |
| Telecommunications    | 2,249         |                | 1,139          | 13,451         | 29,100           |
| Transportation        | 550           | 6,317          | 4,499          | 13,507         | 39,933           |
| Utility               | 92            | 435            | 269            | 894            | 1,651            |
| Warehousing           | 604           | 4,538          | 534            | 5,474          | 18,073           |
| <b>TOTAL</b>          | <b>41,977</b> | <b>397,016</b> | <b>170,219</b> | <b>330,987</b> | <b>1,585,047</b> |

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

| <b>EAST</b>       | <b>Jun-20</b> | <b>YTD 2020</b> | <b>YTD 2019</b> |
|-------------------|---------------|-----------------|-----------------|
| Connecticut       | 886           | 6,991           | 1,323           |
| Delaware          |               | 4,651           | 0               |
| Dist. of Columbia | 2,103         | 3,241           | 1,302           |
| Maine             | 221           | 2,225           | 1,720           |
| Maryland          | 4,336         | 34,446          | 2,532           |
| Massachusetts     | 5,081         | 32,062          | 33,041          |
| New Hampshire     |               | 87              | 25              |
| New Jersey        | 1,590         | 36,773          | 6,926           |
| New York          | 37,527        | 184,199         | 35,973          |
| Pennsylvania      | 4,478         | 63,842          | 13,299          |
| Rhode Island      | 277           | 1,474           | 61              |
| Vermont           | 50            | 819             | 219             |
| <b>TOTAL</b>      | <b>56,549</b> | <b>370,810</b>  | <b>96,421</b>   |

| <b>MIDWEST</b> | <b>Jun-20</b> | <b>YTD 2020</b> | <b>YTD 2019</b> |
|----------------|---------------|-----------------|-----------------|
| Illinois       | 5,959         | 45,819          | 21,424          |
| Indiana        | 527           | 22,074          | 3,327           |
| Iowa           | 816           | 5,356           | 2,544           |
| Kansas         | 1,224         | 12,702          | 355             |
| Michigan       | 3,880         | 42,869          | 22,750          |
| Minnesota      | 1,762         | 66,627          | 5,309           |
| Missouri       | 4,701         | 30,064          | 1,974           |
| Nebraska       |               | 1,757           | 2,037           |
| Ohio           | 8,636         | 81,130          | 5,776           |
| Wisconsin      | 1,102         | 19,269          | 5,821           |
| <b>TOTAL</b>   | <b>28,607</b> | <b>327,667</b>  | <b>71,317</b>   |

Copyright 2020 Challenger, Gray & Christmas, Inc.

**CHALLENGER, GRAY & CHRISTMAS, INC.**

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

| <b>WEST</b>  | <b>Jun-20</b> | <b>YTD 2020</b> | <b>YTD 2019</b> |
|--------------|---------------|-----------------|-----------------|
| Alaska       |               | 1,844           | 1,592           |
| Arizona      | 6,884         | 18,497          | 3,035           |
| California   | 4,616         | 301,813         | 45,771          |
| Colorado     | 4,594         | 34,294          | 4,307           |
| Hawaii       | 971           | 2,383           | 102             |
| Idaho        | 57            | 1,762           | 1,015           |
| Montana      |               | 370             | 256             |
| Nevada       | 499           | 5,993           | 2,239           |
| New Mexico   |               | 2,632           | 1,516           |
| North Dakota |               | 583             | 100             |
| Oklahoma     |               | 7,860           | 700             |
| Oregon       | 2,847         | 23,880          | 1,564           |
| South Dakota |               | 524             | 160             |
| Texas        | 7,336         | 116,578         | 22,480          |
| Utah         | 268           | 1,190           | 272             |
| Washington   | 14,108        | 69,245          | 6,499           |
| Wyoming      | 800           | 1,289           | 251             |
| <b>TOTAL</b> | <b>42,980</b> | <b>590,737</b>  | <b>91,859</b>   |

| <b>SOUTH</b>   | <b>Jun-20</b> | <b>YTD 2020</b> | <b>YTD 2019</b> |
|----------------|---------------|-----------------|-----------------|
| Alabama        | 338           | 4,815           | 1,032           |
| Arkansas       | 250           | 2,081           | 962             |
| Florida        | 24,820        | 137,057         | 7,359           |
| Georgia        | 994           | 15,416          | 7,550           |
| Kentucky       | 524           | 26,165          | 5,015           |
| Louisiana      | 3,783         | 8,944           | 3,503           |
| Mississippi    |               | 357             | 1,883           |
| North Carolina | 4,123         | 27,080          | 8,946           |
| South Carolina | 300           | 11,169          | 9,520           |
| Tennessee      | 3,914         | 47,511          | 5,720           |
| Virginia       | 2,619         | 10,333          | 18,633          |
| West Virginia  | 418           | 4,905           | 1,267           |
| <b>TOTAL</b>   | <b>42,083</b> | <b>295,833</b>  | <b>71,390</b>   |

Copyright 2020 Challenger, Gray & Christmas, Inc.

**CHALLENGER, GRAY & CHRISTMAS, INC.**

**JOB CUT ANNOUNCEMENT REPORT****Table 4: JOB CUTS BY REASON**

|  | <b>Jun-20</b>  | <b>YTD</b>       |
|--|----------------|------------------|
| COVID-19                                       | 27,314         | 1,011,387        |
| Market Conditions                              | 89,902         | 228,592          |
| Closing  | 3,158          | 71,814           |
| No Reason Provided                             | 240            | 65,815           |
| Demand Downturn                                | 10,967         | 62,561           |
| Restructuring                                  | 2,391          | 49,838           |
| Cost-Cutting                                   | 28,624         | 31,962           |
| Oil Price Downturn                             | 1,842          | 16,805           |
| Contract Loss                                  | 548            | 9,728            |
| Bankruptcy                                     |                | 9,581            |
| Voluntary Severance/Buyouts                    | 4,319          | 8,819            |
| Acquisition/Merger                             | 914            | 4,944            |
| Financial Losses                               |                | 3,700            |
| 737 MAX Halt in Production                     |                | 3,233            |
| Relocation (Domestic)                          |                | 1,341            |
| Technological Update                           |                | 1,327            |
| Outsourcing Operations to Another U.S. Company |                | 755              |
| Steel Downturn                                 |                | 578              |
| Coal Downturn                                  |                | 429              |
| Refocus  |                | 382              |
| Consolidation                                  |                | 330              |
| Government Regulation                          |                | 280              |
| Fires  |                | 260              |
| Relocation (International)                     |                | 260              |
| Legal Trouble                                  |                | 218              |
| Tariffs  |                | 108              |
| <b>TOTAL</b>                                   | <b>170,219</b> | <b>1,585,047</b> |

**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 | 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.*

Copyright 2020 Challenger, Gray & Christmas, Inc.

**CHALLENGER, GRAY & CHRISTMAS, INC.**

**JOB CUT ANNOUNCEMENT REPORT**  
**Table 6: ANNOUNCED HIRING PLANS**

**By Month**

|                  | 2020             | 2019             | 2018             | 2017             | 2016           | 2015           |
|------------------|------------------|------------------|------------------|------------------|----------------|----------------|
| <b>January</b>   | <b>23,229</b>    | 74,040           | 41,890           | 136,501          | 8,362          | 8,774          |
| <b>February</b>  | <b>88,202</b>    | 15,279           | 139,925          | 25,765           | 7,539          | 14,574         |
| <b>March</b>     | <b>824,610</b>   | 96,368           | 14,525           | 127,006          | 10,997         | 6,412          |
| <b>April</b>     | <b>285,639</b>   | 258,302          | 13,842           | 61,537           | 11,557         | 13,898         |
| <b>May</b>       | <b>38,981</b>    | 8,663            | 9,889            | 77,447           | 24,732         | 12,598         |
| <b>June</b>      | <b>75,454</b>    | 11,946           | 13,504           | 40,095           | 13,564         | 11,176         |
| <b>July</b>      |                  | 22,316           | 9,823            | 88,142           | 16,051         | 11,637         |
| <b>August</b>    |                  | 24,937           | 17,274           | 14,530           | 9,101          | 11,778         |
| <b>September</b> |                  | 459,689          | 595,997          | 422,726          | 487,075        | 492,306        |
| <b>October</b>   |                  | 190,835          | 130,338          | 37,387           | 135,532        | 86,107         |
| <b>November</b>  |                  | 19,063           | 15,422           | 61,300           | 108,994        | 10,026         |
| <b>December</b>  |                  | 26,313           | 15,999           | 8,218            | 35,198         | 11,465         |
| <b>TOTAL</b>     | <b>1,336,115</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.

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

**Table 7: ANNOUNCED HIRING PLANS**

| <b>INDUSTRY</b>       | <b>JUNE</b>   | <b>YEAR-TO-DATE</b> |
|-----------------------|---------------|---------------------|
| Aerospace/Defense     | 5,166         | 8,521               |
| Apparel               | 2,000         | 2,000               |
| Automotive            | 3             | 2,964               |
| Chemical              |               | 0                   |
| Construction          | 20            | 577                 |
| Consumer Products     | 53            | 839                 |
| Education             | 12            | 132                 |
| Electronics           |               | 56                  |
| Energy                |               | 4,000               |
| Entertainment/Leisure | 577           | 83,677              |
| Financial             |               | 1,770               |
| FinTech               |               | 0                   |
| Food                  | 382           | 8,078               |
| Government            | 10,052        | 510,052             |
| Health Care/Products  | 50,197        | 52,627              |
| Industrial Goods      | 13            | 2,663               |
| Insurance             | 251           | 1,251               |
| Legal                 |               | 0                   |
| Media                 |               | 12                  |
| Mining                |               | 0                   |
| Non-Profit            | 130           | 130                 |
| Pharmaceutical        | 304           | 964                 |
| Real Estate           | 3             | 3                   |
| Retail                | 19            | 582,129             |
| Services              | 451           | 1,011               |
| Technology            | 5,030         | 11,038              |
| Telecommunications    |               | 3,730               |
| Transportation        | 650           | 556,150             |
| Utility               | 136           | 136                 |
| Warehousing           | 5             | 1,605               |
| <b>TOTAL</b>          | <b>75,454</b> | <b>1,836,115</b>    |