

NEWS RELEASE

The Cutting Tool Market Report



a joint statistical program
AMT and USCTI

Contact:

Pat McGibbon, AMT, 703-827-5255
pmcgibbon@AMTonline.org

Susan Orenga, USCTI, 216-241-7333
sorenga@thomasamc.com

For Release: July 11, 2018

U.S. Cutting Tool Consumption Up 10.1 Percent In May

May U.S. cutting tool consumption totaled \$215.13 million according to the U.S. Cutting Tool Institute (USCTI) and AMT – The Association For Manufacturing Technology. This total, as reported by companies participating in the Cutting Tool Market Report collaboration, was up 5.6 percent from April's \$203.68 million and up 12.1 percent when compared with the \$191.93 million reported for May 2017. With a year-to-date total of \$999.82 million, 2018 is up 10.1 percent when compared with 2017.

These numbers and all data in this report are based on the totals reported by the companies participating in the CTMR program. The totals here represent the majority of the U.S. market for cutting tools.

“The cutting tool industry continues to show improved growth in 2018. The ball is still rolling with positive numbers despite the chaos with Global Trade Agreements,” said Brad Lawton, Chairman of AMT’s Cutting Tool Product Group.

“The cutting tool results match overall economic indicators and continue to show strength in the manufacturing sector. With cutting tools showing a 12.1% year-over-year growth, the PMI well over 50 (it was 60.2 in June), and consumer confidence being strong (126.4 in June), it would indicate that the

(more)

USCTI – United States Cutting Tool Institute
1300 Sumner Avenue, Cleveland, OH 44115-2851
216-241-7333 ▪ 216-241-0105 fax ▪ www.USCTI.com

AMT – The Association For Manufacturing Technology
7901 Jones Branch Drive, Suite 900, McLean, VA 22102
703-893-2900 ▪ 703-893-1151 fax ▪ www.AMTonline.org

economic train is going nicely down the tracks. This should be a great time to be in manufacturing,” commented by Costikyan Jarvis, President of Jarvis Cutting Tools.

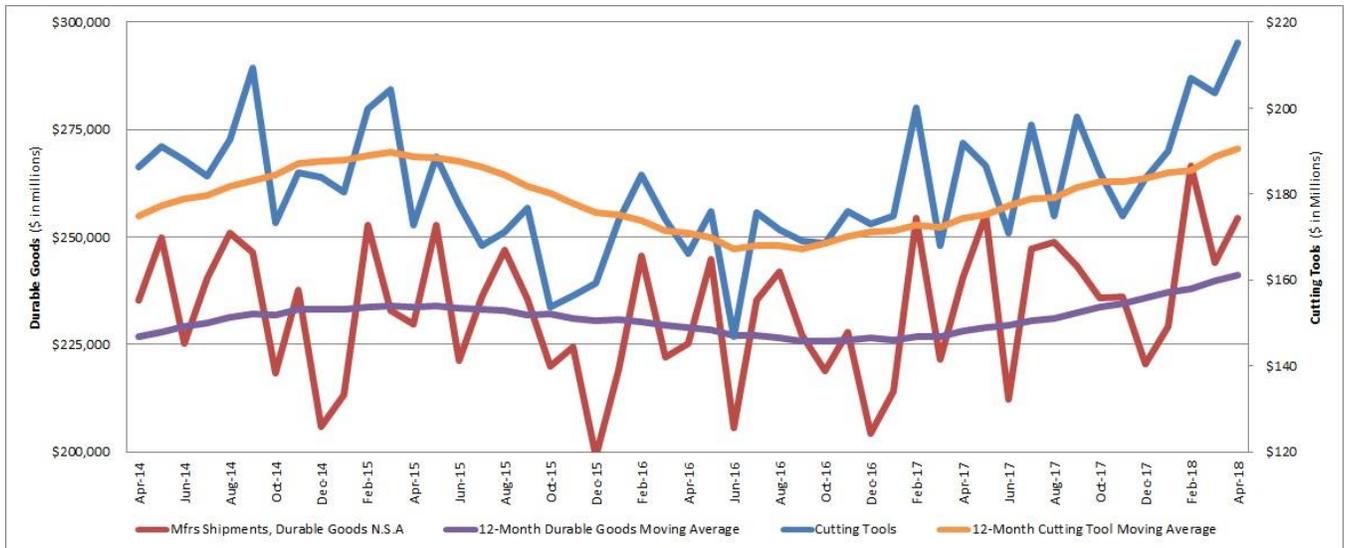
Adding to this, Jarvis states that “It would be impossible not to mention the tariffs and potential trade wars and how these issues have the possibility to derail the economic train. The 25% steel tariffs are only starting to be seen in the economy and it is not clear how the NAFTA negotiations will end. Additionally, we have picked fights with our North American neighbors, our NATO allies, and economies like China.”

To conclude his thoughts, Jarvis states that “It is a great concern how these costs and negotiations will alter the ability for American manufacturers to compete. The opposing tariffs, which have already been created, will have a significant impact on the agricultural sector of the economy. This will inevitably trickle down to a reduced demand for the tractors, combines, and other equipment that is manufactured for the farms. How other costs affect the larger industries like the automobile and aerospace segments remains to be seen. As someone else said, ‘an eye for an eye can leave everyone blind.’”

The Cutting Tool Market Report is jointly compiled by AMT and USCTI, two trade associations representing the development, production and distribution of cutting tool technology and products. It provides a monthly statement on U.S. manufacturers’ consumption of the primary consumable in the manufacturing process – the cutting tool. Analysis of cutting tool consumption is a leading indicator of both upturns and downturns in U.S. manufacturing activity, as it is a true measure of actual production levels.

Historical data for the Cutting Tool Market Report is available dating back to January 2012. This collaboration of AMT and USCTI is the first step in the two associations working together to promote and support U.S.-based manufacturers of cutting tool technology.

We have updated the graph below to include the 12-month moving average for the Durable Goods shipments and Cutting Tool orders. These values are calculated by taking the average of the most recent 12 months and plotting them over time.



###

(CTMR data is also available at www.AMTonline.org)
 ISSN# 10807756



AMT – The Association For Manufacturing Technology represents U.S.-based builders and distributors of manufacturing technology – the advanced machinery, devices, and digital equipment that U.S. manufacturing relies on to be productive, innovative, and competitive.

Located in McLean, VA, near the nation’s capital, AMT acts as the industry’s voice to speed the pace of innovation, increase global competitiveness and develop manufacturing’s advanced workforce of tomorrow. With extensive expertise in industry data and intelligence, as well as a full complement of international business operations, AMT offers its members an unparalleled level of support. AMT also produces IMTS – The International Manufacturing Technology Show, the premier manufacturing technology event in North America. The CTPG report is compiled by AMT and all data in the report is based on the totals of actual data reported by companies participating in the CTPG program.



The United States Cutting Tool Institute (USCTI) was formed in 1988 and resulted from a merger of two national associations representing the cutting tool manufacturing industry. The Institute works to represent, promote, and expand

the U.S. cutting tool industry and to promote the benefits of buying American-made cutting tools manufactured by its members. Membership includes North American manufacturers and/or remanufacturers of cutting tools, as well as tool surface treatment providers. Members, which number over 70, belong to ten product divisions: Carbide Tooling, Drill & Reamer, Metal Cutting Saw Blades, Milling Cutter, Polycrystalline Diamond & Polycrystalline Cubic Born Nitride, Substrate Materials, Surface Coating, Tap & Die, Tool Holder and All Other Tooling. A wide range of activities include a comprehensive statistics program, human resources surveys, development of product specifications and standards, and semi-annual meetings to share ideas and receive information on key industry trends.