For Release: June 15, 2020

April 2020 U.S. Cutting Tool Orders Down 14.4% from April 2019

April 2020 U.S. cutting tool consumption totaled $142.9 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 down 24.7 percent from March’s $189.8 million and down 31.1 percent when compared with the $207.5 million reported for April 2019. With a year-to-date total of $717.5 million, 2020 is down 14.4 percent when compared with April 2019.

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.

According to Bret Tayne, President of USCTI, “The precipitous drop in April cutting tool industry sales numbers confirms what many of us have experienced. The good news is that some economic forecasts and macro market indicators point to improvement as we enter the second half of the year.”

“The latest data from April simply quantifies ‘how bad’ the news is for our industry. It also appears the bad news will continue through the months ahead. The drop in oil prices along with COVID-19’s impact on automotive, aerospace and support industries has left its trail of destruction,” said Steve Stokey, Executive VP and Owner of Allied Machine and Engineering, adding, “Survival and understanding the ‘new normal’ is what is driving most decisions now-a-days. One positive tidbit to note is the resiliency of our industry. Companies have implemented

(more)
changes and innovated at unprecedented speeds. The phrase ‘Innovate or Die’ has never been more relevant than it is today.”

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.

The graph below includes 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.