

NEWS RELEASE

The Cutting Tool Market Report



a joint statistical program
AMT and USCTI

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U.S. Cutting Tool Orders Down 1% in November Year to Date

November 2019 U.S. cutting tool consumption totaled \$189.1 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 12.6 percent from October's \$216.4 million and down 9.7 percent when compared with the \$209.4 million reported for November 2018. With a year-to-date total of \$2.3 billion, 2019 is down 1.1 percent when compared with 2018. Please note revisions to September 2019 through October 2019 data.

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 Brad Lawton, Chairman of AMT's Cutting Tool Product Group, "The Cutting Tool Industry has been managing through declining sales volumes for 2019. The economic forecasts indicate that this trend will continue into 2020. However, the recent progress that has been accomplished with Trade Agreements could improve economic activity."

"The CTMR did not drop off as significantly as machine tool orders in 2019 but was on a downward trend for most of the year and remained in negative territory. We should see an upturn in December compared to the previous month as year-end budgets are expended. I'm actually surprised orders are as close to 2018 levels as they are, and that may be due to relatively high capacity utilization rates in many industries," said Chris Kaiser, CEO of Big Kaiser.

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

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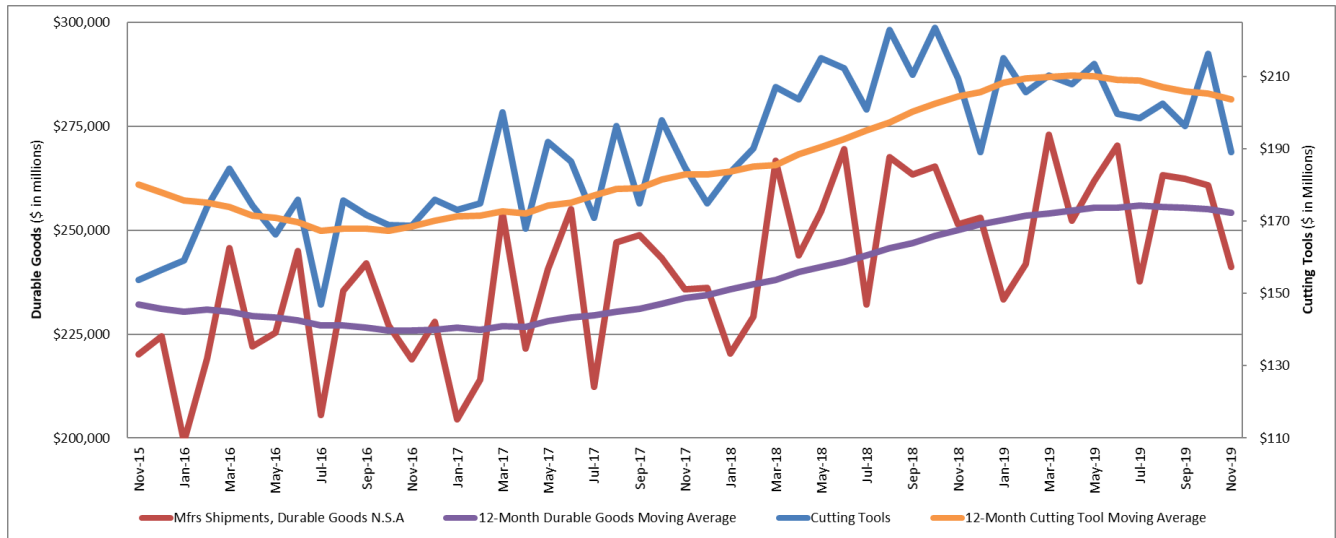
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manufacturing process – the cutting tool. Analysis of cutting tool consumption is a leading indicator of both upturns and downturns in U.S. manufacturing activity, as it is a true measure of actual production levels.

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.

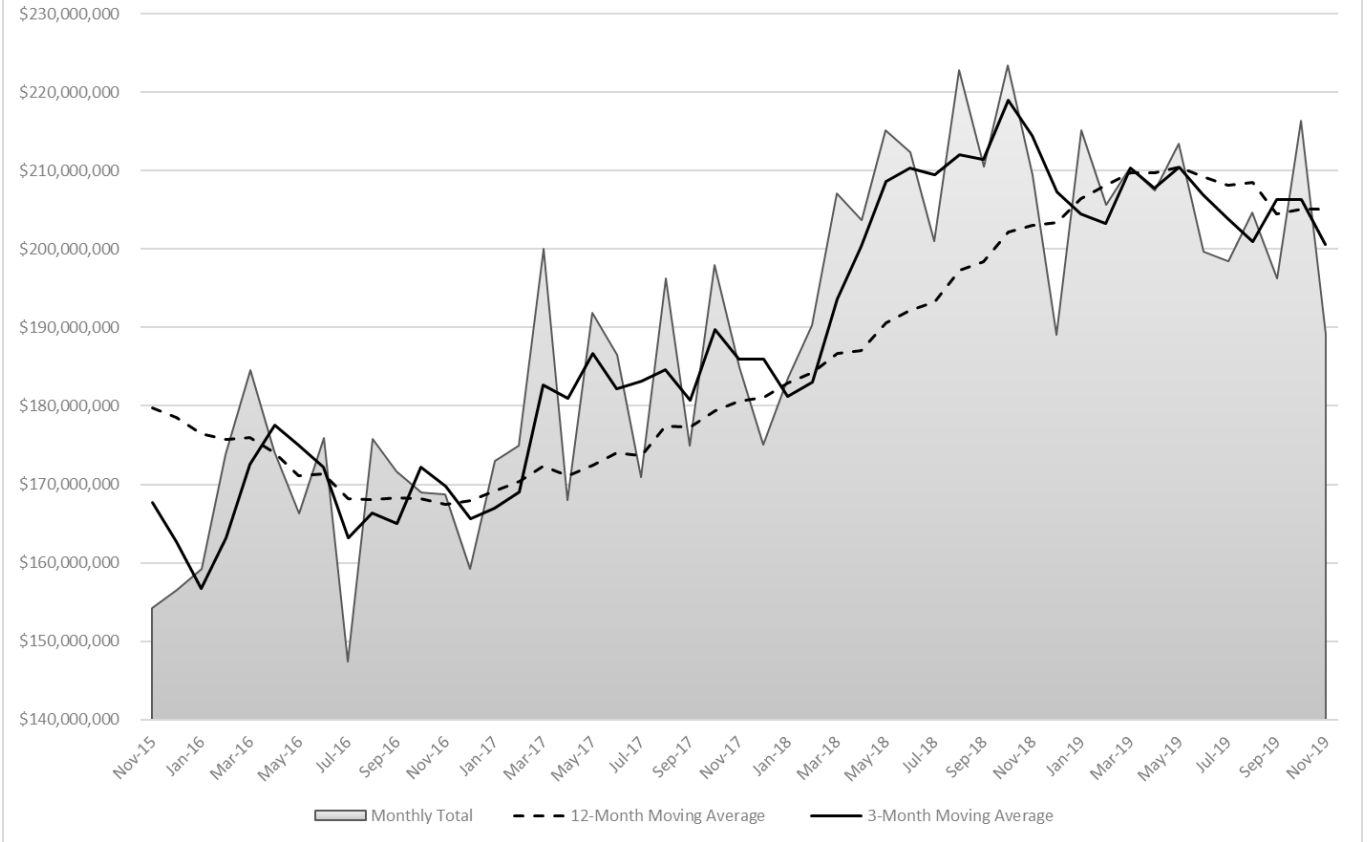


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Monthly U.S. Cutting Tool Orders

November 2014 Through November 2019



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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.