

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

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U.S. Cutting Tool YTD Consumption down 8.3% in August

August U.S. cutting tool consumption totaled \$175.21 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 (CTMR) collaboration, was up 19.2% from July's \$146.95 million and up 4.3% when compared with the total of \$167.91 million reported for August 2015. With a year-to-date total of \$1.352 billion, 2016 is down 8.3% when compared with 2015.

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 welcomed a 19.2% bounce back from a very weak July. Although this is good news, questions still loom over the strength of the overall economy moving forward,” says Steve Stokey, President of USCTI. “The third largest attendance ever at IMTS 2016 combined with a record number of exhibitors certainly is a sign that the industry is optimistic that there are better times ahead.”

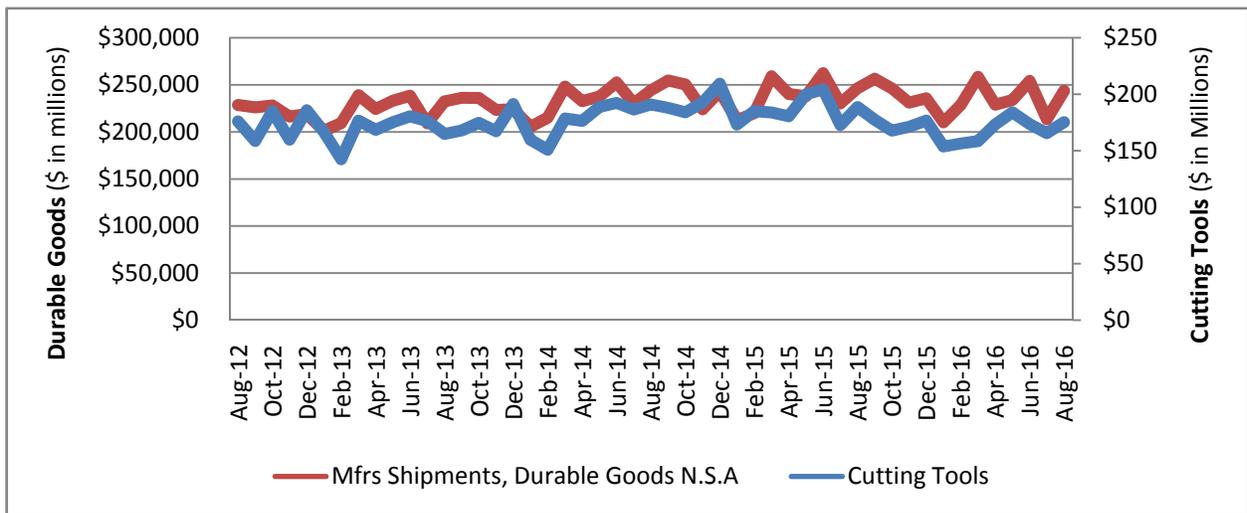
Following the newly announced quarterly forecasting report and webinar available only to AMT and USCTI member participants, Scott Hazelton, Managing Director, Economics & Country Risk at IHS Markit adds “Revenues will improve for the U.S. Cutting Tool industry in 2017 with growth approaching double digits for the year as a whole. The remainder of 2016 will continue to be challenging with headwinds from weak oil prices, an inventory cycle and the high dollar. However, next year will feature steadily stronger

(more)

conditions for several key industries that demand cutting tools, particularly in energy, chemicals and technology, and because cutting tools are consumed with industrial production, they can recover more quickly than investment goods. Demand for cutting tools will easily outpace growth in the overall economy as well as equipment spending in 2017 and 2018.”

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.



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(CTMR data is also available at www.AMTonline.org)
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AMT – The Association For Manufacturing Technology represents and promotes U.S.-based manufacturing technology and its members—those who design, build, sell, and service the continuously evolving technology that lies at the heart of manufacturing. Founded in 1902 and based in Virginia, the association specializes in providing targeted business assistance, extensive global support, and business intelligence systems and analysis. AMT is the voice that communicates the importance of policies and programs that encourage research and innovation, and the development of educational initiatives to create tomorrow’s Smartforce. AMT owns and manages IMTS – The International Manufacturing Technology Show, which is 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.