



CONTACT

Colleen Madden, Director of Public Relations

Office: 312-422-5074

Mobile: 314-807-1568

colleenmadden@challengergray.com

FOR RELEASE AT 7:30 A.M. ET, DECEMBER 6, 2018

JOB CUT ANNOUNCEMENTS HIT 53,073 IN NOVEMBER, YTD UP 28 PERCENT YEAR OVER YEAR

CHICAGO, December 6, 2018 – Companies around the globe are beginning to announce large-scale layoff plans, possibly signaling an upcoming downturn. The number of planned layoffs announced by U.S.-based employers totaled 53,073 in November, according to a report released Thursday by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

In November, Japanese tech and energy conglomerate Toshiba announced plans to cut roughly 7,000 workers, while German pharmaceutical giant Bayer announced 12,000 cuts following its merger with Monsanto. It remains to be seen how these announcements will impact the U.S. workforce. Challenger tracks job cut announcements by U.S.-based companies or those that occur in the U.S., as specified by the company.

The big story in the U.S. last month, however, was the announcement by General Motors that it would cut 15 percent of its workforce, or up to 14,000 employees, after offering 18,000 buyouts to workers in an effort to save over \$6 billion. Challenger counted 14,000 cuts due to cost-cutting. GM's announcement is the 7th largest single job cut announcement by an Automotive company since 2001, according to Challenger's tracking.

"Announcements like GM's will not be the last, as companies adapt to shifting consumer behavior. We've already seen major plans in the U.S. from Verizon, Wells Fargo, and Toys'R'Us for exactly those reasons," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

Last month's job cut total is 29.8 percent lower than the 75,644 cuts announced in October and 51.5 percent higher than the 35,038 cuts announced in the same month last year. So far this year, employers have announced 494,775 cuts, 28 percent higher than the 386,347 announced through this point last year. This is the highest 11-month total since 2015, when 574,888 cuts were tracked through November.

"Monthly job cut announcements averaged under 35,000 in all of 2017 and just under 44,000 in 2016. In 2018, cuts are averaging nearly 45,000 per month, with the last four months averaging over 55,000. This upward trend is indicative of a potential economic shift and could spell a downturn," said Challenger.

"The job market remains strong for the moment, however. The tight labor market and high demand for skilled workers mean most of those who find themselves unemployed have a good chance of finding new positions," he added.

Retail continues to lead all sectors in job cut announcements with 96,504.

Telecommunications companies follow with 59,518, while Financial firms have announced 41,351 cuts this year. Health Care and Health Care Products manufacturers announced 39,443 cuts through November. Companies in the Consumer Products sector have announced 30,733.

Companies in the Automotive sector have announced 28,529 cuts in 2018, 64 percent more than the 17,392 announced through November last year.

Companies claimed restructuring was the cause of 177,441 job cuts this year, while 136,605 were due to plant, unit, and/or store closures. Another 35,456 were due to bankruptcy proceedings. Last month, 93 cuts were attributed to tariffs, specifically tariffs on Chinese-imported paper, bringing the year-to-date total to 798.

Meanwhile, Challenger has tracked 1,002,449 hiring announcements this year, 714,000 of which are seasonal. Employers announced plans to hire 15,422 workers in November.

###

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
TOP FIVE INDUSTRIES
Year To Date

	2018	32017
Retail	96,504	74,665
Telecommunications	59,518	13,391
Financial	41,351	15,455
Health Care/Products	39,443	38,145
Consumer Products	30,733	15,985

MONTH BY MONTH TOTALS

	2018	2017
January	44,653	45,934
February	35,369	36,957
March	60,357	43,310
April	36,081	36,602
May	31,517	33,092
June	37,202	31,105
July	27,122	28,307
August	38,472	33,825
September	55,285	32,346
October	75,644	29,831
November	53,073	35,038
December		32,423
TOTAL	494,775	418,770

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	91,622
New York	74,512
New Jersey	42,138
Texas	26,278
Ohio	24,556

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
JOB CUTS BY INDUSTRY

	17-Nov	18-Oct	18-Nov	YTD 2017	YTD 2018
Aerospace/Defense	849	765	407	14,611	6,122
Apparel		82	259	0	1,365
Automotive	1,101	526	14,040	17,392	28,529
Chemical	66	70	1,791	903	2,680
Commodities	70	129		602	524
Computer	2,694	149	3,588	18,668	13,222
Construction	207	176	476	8,659	2,267
Consumer Products	3,053	717	1,527	15,985	30,733
Education	829	418	395	12,265	9,529
Electronics	88	1,589	238	4,856	12,302
Energy	1,001	155	1,242	15,844	7,964
Entertainment/Leisure	628	1,311	2,865	11,306	12,775
Financial	2,179	2,101	315	15,455	41,351
Food	2,210	1,274	3,264	19,978	14,627
Government	962	386	1,119	8,976	3,621
Health Care/Products	7,011	2,146	4,300	38,145	39,443
Industrial Goods	2,623	1,747	2,514	19,986	24,960
Insurance	397	1,160	1,668	7,780	6,801
Legal	193		304	588	428
Media	449	2,806	589	3,865	11,875
Non-Profit	122		209	1,636	2,208
Pharmaceutical	433	2,497	483	13,254	10,618
Real Estate			91	532	448
Retail	2,065	7,350	3,769	74,665	96,504
Services	3,920	392	3,716	32,836	30,563
Telecommunications	300	46,616		13,391	59,518
Transportation	1,249	1,082	2,433	12,127	19,135
Utility	339		166	2,042	2,475
Warehousing			1,305		2,188
TOTAL	35,038	75,644	53,073	386,347	494,775

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
JOB CUTS BY REGION, STATE

EAST	November	YTD
New York	2,389	74,512
New Jersey	716	42,138
Pennsylvania	1,821	15,903
Massachusetts	1,873	9,471
Connecticut	424	4,644
Maryland	642	4,238
Rhode Island	143	1,156
Dist. of Columbia		407
Vermont	30	332
New Hampshire		330
Maine	171	297
Delaware	23	247
	8,232	153,675

MIDWEST	November	YTD
Ohio	3,054	24,556
Michigan	14,529	22,424
Wisconsin	481	18,647
Illinois	1,173	16,188
Minnesota	776	8,763
Missouri	353	8,142
Iowa	362	7,792
Indiana	262	5,761
Nebraska	48	3,270
Kansas	195	1,955
TOTAL	21,233	117,498

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
JOB CUTS BY REGION, STATE

WEST	November	YTD
California	8,160	91,622
Texas	387	26,278
Washington	921	4,964
Colorado	1,108	4,671
Arizona	711	3,722
Utah	944	2,106
Oklahoma	50	1,863
Oregon	255	1,745
New Mexico		1,543
South Dakota	67	1,348
Idaho		1,256
Alaska		1,238
North Dakota	67	436
Wyoming	362	362
Nevada		210
Hawaii	117	117
Montana		50
TOTAL	13,149	143,531

SOUTH	November	YTD
Florida	2,102	18,386
North Carolina	1,652	12,837
Georgia	2,582	10,736
Virginia	705	9,357
South Carolina	1,360	5,477
Kentucky	664	4,964
Tennessee	560	4,851
Louisiana	90	3,943
Alabama	84	3,847
Mississippi	413	2,394
West Virginia	227	2,074
Arkansas	20	1,205
TOTAL	10,459	80,071

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

	November	YTD
Restructuring	12,248	177,441
Closing	12,810	136,605
Voluntary Severance	0	46,100
Cost-Cutting	17,376	44,042
Bankruptcy	1,926	35,456
Acquisition/Merger	4,741	23,181
Contract Loss	1,170	13,260
Relocation	306	5,532
Demand Downturn	2,371	5,108
Outsourcing		4,349
Government Regulation		1,365
Tariffs	93	798
Coal Downturn		613
Financial Losses		365
Reorganization		227
Legal Trouble		62
Technological Update		60
Allegations of Sexual Harassment		48
Budget Cuts		40
Competition		30
Wildfire		27
Fire	25	25
ICE Inquiry		20
Fired	2	16
Policy Violation	5	5
TOTAL	53,073	494,775

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
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	1,272,030
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		366,058
AVG	196,959	152,383	174,332	196,740	

**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.*

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

**ANNOUNCED HIRING PLANS
By Month**

	2018	2017	2016	2015	2014
January	41,890	136,501	8,362	8,774	6,312
February	139,925	25,765	7,539	14,574	11,054
March	14,525	127,006	10,997	6,412	6,860
April	13,842	61,537	11,557	13,898	11,145
May	9,889	77,447	24,732	12,598	10,141
June	13,504	40,095	13,564	11,176	15,530
July	9,823	88,142	16,051	11,637	16,544
August	17,274	14,530	9,101	11,778	9,657
September	595,997	422,726	487,075	492,306	567,705
October	130,338	37,387	135,532	86,107	147,935
November	15,422	61,300	108,994	10,026	11,291
December		8,218	35,198	11,465	7,332
TOTAL	1,002,429	1,100,654	868,702	690,751	821,506

Copyright 2018 Challenger, Gray & Christmas, Inc.

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

ANNOUNCED HIRING PLANS

INDUSTRY	November	YEAR-TO-DATE
Aerospace/Defense	790	4,334
Apparel		0
Automotive	200	5,074
Chemical	80	334
Commodities		307
Computer	2,095	14,601
Construction		760
Consumer Products	400	5,183
Education		568
Electronics		22,500
Energy		2,325
Entertainment/Leisure	1,200	17,015
Financial	100	7,954
Food	70	3,040
Government		1,216
Health Care/Products	1,600	3,095
Industrial Goods	937	8,170
Insurance		1,785
Legal		0
Media		500
Non-Profit		0
Pharmaceutical		2,500
Real Estate		39
Retail	6,300	697,060
Services		8,418
Telecommunications	300	2,952
Transportation	1,350	192,105
Utility		334
Warehousing		260
TOTAL	15,422	1,002,429

Seasonal Hiring Announcements

Company	2012	2013	2014	2015	2016	2017	2018
Amazon	50,000	70,000	80,000	100,000	120,000	120,000	100,000
Target	88,000	70,000	70,000	70,000	77,500	100,000	120,000
UPS	55,000	55,000	95,000	95,000	95,000	95,000	100,000
Macy's	80,000	83,000	86,000	85,000	83,000	87,000	80,000
FedEx (Transportation)	20,000	20,000	50,000	55,000	50,000	50,000	55,000
JCPenney	40,000	35,000	35,000	30,000	40,000	40,000	39,000
Michaels						15,000	15,000
Kroger						14,000	10,000
Nordstrom				11,800	11,400	13,650	
Toys"R"Us	45,000	45,000	45,000	40,000		12,500	
Burlington Stores						12,000	
The Bon-Ton Stores					13,500	10,000	
1-800-Flowers						8,000	8,000
McDonald's						3,179	
Williams-Sonoma						2,000	
Fanatics						2,000	
Plow & Hearth						400	
Opryland					300	400	
Kohl's	52,700	53,000	76,970	79,160	69,000		90,000
Walmart	50,000	55,000	60,000	60,000			
GameStop	17,000	17,000	25,000	28,000			
Sports Authority	N/A	N/A	N/A	3,500			
Best Buy	14,000	N/A	N/A				
Meijer	12,000	9,000	10,000				
Radial					20,000	23,000	20,000
Party City					35,000		
Gap			63,000				65,000
Versant Supply Chain					2,000		
L Brands					4,000		4,000
XPO Logistics						6,000	8,000
Hickory Farms (Food)	5,225	6,000					
Total	528,925	518,000	695,970	657,460	620,700	614,129	714,000