



Challenger, Gray & Christmas, Inc.  
The original outplacement company



## CONTACT

**Colleen Madden**, Director of Public Relations

Office: 312-422-5074

Mobile: 314-807-1568

[colleenmadden@challengergray.com](mailto:colleenmadden@challengergray.com)

**FOR RELEASE AT 7:30 A.M. ET, APRIL 4, 2019**

## **Q1 JOB CUT ANNOUNCEMENTS HIT 190,410, HIGHEST FIRST QUARTER TOTAL SINCE 2009**

**CHICAGO, April 4, 2019** – U.S.-based employers announced plans to cut 60,587 jobs from their payrolls in March, down 21% from the 76,835 cuts announced in February. Despite the decline, last month's cuts in the Automotive and Energy sectors added to the highest quarterly total of the last 14 quarters, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

First quarter cuts totaled 190,410, 10.3% higher than the 172,601 cuts announced in the final quarter of 2018 and 35.6% higher than the 140,379 announced in the same quarter last year. It is the highest quarterly total since Q3 2015, when 205,759 cuts were announced. It is also the highest first quarter total since 2009, when 562,510 cuts were recorded.

"Companies appear to be streamlining and updating their processes, and workforce reductions are increasingly becoming a part of these decisions. Consumer behavior and advances in technology are driving many of these cuts," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

"Another major driver of the uptick in job cuts is economic uncertainty and fears of an upcoming downturn. Companies are reacting to market conditions as much as consumer demand," he added.

March job cuts were led by the Automotive sector, which announced 8,838 cuts. So far this year, automotive manufacturers and suppliers have cut 15,887 jobs. Energy companies followed with 8,149 planned cuts last month, for a total of 10,548 this year.

“Both Auto and Energy companies are pivoting in response to advances in technology and consumer demand for more efficiency. Companies in these sectors are attempting to attract talent who can compete with tech companies, like Apple and Tesla, which are beginning to compete in this space,” said Challenger.

“At the same time, the big automakers are adding positions. In order to move talent through the pipeline, we’ve seen a number of companies offer buyouts or voluntary severance packages to thousands of their workers. Many of them are offered to workers who are 55 and older and who have been with the company for a number of years. It’s clear that companies are attempting to make way for new talent. While necessary, companies should consider retaining their seasoned talent for their experience and institutional knowledge as they make this transition,” he added.

Financial firms made the third-highest number of cuts in March, with 4,884. The year-to-date total in that sector is 9,570, 239% higher than the 2,823 cuts announced in the industry through March 2018.

Retailers continue to lead all sectors in job cuts this year with 46,061, 4,860 of which were announced in March. That is 18.5% lower than the 56,526 Retail cuts announced in the first quarter of 2018. According to Challenger tracking, Retailers have announced plans to shutter 4,048 stores so far this year.

“While Retail is by far responsible for the highest number of cuts recently, the sector is also constantly hiring. In fact, The Home Depot announced it would hire 80,000 workers for the spring and summer months,” said Challenger.

The majority of cuts this year are due to “restructuring;” 49,868 cuts have been announced due to this reason. Bankruptcy claimed another 40,218 this year, a 33.8% increase over the first quarter of last year. Another 27,380 cuts were due to plant, unit, or store closings.

“Several indications, such as the number of companies filing for bankruptcy or closing operations, suggest we’re heading for a downturn. The recent proposal to close the southern border adds to the uncertainty and may contribute to more cuts as companies try to adapt,” said Challenger.

# # #

*Note: Challenger has updated the names of two industries to better describe the companies that are tracked therein. “Computer” will now be labeled “Technology” and “Commodities” will now be called “Mining.”*

*Challenger is also breaking out Financial Tech firms, which will be referred to as “FinTech.” These changes are represented in Table 2 (Job Cuts by Industry) and Table 7 (Announced Hiring Plans).*

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

**Table 1: EXECUTIVE SUMMARY**

**TOP FIVE INDUSTRIES**

**Year To Date**

	<b>2019</b>	<b>2018</b>
<b>Retail</b>	46,061	56,526
<b>Industrial Goods</b>	34,145	3,727
<b>Automotive</b>	15,887	4,549
<b>Health Care/Products</b>	10,877	12,491
<b>Energy</b>	10,548	2,205

**MONTH-BY-MONTH TOTALS**

	<b>2019</b>	<b>2018</b>
<b>January</b>	52,988	44,653
<b>February</b>	76,835	35,369
<b>March</b>	60,587	60,357
<b>April</b>		36,081
<b>May</b>		31,517
<b>June</b>		37,202
<b>July</b>		27,122
<b>August</b>		38,472
<b>September</b>		55,285
<b>October</b>		75,644
<b>November</b>		53,073
<b>December</b>		43,884
<b>TOTAL</b>	<b>190,410</b>	<b>538,659</b>

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**

<b>Massachusetts</b>	<b>30,160</b>
<b>California</b>	<b>29,501</b>
<b>New York</b>	<b>27,953</b>
<b>Illinois</b>	<b>15,567</b>
<b>Michigan</b>	<b>7,950</b>

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

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

**Table 2: JOB CUTS BY INDUSTRY**

	18-Mar	19-Feb	19-Mar	YTD 2018	YTD 2019
Aerospace/Defense	542	272	280	1,478	2,287
Apparel		120	201	0	443
Automotive	2,468	3,100	8,838	4,546	15,887
Chemical	156		81	249	328
Construction	72	521	184	366	800
Consumer Products	1,458	978	1,147	11,778	4,199
Education	671	905	2,835	936	3,798
Electronics	125	59	440	1,277	499
Energy	199	2,152	8,149	2,205	10,548
Entertainment/Leisure	575	606	1,529	1,524	5,668
Financial	1,187	456	4,884	2,328	9,570
FinTech			784		970
Food	1,669	1,325	3,126	4,842	5,790
Government	723	98	2,397	1,226	3,156
Health Care/Products	2,099	5,986	3,111	12,491	10,877
Industrial Goods	1,357	29,665	2,197	3,727	34,145
Insurance	264	136	456	2,090	962
Legal				0	0
Media	1,532	1,152	3,365	3,694	5,796
Mining		203	239	153	586
Non-Profit	367	18	4	507	75
Pharmaceutical	527	144	519	2,745	1,202
Real Estate	167		434	302	512
Retail	35,042	18,874	4,860	56,526	46,061
Services	2,314	442	1,836	10,564	4,808
Technology	378	1,473	2,620	1,978	4,731
Telecommunications	4,056	234	2,295	5,921	2,990
Transportation	1,919	5,878	2,898	5,926	10,091
Utility	490	318	452	863	770
Warehousing	0	1,720	426	137	2,861
<b>TOTAL</b>	<b>60,357</b>	<b>76,835</b>	<b>60,587</b>	<b>140,379</b>	<b>190,410</b>

**CHALLENGER, GRAY & CHRISTMAS, INC.**  
**JOB CUT ANNOUNCEMENT REPORT**  
**Table 3: JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>March</b>	<b>YTD</b>
Massachusetts	954	30,160
New York	3,647	27,953
Pennsylvania	3,690	5,072
New Jersey	694	3,787
Maryland	1,091	1,364
Maine	377	682
Connecticut	359	520
Vermont		217
Dist. of Columbia		77
Rhode Island	59	59
New Hampshire	4	4
Delaware		0
<b>TOTAL</b>	<b>10,875</b>	<b>69,895</b>

<b>MIDWEST</b>	<b>March</b>	<b>YTD</b>
Illinois	1,754	15,567
Michigan	7,095	7,950
Wisconsin	1,742	4,155
Ohio	1,773	3,492
Indiana	1,304	1,912
Minnesota	619	1,115
Nebraska	312	862
Missouri	259	780
Iowa	168	404
Kansas	240	333
<b>TOTAL</b>	<b>15,266</b>	<b>36,570</b>

**CHALLENGER, GRAY & CHRISTMAS, INC.**  
**JOB CUT ANNOUNCEMENT REPORT**  
**Table 3 (cont'd): JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>March</b>	<b>YTD</b>
California	6,017	29,501
Texas	3,329	7,169
Colorado	1,211	3,804
Washington	2,661	3,028
Nevada		2,239
Alaska	1,435	1,505
Arizona	1,117	1,372
New Mexico	942	942
Idaho	39	300
Oklahoma	200	228
Utah	73	133
Wyoming		116
North Dakota		100
Montana	100	100
Oregon		94
South Dakota		70
Hawaii		24
<b>TOTAL</b>	<b>17,124</b>	<b>50,725</b>

<b>SOUTH</b>	<b>March</b>	<b>YTD</b>
South Carolina	7,000	7,430
Georgia	654	5,047
North Carolina	884	4,779
Tennessee	1,911	3,545
Florida	1,613	3,008
Virginia	1,367	2,928
Kentucky	2,891	2,915
Louisiana	548	1,788
Mississippi	184	938
Alabama	270	799
Arkansas		43
West Virginia		0
<b>TOTAL</b>	<b>17,322</b>	<b>33,220</b>

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

**Table 4: JOB CUTS BY REASON**

	March	YTD
Restructuring	6,986	49,868
Bankruptcy	1,355	40,218
Closing	13,374	27,380
No Reason Provided	8,779	15,376
Cost-Cutting	4,499	14,071
Voluntary Severance/Buyouts	7,000	10,175
Contract Loss	2,762	9,319
Acquisition/Merger	6,085	7,690
Demand Downturn	5,756	7,407
Financial Losses	2,120	2,185
Relocation (Domestic)	1,112	1,625
Wildfire		1,431
Technological Update		1,022
Relocation (Overseas)	120	769
Consolidation		715
Tariffs	77	377
Fired	303	303
Market Conditions	144	224
Hurricane Florence	115	115
Government Regulation		55
Contract Dispute		50
ICE Inquiry		20
Coal Downturn		15
<b>TOTAL</b>	<b>60,587</b>	<b>190,410</b>



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

**Table 5: 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	1,120,908
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	172,601	538,659
2019	190,410				190,410
AVG	196,748	152,383	174,332	195,907	

*\*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**  
**Table 6: ANNOUNCED HIRING PLANS**

By Month	2019	2018	2017	2016	2015
January	74,040	41,890	136,501	8,362	8,774
February	15,279	139,925	25,765	7,539	14,574
March	96,638	14,525	127,006	10,997	6,412
April		13,842	61,537	11,557	13,898
May		9,889	77,447	24,732	12,598
June		13,504	40,095	13,564	11,176
July		9,823	88,142	16,051	11,637
August		17,274	14,530	9,101	11,778
September		595,997	422,726	487,075	492,306
October		130,338	37,387	135,532	86,107
November		15,422	61,300	108,994	10,026
December		15,999	8,218	35,198	11,465
<b>TOTAL</b>	<b>185,687</b>	<b>1,018,428</b>	<b>1,100,654</b>	<b>868,702</b>	<b>690,751</b>

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

**Table 7: ANNOUNCED HIRING PLANS**

INDUSTRY	March	YEAR-TO-DATE
Aerospace/Defense	235	1,535
Apparel		0
Automotive	10,250	18,650
Chemical		0
Construction		0
Consumer Products	100	250
Education	50	50
Electronics		0
Energy		121
Entertainment/Leisure		0
Financial		520
FinTech		0
Food		726
Government		0
Health Care/Products	2,545	4,045
Industrial Goods	688	1,110
Insurance		1,850
Legal		0
Media		0
Mining		240
Non-Profit		0
Pharmaceutical		0
Real Estate		0
Retail	80,000	146,700
Services		810
Technology	2,470	6,050
Telecommunications		0
Transportation	30	3,030
Utility		0
Warehousing		0
<b>TOTAL</b>	<b>96,638</b>	<b>185,687</b>