



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



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

## **JOB CUT ANNOUNCEMENTS SURGE 45 PERCENT TO 76,835, HIGHEST MONTHLY TOTAL IN OVER THREE YEARS**

**CHICAGO, March 7, 2019** – The shortest month of the year saw the highest number of job cuts in over three-and-a-half years, as U.S.-based employers announced plans to cut 76,835 positions from their payrolls in February. That is 45 percent higher than the 52,988 cuts announced in January, according to a report released Thursday from global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

Last month's job cuts are 117 percent higher than the 35,369 cuts announced in February 2018. It is the highest monthly total since 105,696 cuts were recorded in July 2015, primarily due to the U.S. Army's cutting over 50,000 jobs and tanking oil prices, causing thousands of cuts in the Energy sector.

"Job cuts have been trending upward since the last half of 2018. We continue to see companies respond to shifting consumer behavior, new technology, as well as trade and market uncertainty through workforce restructuring," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

"Meanwhile, Retailers are closing or revamping brick-and-mortar locations, leading to job loss or going bankrupt and cutting their entire workforces," said Challenger.

Retail leads all sectors in job cut announcements with 41,201 this year, 92 percent higher than the 21,484 Retail cuts announced through February last year. It is the highest January-February total since 2009, when Retailers announced 72,727 job cuts in the first two months of the year.

## Announced Retail Job Cuts

United States											
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
JAN.	22,327	15,378	22,491	22,246	6,699	11,394	6,676	12,426	5,755	16,737	53,968
FEB.	18,874	6,106	11,889	1,096	9,163	3,848	2,279	2,090	8,360	1,534	18,759
MARCH		35,042	4,084	8,490	6,640	2,989	16,445	2,175	1,653	2,097	3,821
APRIL		7,844	11,669	5,145	3,594	6,993	5,897	2,365	2,900	899	2,927
MAY		4,946	5,777	1,287	1,187	472	1,386	1,927	2,944	608	2,657
JUNE		3,750	4,217	3,831	17,947	1,167	217	2,807	1,415	4,306	3,566
JULY		2,697	3,862	1,523	2,532	2,183	1,794	4,135	11,245	812	2,654
AUGUST		3,715	3,607	1,025	9,601	1,063	873	862	5,901	3,812	890
SEPT.		5,907	3,461	7,296	2,467	1,965	927	1,519	1,616	441	6,180
OCT.		7,350	1,543	1,180	5,153	6,874	538	1,013	4,264	1,923	1,643
NOV.		3,769	2,065	4,850	626	2,640	9,998	1,527	2,285	645	913
DEC.		2,059	1,419	1,355	249	2,195	2,269	22	2,608	4,937	829
<b>TOTAL</b>	<b>41,201</b>	<b>98,563</b>	<b>76,084</b>	<b>59,324</b>	<b>65,858</b>	<b>43,783</b>	<b>49,299</b>	<b>32,868</b>	<b>50,946</b>	<b>38,751</b>	<b>98,807</b>

Source: Challenger, Gray & Christmas, Inc. ©

February's retail cuts include the announcement by Payless ShoeSource that 16,000 associates would lose their jobs as the company closes 2,500 stores.

Industrial Goods, which includes heavy and industrial manufacturers, announced 31,948 job cuts through February, while companies in Health Care, including Health Care Products and medical device manufacturers, announced 7,766. Transportation companies have announced 7,193 cuts so far this year.

The Automotive sector has announced 7,049 cuts this year, 239 percent higher than the 2,078 cuts announced through this point in 2018.

"The Auto industry is one in which shifting consumer demand and new tech is creating the need to pivot in a different direction. Tech companies like Apple and Tesla are competing for the self-driving market, causing disruptions to traditional manufacturers and suppliers," said Challenger.

The majority of cuts this year are due to restructuring, as companies cited this reason for 42,882 layoff announcements. Bankruptcy has claimed 38,863 jobs so far this year.

Technological updates were directly blamed for 1,022 cuts. Companies relocating operations overseas claimed 683 jobs, while tariffs led to 300 cuts.

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*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>	41,201	21,484
<b>Industrial Goods</b>	31,948	2,370
<b>Health Care/Products</b>	7,766	10,392
<b>Transportation</b>	7,193	4,007
<b>Automotive</b>	7,049	2,078

**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>		60,357
<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>129,823</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>29,206</b>
<b>New York</b>	<b>24,306</b>
<b>California</b>	<b>23,484</b>
<b>Illinois</b>	<b>13,813</b>
<b>Georgia</b>	<b>4,393</b>

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

**CHALLENGER, GRAY & CHRISTMAS, INC.  
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**Table 2: JOB CUTS BY INDUSTRY**

	18-Feb	19-Jan	19-Feb	YTD 2018	YTD 2019
Aerospace/Defense	641	1,735	272	936	2,007
Apparel		122	120	0	242
Automotive	1,375	3,949	3,100	2,078	7,049
Chemical	28	247		93	247
Construction	225	95	521	294	616
Consumer Products	3,162	2,074	978	10,320	3,052
Education	130	58	905	265	963
Electronics	581		59	1,152	59
Energy	877	247	2,152	2,006	2,399
Entertainment/Leisure	509	3,533	606	949	4,139
Financial	504	4,230	456	1,141	4,686
FinTech		186			186
Food	1,887	1,339	1,325	3,173	2,664
Government	175	661	98	503	759
Health Care/Products	3,861	1,780	5,986	10,392	7,766
Industrial Goods	1,406	2,283	29,665	2,370	31,948
Insurance	1,398	370	136	1,826	506
Legal		0		0	0
Media	1,307	1,279	1,152	2,162	2,431
Mining		144	203	153	347
Non-Profit	104	53	18	140	71
Pharmaceutical	1,242	539	144	2,218	683
Real Estate	80	78		135	78
Retail	6,106	22,327	18,874	21,484	41,201
Services	5,038	2,530	442	8,250	2,972
Technology	844	638	1,473	1,600	2,111
Telecommunications	914	461	234	1,865	695
Transportation	2,535	1,315	5,878	4,007	7,193
Utility	303	0	318	373	318
Warehousing	137	715	1,720	137	2,435
<b>TOTAL</b>	<b>35,369</b>	<b>52,988</b>	<b>76,835</b>	<b>80,022</b>	<b>129,823</b>

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

<b>EAST</b>	<b>February</b>	<b>YTD</b>
Massachusetts	29,063	29,206
New York	18,356	24,306
New Jersey	2,092	3,093
Pennsylvania	640	1,382
Maine	60	305
Maryland		273
Vermont	217	217
Connecticut	161	161
Dist. of Columbia	77	77
Rhode Island		0
New Hampshire		0
Delaware		0
<b>TOTAL</b>	<b>50,666</b>	<b>59,020</b>

<b>MIDWEST</b>	<b>February</b>	<b>YTD</b>
Illinois	2,684	13,813
Wisconsin	805	2,413
Ohio	993	1,719
Michigan	855	855
Indiana	558	608
Nebraska	550	550
Missouri	75	521
Minnesota	259	496
Iowa	196	236
Kansas		93
<b>TOTAL</b>	<b>6,975</b>	<b>21,304</b>

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**Table 3 (cont'd): JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>February</b>	<b>YTD</b>
California	7,001	23,484
Texas	2,015	3,840
Colorado	491	2,593
Nevada	79	2,239
Washington	37	367
Idaho	261	261
Arizona	201	255
Wyoming	15	116
North Dakota	100	100
Oregon	13	94
South Dakota		70
Alaska		70
Utah		60
Oklahoma	28	28
Hawaii	24	24
New Mexico		0
Montana		0
<b>TOTAL</b>	<b>10,265</b>	<b>33,601</b>

<b>SOUTH</b>	<b>February</b>	<b>YTD</b>
Georgia	2,450	4,393
North Carolina	3,145	3,895
Tennessee	1,346	1,634
Virginia	316	1,561
Florida	760	1,395
Louisiana	376	1,240
Mississippi		754
Alabama	70	529
South Carolina	430	430
Arkansas	12	43
Kentucky	24	24
West Virginia		0
<b>TOTAL</b>	<b>8,929</b>	<b>15,898</b>

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**Table 4: JOB CUTS BY REASON**

	<b>February</b>	<b>YTD</b>
Restructuring	32,827	42,882
Bankruptcy	18,879	38,863
Closing	6,514	14,006
Cost-Cutting	2,604	9,572
No Reason Provided	3,500	6,597
Contract Loss	4,098	6,557
Voluntary Severance/Buyouts	2,374	3,175
Demand Downturn	1,493	1,651
Acquisition/Merger	1,059	1,605
Wildfire	1,431	1,431
Technological Update	122	1,022
Consolidation	715	715
Relocation Overseas	489	649
Relocation Domestic	260	513
Tariffs	300	300
Market Conditions	80	80
Financial Losses		65
Government Regulation	55	55
Contract Dispute		50
ICE Inquiry	20	20
Coal Downturn	15	15
<b>TOTAL</b>	<b>76,835</b>	<b>129,823</b>



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**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	1,272,030
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	172,601	538,659
<b>AVG</b>	<b>196,959</b>	<b>152,383</b>	<b>174,332</b>	<b>195,907</b>	

*\*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**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>January</b>	<b>74,041</b>	41,890	136,501	8,362	8,774
<b>February</b>	<b>15,279</b>	139,925	25,765	7,539	14,574
<b>March</b>		14,525	127,006	10,997	6,412
<b>April</b>		13,842	61,537	11,557	13,898
<b>May</b>		9,889	77,447	24,732	12,598
<b>June</b>		13,504	40,095	13,564	11,176
<b>July</b>		9,823	88,142	16,051	11,637
<b>August</b>		17,274	14,530	9,101	11,778
<b>September</b>		595,997	422,726	487,075	492,306
<b>October</b>		130,338	37387	135,532	86,107
<b>November</b>		15,422	61,300	108,994	10,026
<b>December</b>		15,999	8,218	35,198	11,465
<b>TOTAL</b>	<b>89,319</b>	<b>1,018,428</b>	<b>1,100,654</b>	<b>868,702</b>	<b>690,751</b>

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**Table 7: ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>February</b>	<b>YEAR-TO-DATE</b>
Aerospace/Defense	0	1,300
Apparel	0	0
Automotive	8,000	8,400
Chemical	0	0
Construction	0	0
Consumer Products	150	150
Education	0	0
Electronics	0	0
Energy	21	121
Entertainment/Leisure	0	0
Financial	0	520
FinTech	0	0
Food	726	726
Government	0	0
Health Care/Products	1,300	1,500
Industrial Goods	212	422
Insurance	500	1,850
Legal	0	0
Media	0	0
Mining	240	240
Non-Profit	0	0
Pharmaceutical	0	0
Real Estate	0	0
Retail	0	66,700
Services	600	810
Technology	3,530	3,580
Telecommunications	0	0
Transportation	0	3,000
Utility	0	0
Warehousing	0	0
<b>TOTAL</b>	<b>15,279</b>	<b>89,319</b>