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Job Cuts Fall 15% in August
EMPLOYERS ANNOUNCE 40,010 CUTS LAST MONTH

CHICAGO, September 4, 2014 – Planned job cuts announced by US-based employers totaled 40,010 in August, a 15 percent decline from the 46,887 planned layoffs reported in July, according to the report released Thursday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

The August total was 21 percent lower than the same month a year ago, when 50,462 job cuts were announced. This marks just the fourth time this year that the monthly total was lower than the comparable period a year ago.

Despite this trend, job cuts for the year are down slightly from 2013. Through August 31, planned job cuts total 332,931, which is 4.0 percent fewer than the 347,095 cuts announced between January and August of last year.

Top 5 Job Cutting Industries in August

Electronics	7,350
Services	4,096
Industrial Goods	3,782
Health Care/Products	3,475
Pharmaceutical	3,093

August job cuts were heaviest in the tech sector, where electronics firm Cisco Systems announced plans to reduce its payroll by 6,000 jobs following weak quarterly sales numbers. It joins fellow tech-sector giants Microsoft, Hewlett-Packard, and Intel in announcing large downsizing initiatives this year.

To date, employers in the technology sector, including computer, telecommunications, and electronics firms have announced 80,088 job cuts in 2014. That is 41 percent more than the 56,918 tech-sector job cuts announced in all of 2013.

Computer firms have experienced the heaviest downsizing so far this year, announcing a total of 48,928 job cuts, to date. That is 87 percent more than the 26,180 job cut announced by this industry through August 2013.

Electronics firms, such as Cisco Systems, have seen the largest increase in year-over-year job cuts. The 16,406 job cuts announced by these firms to date ranks ninth among all industries. However, that total represents a 170 percent increase from the 6,078 job cuts announced during the same period in 2013.

Meanwhile, retailers have the second highest number of job cuts this year, but downsizing in the industry has slowed from a year ago. Retail employers have announced plans to shed 30,109 workers so far this year, which is 15 percent fewer than the 35,567 planned layoffs recorded by this point in 2013.

“Like retail, the majority of industries have seen job cuts decline in 2014. For many of the industries where job cuts are on the rise, economic weakness is not the driving factor. Instead, the cuts appear to be motivated by fundamental changes in the industry,” John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“Electronics, computer, telecommunications, transportation, and entertainment are all areas that should be flourishing right now. And, in many cases, firms in these industries are doing well. The cuts we are seeing, are coming from companies that did not keep up with the rapidly changing trends that are constantly redefining what products and services are in demand. Now, they are playing catch-up, laying off workers in some areas, hiring in others, and simply cutting layers of management in order to become more nimble and better prepared to meet the next trend shift,” he added.

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CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT
 Year To Date

	2014	2013
Computer	48,928	26,180
Retail	30,109	35,567
Health Care/Products	26,520	32,957
Financial	24,032	41,942
Transportation	20,812	13,090

MONTH BY MONTH TOTALS

	2014	2013
January	45,107	40,430
February	41,835	55,356
March	34,399	49,255
April	40,298	38,121
May	52,961	36,398
June	31,434	39,372
July	46,887	37,701
August	40,010	50,462
September		40,289
October		45,730
November		45,314
December		30,623
TOTAL	332,931	509,051

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	59,765
New York	31,909
Washington	29,406
Illinois	20,738
New Jersey	20,237

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

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JOB CUTS BY INDUSTRY

	13-Aug	14-Jul	14-Aug	Jan-Aug 2013	Jan-Aug 2014
Aerospace/Defense	1,362	3,595	1,140	24,112	13,816
Apparel	220	35		2,170	1,517
Automotive	931	88	725	10,271	6,480
Chemical	340			2,240	1,514
Commodities	8			846	1,274
Computer	4,663	18,359	567	26,180	48,928
Construction		201		1,393	824
Consumer Products	152	338	243	7,849	7,887
Education	413	1,019	515	15,926	12,555
Electronics	2,169	3,700	7,350	6,078	16,406
Energy	2,600	1,410	2,734	12,029	8,052
Entertainment/Leisure	220	2,062	3,044	10,347	18,806
Financial	3,096	1,580	974	41,942	24,032
Food	1,505	1,532	1,857	11,150	13,767
Government	388	5,111	2,180	10,242	16,887
Health Care/Products	3,163	845	3,475	32,957	26,520
Industrial Goods	22,162	1,225	3,782	40,059	17,856
Insurance	47	130	450	5,449	1,839
Legal	30			501	557
Media	1,039	57	1,119	8,010	4,478
Non-Profit	144	24	96	2,608	1,829
Pharmaceutical	1,384	2,050	3,093	8,793	9,358
Real Estate		55		378	253
Retail	873	2,183	1,063	35,567	30,109
Services	151	312	4,096	7,107	10,269
Telecommunications	2,620	866	844	8,637	14,754
Transportation	755	110	663	13,090	20,812
Utility	27			1,164	1,552
TOTAL	50,462	46,887	40,010	347,095	332,931

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JOB CUTS BY REGION, STATE

EAST	AUGUST	Y-T-D
New York	2,764	31,909
New Jersey	2,713	20,237
Pennsylvania	1,880	14,679
Maryland	129	7,560
Massachusetts	50	4,947
Dist. of Columbia	500	3,432
Connecticut	53	2,413
Maine	190	1,333
Vermont	170	735
New Hampshire		630
Rhode Island		342
Delaware		248
TOTAL	8,449	88,465

MIDWEST	AUGUST	Y-T-D
Illinois	2,471	20,738
Ohio	556	9,415
Minnesota	9	7,650
Michigan	131	7,273
Missouri	389	5,573
Wisconsin	698	4,710
Indiana	1,084	4,672
Kansas	80	4,567
Iowa	572	2,470
Nebraska	330	976
TOTAL	6,320	68,044

**CHALLENGER, GRAY & CHRISTMAS, INC.
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JOB CUTS BY REGION, STATE

WEST	AUGUST	Y-T-D
California	13,754	59,765
Washington	3,405	29,406
Texas	1,160	12,369
Idaho	713	4,545
Oklahoma		1,616
Oregon	90	1,610
Nevada	300	1,485
Colorado		1,434
Arizona		875
New Mexico		854
Hawaii	35	693
Alaska	4	466
Utah		182
Montana	30	133
South Dakota		120
Wyoming		33
North Dakota		15
TOTAL	19,491	115,601

SOUTH	AUGUST	Y-T-D
Florida	1,094	15,814
N. Carolina	1,043	9,088
Virginia	767	7,335
Kentucky	15	5,580
Alabama	110	4,585
Arkansas	943	4,274
Tennessee	305	4,265
Mississippi	44	2,788
Georgia	64	2,514
Louisiana	20	2,284
West Virginia	1,280	1,626
S. Carolina	65	668
TOTAL	5,750	60,821

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JOB CUTS BY REASON

	AUGUST	YTD
Restructuring	20,690	132,616
Closing	12,524	89,439
Cost-Cutting	3,831	38,667
Sequestration		15,581
Demand Downturn		9,939
Merger/Acquisition	870	9,325
Economic Conditions	462	8,566
Voluntary Severance		6,417
Bankruptcy	150	6,196
Natural Disaster	170	4,068
Loss of Contract	589	3,973
Outsourcing	112	2,796
Relocation	568	2,731
Health Reform	44	1,121
Legal Trouble		636
Competition		461
Labor Dispute		290
Technological Update		79
Fired		27
Foreclosure		3
TOTAL	40,010	332,931

**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			246,034
AVG	204,656	157,138	182,785	212,303	

*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
Monthly Totals**

	2014	2013	2012	2011
January	6,312	60,585	7,568	29,492
February	11,054	92,372	10,720	72,581
March	6,860	8,115	12,390	10,869
April	11,145	9,322	11,794	59,648
May	10,141	9,618	7,722	10,248
June	15,530	8,774	12,314	15,498
July	16,544	9,728	10,350	10,706
August	9,657	7,662	12,079	15,201
September		445,617	425,683	76,551
October		87,874	75,065	159,177
November		14,177	28,526	63,527
December		11,362	16,266	14,074
TOTAL	87,243	765,206	630,477	459,971

**CHALLENGER, GRAY & CHRISTMAS, INC.
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ANNOUNCED HIRING PLANS

INDUSTRY	AUGUST	YEAR-TO-DATE
Aerospace/Defense	450	2,970
Apparel		0
Automotive	1,375	16,253
Chemical		60
Commodities		0
Computer	250	9,859
Construction		750
Consumer Products	200	1,545
Education		2,308
Electronics		1,233
Energy	31	1,986
Entertainment/Leisure	200	2,070
Financial	500	2,729
Food	138	2,070
Government		460
Health Care/Products	167	4,959
Industrial Goods	2,756	9,455
Insurance	400	9,470
Legal		60
Media		60
Non-Profit		70
Pharmaceutical	40	1,386
Real Estate		0
Retail	1,200	5,533
Services	1,000	2,884
Telecommunications	750	6,004
Transportation	200	3,069
Utility		0
TOTAL	9,657	87,243