



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

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Job Cuts Fall To Second Lowest Total of the Year **76,456 AUGUST JOB CUTS DOWN 21% FROM JULY**

CHICAGO, September 2, 2009 – Planned job cuts declined in August to the second lowest level of the year as employers announced layoffs totaling 76,456, according to the latest job-cut report released Wednesday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

August was 21 percent lower than July, when 97,373 job cuts were announced. This marks the sixth time in the last seven months that job cuts declined from the previous month. For the third consecutive month, job cuts were lower than a year ago, with August cuts coming in 14 percent below the 88,736 layoffs announced in 2008.

While the pace of downsizing has steadily slowed, announced job cuts for the year have managed to reach 1,070,504. That is 60 percent more than at this point a year ago and less than 200,000 away from surpassing the 2008 year-end total of 1,223,993.

August job cuts were led by the government and non-profit sector, which announced 38,586 job cuts amid continued struggles resulting from falling tax revenue. That represents the second largest monthly industry total of the year behind the 61,288 job cuts announced by the automotive industry in February.

The largest reduction in force in the government or any other sector last month was announced by the United States Post Office, which detailed plans last month to quickly slash 30,000 from 656,000 employee payroll mostly through early retirement buyouts, which for some employees will include a \$15,000 incentive.

“Until now, government job cuts have been dominated by local and state agencies suffering from depleted budgets. The federal government has been one of the few areas of the economy that is creating jobs. Fortunately, the job cuts by the Post Office are not indicative of a coming surge in federal government downsizing. Rather, the cuts are tied to falling mail volume as more Americans rely on e-mail,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“Outside of government, many sectors are seeing the number of job cuts steadily shrink. The next four months will be very telling about the state of the job market. The final four months of the year are typically among the heaviest for downsizing. If monthly job-cut levels remain near 100,000 or lower, it will be a strong indication that the economy and job market are improving.

“That does not necessarily mean that there will be a sudden surge in job creation as 2010 gets underway, but we will at least be heading in the right direction. Unfortunately, the aftermath of this severe downturn may see excessive caution among employers when it comes to hiring. So, even when job creation begins, it could be a slow process,” said Challenger.

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

BY INDUSTRY Year To Date

	2009	2008
Government/Non-Profit	148,019	64,280
Automotive	128,906	80,323
Industrial Goods	101,591	31,001
Retail	89,242	48,971
Transportation	62,591	57,737

MONTH BY MONTH TOTALS

	2009	2008
January	241,749	74,986
February	186,350	72,091
March	150,411	53,579
April	132,590	90,015
May	111,182	103,522
June	74,393	81,755
July	97,373	103,312
August	76,456	88,736
September		95,094
October		112,884
November		181,671
December		166,348
TOTAL	1,070,504	1,223,993

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

New York	147,290
California	124,137
Michigan	81,045
Illinois	70,773
Ohio	55,231

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

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

JOB CUTS BY INDUSTRY

	August	Year-to-Date
Government/Non-Profit	38,586	148,019
Automotive	6,694	128,906
Health Care/Products	5,500	33,110
Industrial Goods	4,277	101,591
Aerospace/Defense	3,175	48,324
Financial	2,320	48,261
Consumer Products	1,878	26,628
Chemical	1,780	52,338
Electronics	1,562	48,704
Construction	1,349	18,741
Insurance	1,191	8,081
Transportation	1,013	62,591
Services	964	17,384
Retail	890	89,242
Entertainment/Leisure	839	11,493
Commodities	750	10,366
Telecommunications	749	39,198
Food	590	17,523
Media	513	21,447
Energy	485	23,313
Utility	404	2,566
Real Estate	364	1,323
Pharmaceutical	321	53,004
Apparel	187	5,131
Computer	75	53,220
TOTAL	76,456	1,070,504

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**JOB CUTS BY REGION, STATE
AUGUST**

East	34,133
Dist. of Columbia	30,000
New York	1,981
Massachusetts	998
Maryland	679
Connecticut	277
Pennsylvania	138
New Hampshire	60

Midwest	14,785
Illinois	2,878
Kansas	2,748
Ohio	2,643
Michigan	1,745
Indiana	1,366
Wisconsin	1,130
Iowa	725
Missouri	634
Nebraska	512
Minnesota	404

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**JOB CUTS BY REGION, STATE
AUGUST**

West /Southwest	16,449
California	8,848
Utah	2,379
Texas	1,559
Hawaii	1,368
Oregon	399
Colorado	397
Oklahoma	300
Washington	288
Montana	215
North Dakota	208
New Mexico	178
Arizona	152
Alaska	83
Wyoming	70
Idaho	3
South Dakota	2

South	11,089
Florida	7,437
N. Carolina	925
Virginia	842
Kentucky	573
Georgia	400
Tennessee	309
S. Carolina	195
Arkansas	161
Louisiana	152
Alabama	44
West Virginia	27
Mississippi	24

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**JOB CUT REASONS
AUGUST**

	August	Year-To-Date
Voluntary Severance*	30,000	54,767
Cost-Cutting	12,777	165,996
Economic Conditions	12,771	417,898
Demand Downturn	8,492	158,040
Closing	6,061	80,476
Restructuring	4,382	71,312
Order Cancellation/Reduction	716	3,880
Fluctuating Sales	397	8,198
Merger/Acquisition	395	49,363
Outsourcing	160	3,100
Bankruptcy	159	50,417
Reorganization/Consolidation	113	2,669
Relocation	25	2,223
Legal Trouble	8	1,095
Competition		80
Government Regulation		350
No Clear Reason		309
Technological Update		331
TOTAL	76,456	1,070,504

***The US Postal Service announced voluntary buyouts to 30,000 employees in August 2009.**

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

1989	Positions Cut
Quarter 1	9,850
Quarter 2	10,100
Quarter 3	24,085
Quarter 4	67,250
TOTAL	111,285

1994	Positions Cut
Quarter 1	192,572
Quarter 2	107,421
Quarter 3	117,706
Quarter 4	98,370
TOTAL	516,069

1990	Positions Cut
Quarter 1	107,052
Quarter 2	87,686
Quarter 3	49,104
Quarter 4	72,205
TOTAL	316,047

1995	Positions Cut
Quarter 1	97,716
Quarter 2	114,583
Quarter 3	89,718
Quarter 4	137,865
TOTAL	439,882

1991	Positions Cut
Quarter 1	110,056
Quarter 2	76,622
Quarter 3	147,507
Quarter 4	221,107
TOTAL	555,292

1996	Positions Cut
Quarter 1	168,695
Quarter 2	101,818
Quarter 3	91,784
Quarter 4	114,850
TOTAL	477,147

1992	Positions Cut
Quarter 1	110,815
Quarter 2	85,486
Due to incomplete data, an annual total is unavailable. Challenger estimates annual job cuts to be 500,000 in 1992.	

1997	Positions Cut
Quarter 1	134,257
Quarter 2	51,309
Quarter 3	95,930
Quarter 4	152,854
TOTAL	434,350

1993	Positions Cut
Quarter 1	170,615
Quarter 2	84,263
Quarter 3	194,486
Quarter 4	165,822
TOTAL	615,186

1998	Positions Cut
Quarter 1	139,140
Quarter 2	131,303
Quarter 3	161,013
Quarter 4	246,339
TOTAL	677,795

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1999	Positions Cut
Quarter 1	210,521
Quarter 2	173,027
Quarter 3	173,181
Quarter 4	118,403
TOTAL	675,132

2004	Positions Cut
Quarter 1	262,840
Quarter 2	209,895
Quarter 3	251,585
Quarter 4	315,415
TOTAL	1,039,735

2000	Positions Cut
Quarter 1	141,853
Quarter 2	81,568
Quarter 3	168,875
Quarter 4	221,664
TOTAL	613,960

2005	Positions Cut
Quarter 1	287,134
Quarter 2	251,140
Quarter 3	245,378
Quarter 4	288,402
TOTAL	1,072,054

2001	Positions Cut
Quarter 1	406,806
Quarter 2	370,556
Quarter 3	594,326
Quarter 4	585,188
TOTAL	1,956,876

2006	Positions Cut
Quarter 1	255,878
Quarter 2	180,580
Quarter 3	202,771
Quarter 4	200,593
TOTAL	839,822

2002	Positions Cut
Quarter 1	478,905
Quarter 2	292,393
Quarter 3	269,090
Quarter 4	426,435
TOTAL	1,466,823

2007	Positions Cut
Quarter 1	195,986
Quarter 2	197,513
Quarter 3	194,094
Quarter 4	180,670
TOTAL	768,264

2003	Positions Cut
Quarter 1	355,795
Quarter 2	274,737
Quarter 3	241,548
Quarter 4	364,346
TOTAL	1,236,426

2008	Positions Cut
Quarter 1	200,656
Quarter 2	275,292
Quarter 3	287,142
Quarter 4	460,903
TOTAL	1,223,993

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QUARTER BY QUARTER**

2009	Positions Cut
Quarter 1	578,510
Quarter 2	318,165
Quarter 3	
Quarter 4	
TOTAL	896,675

2014	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2010	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2015	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2011	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2016	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2012	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2017	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2013	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

2018	Positions Cut
Quarter 1	
Quarter 2	
Quarter 3	
Quarter 4	
TOTAL	

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ANNUAL ANNOUNCED JOB CUTS

1989	111,285
1990	316,047
1991	555,292
1992*	500,000
1993	615,186
1994	516,069
1995	439,882
1996	477,147
1997	434,350
1998	677,795
1999	675,132
2000	613,960
2001	1,956,876
2002	1,466,823
2003	1,236,426
2004	1,039,735
2005	1,072,054
2006	839,822
2007	768,264
2008	1,223,993

*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.

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**ANNOUNCED HIRING PLANS
August**

Industry	Jobs
Financial	3,910
Automotive	2,840
Government/Non-Profit	2,140
Computer	805
Health Care/Products	750
Telecommunications	400
Services	400
Industrial Goods	400
Insurance	300
Electronics	300
Media	280
Transportation	270
Energy	120
Aerospace/Defense	100
Chemicals	85
TOTAL	13,100