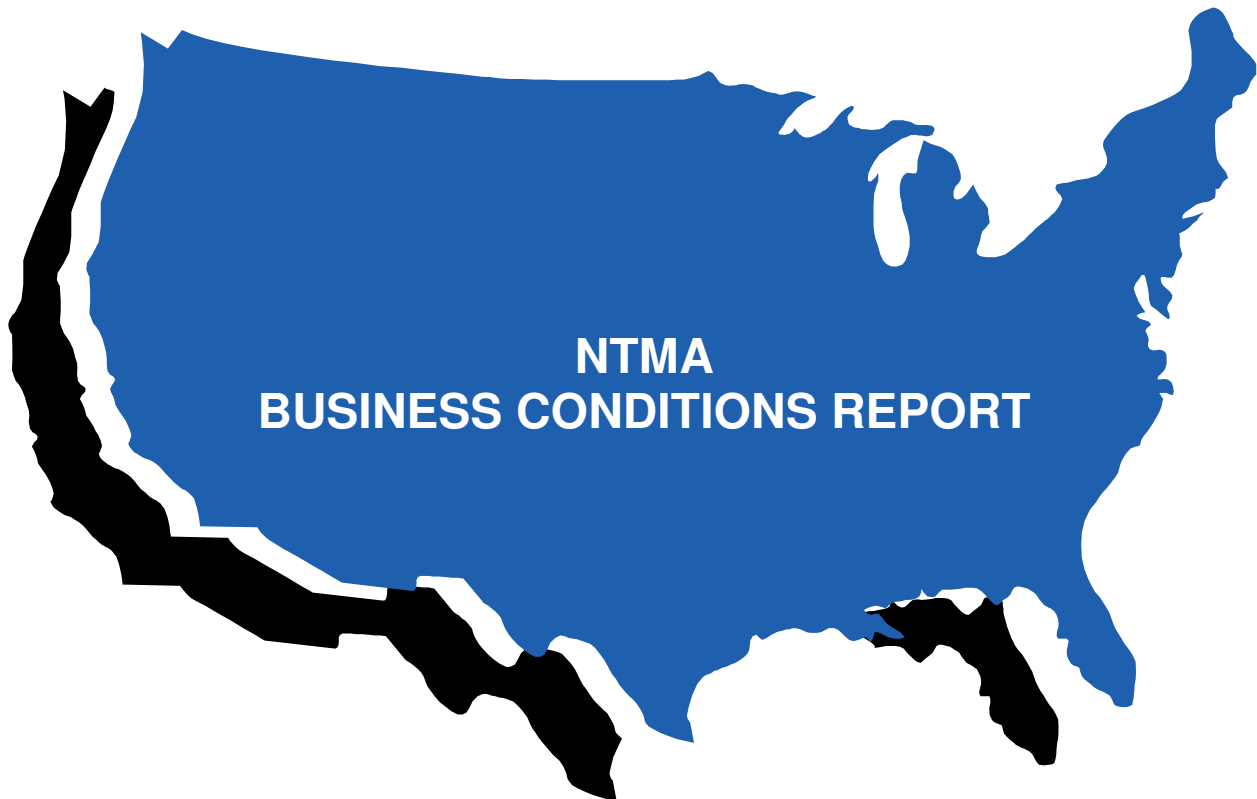




NATIONAL TOOLING AND
MACHINING ASSOCIATION



**Prepared February 2020
(for the period ending December 31, 2019)**

- **Overall Survey Results**
- **Results by Industry Segment**
- **Results by Geographic Region**



February 20, 2020

Dear NTMA Member:

This NTMA Business Conditions Report covers the second half of 2019, a projection for the first half of 2020, and is a geographical “snapshot” of business trends and conditions in the special tooling and machining industry.

This Report, based on information from 57 NTMA member companies, indicates that overall business conditions during the 6-month period ending December 31, 2019 were Very Good to Excellent for 44% of respondents, down from 53% at the end of June 2019. Looking ahead, 63% are projecting that the next six months will bring a moderate-to-substantial increase in business conditions. The greatest optimism was expressed by members in the New England Region (ME, VT, RI, NH, MA, CT) and by those serving the Precision Machining sector and Aerospace Machining & Fabrication sector.

Average work week per employee decreased to 43 hours. Future work on the books increased to 16 weeks. Average Sales Per Employee came in lower at \$127,647.

Top business priorities have been reordered as follows:

- #1: Finding Skilled Employees (#1 in June)
- #2: Increase Sales (#3 in June)
- #3: Productivity Increases (#2 in June)
- #4: Finding New Customers (no change)
- #5: Cost Reductions (no change)
- #6: Leadership Staffing (no change)

A special thanks to the NTMA member companies that participated in the December 2019 NTMA Business Conditions Report. We appreciate your support of this benchmarking survey.

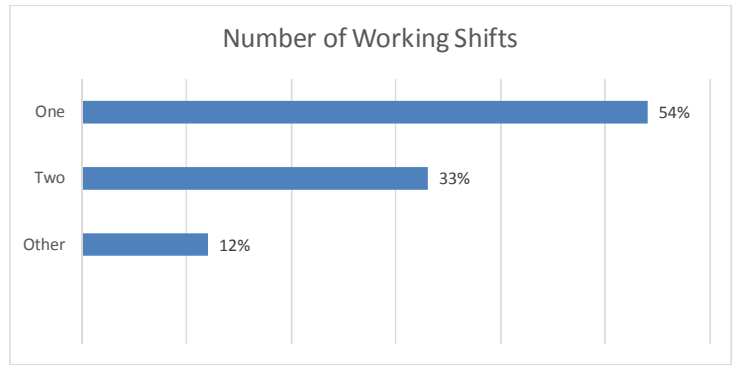
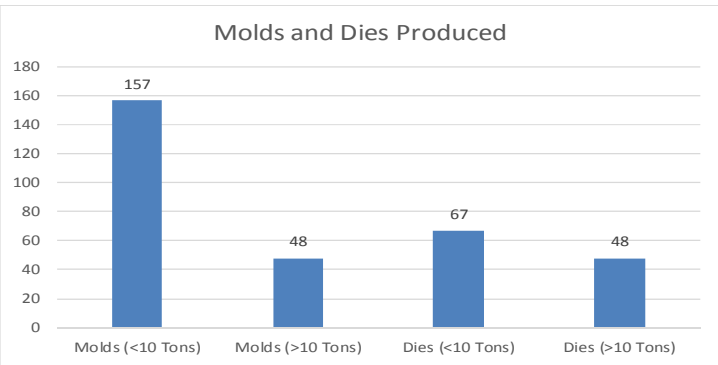
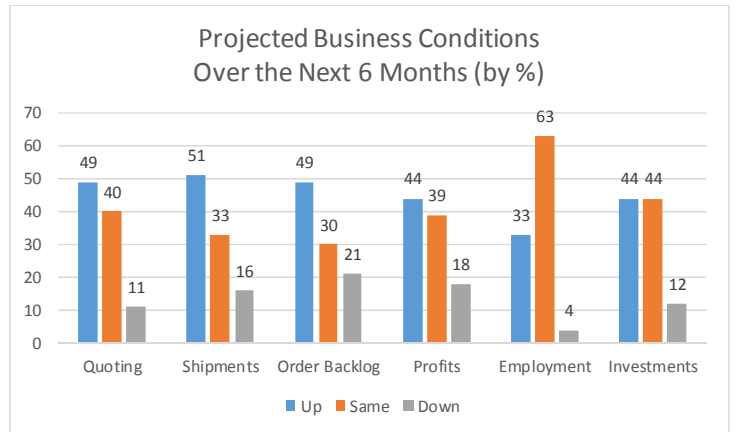
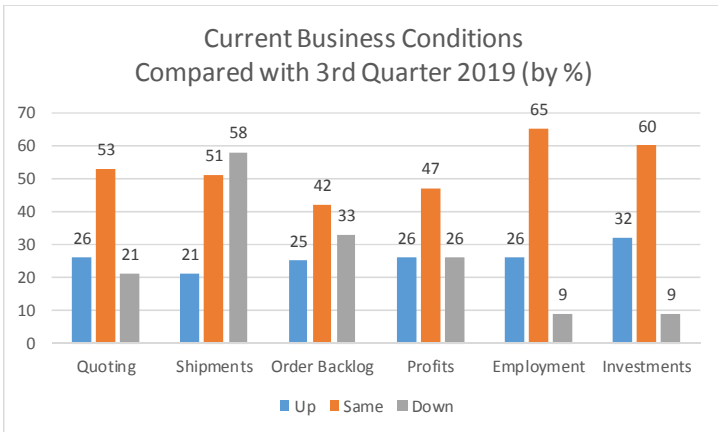
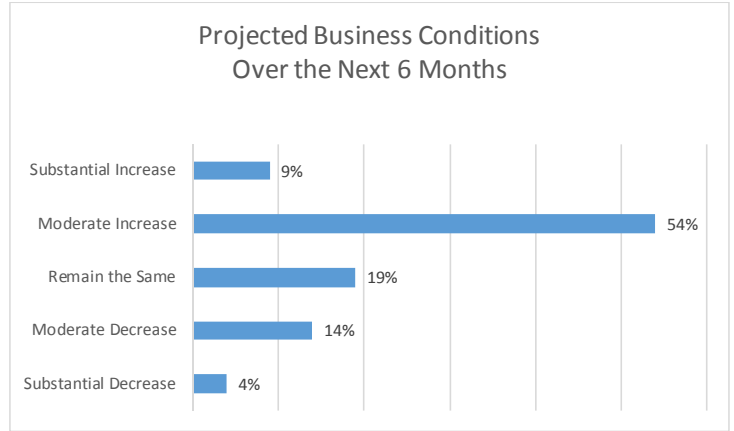
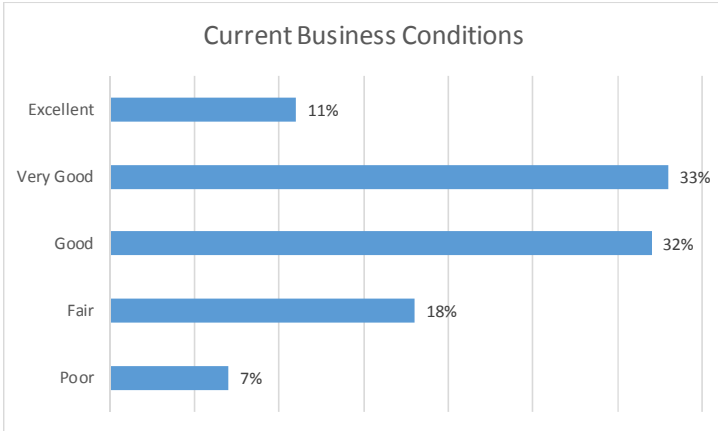
Sincerely,

Roger Atkins
President



December 2019 NTMA Business Conditions Report

Based on responses from 57 NTMA member companies.



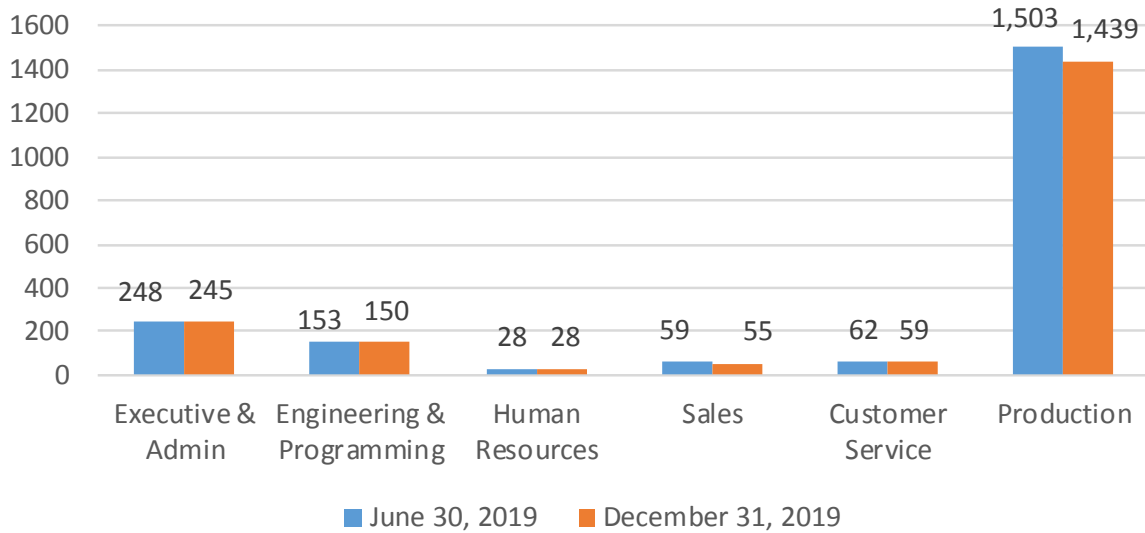
Total employees as of June 30, 2019: 2,467
Total employees as of December 31, 2019: 2,491

Future Work on Books (Average): 16 weeks

Current Average Workweek per Skilled Employee (hours per week): 43 hours

Average Sales Per Employee: \$127,647

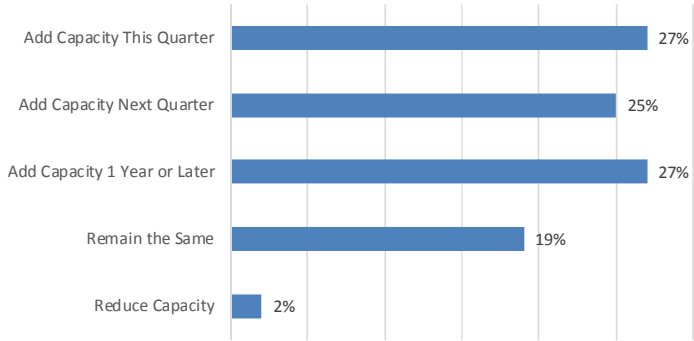
Distribution of Employees (June 2019 compared with December 2019)



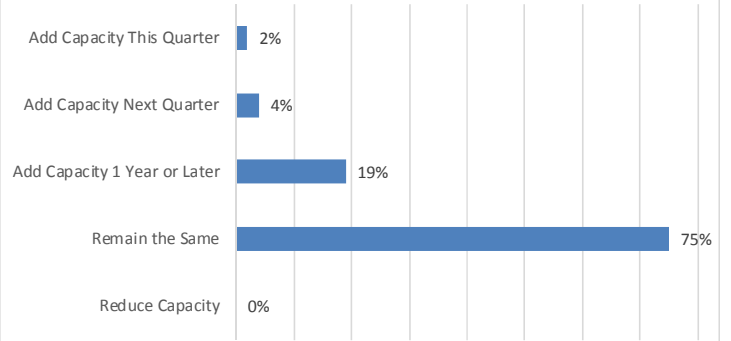
Our priorities for our business for this quarter are (rank 1-6, with 1 being the highest priority).

Responses	Rank						Weighted Score	Relative Weighted Score	Overall Rank	
	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6				
Finding skilled employees	18	11	7	8	7	4	233	100	1	
Sales Increases - existing customers	13	15	7	10	8	2	229	98	2	
Productivity Increases	6	10	18	13	7	1	212	91	3	
Finding new customers	15	10	6	4	7	13	203	87	4	
Cost reductions	2	4	11	12	18	8	156	67	5	
Leadership staffing	1	5	6	8	8	27	122	52	6	
Total Responses										55

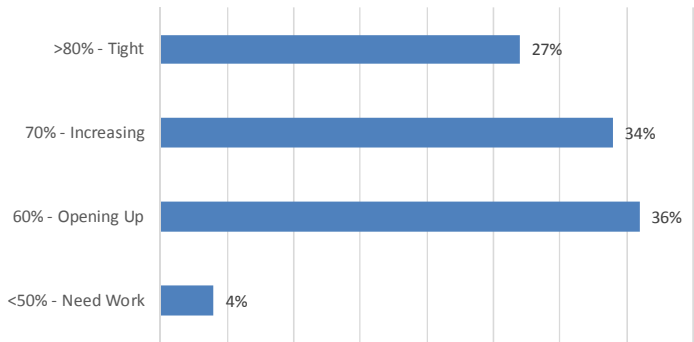
Capacity Plans: Machines



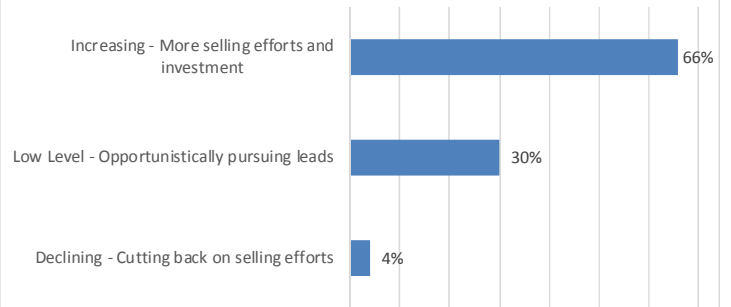
Capacity Plans: Buildings



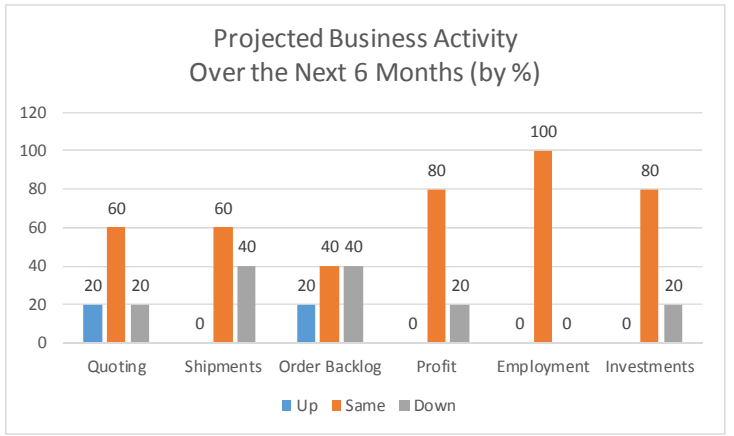
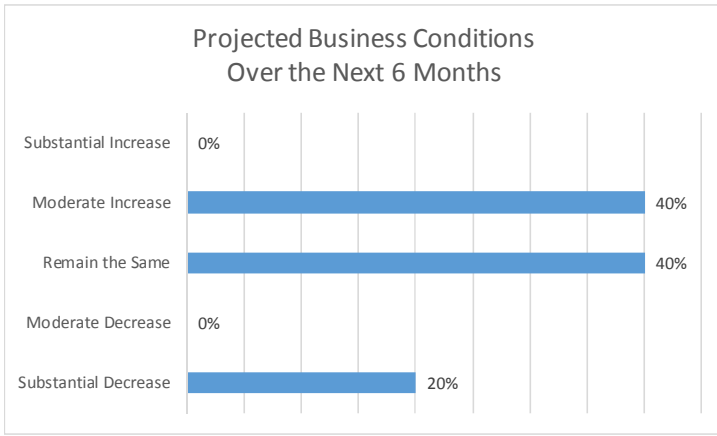
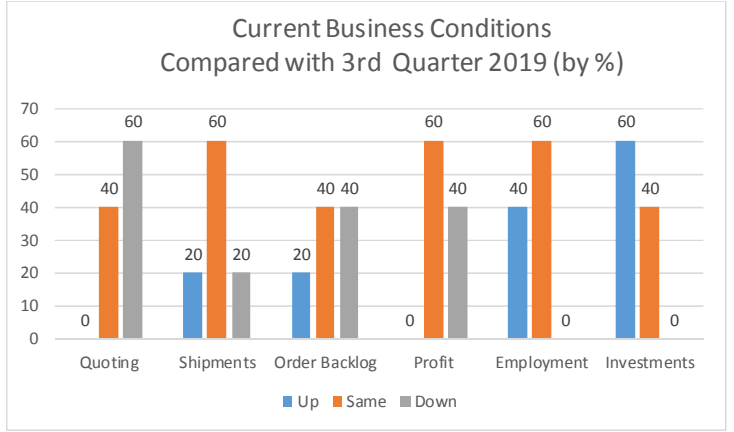
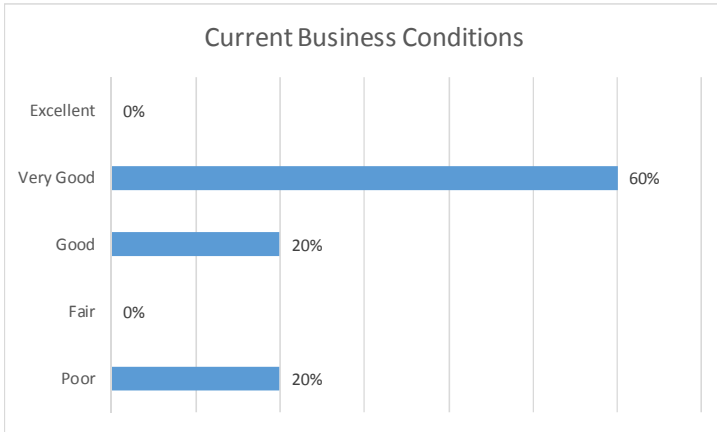
Sellable Production Capacity



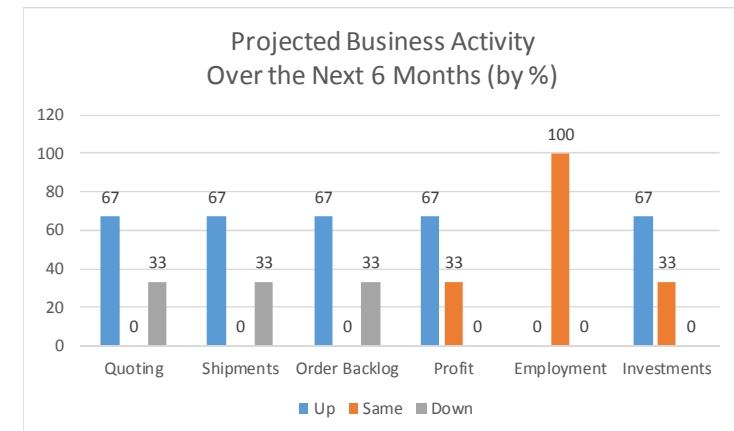
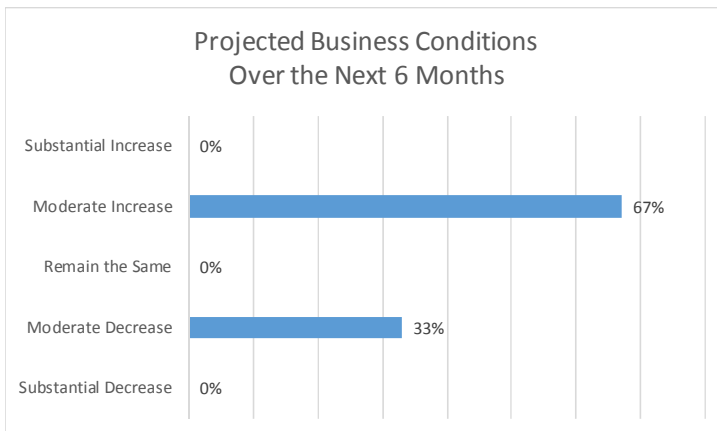
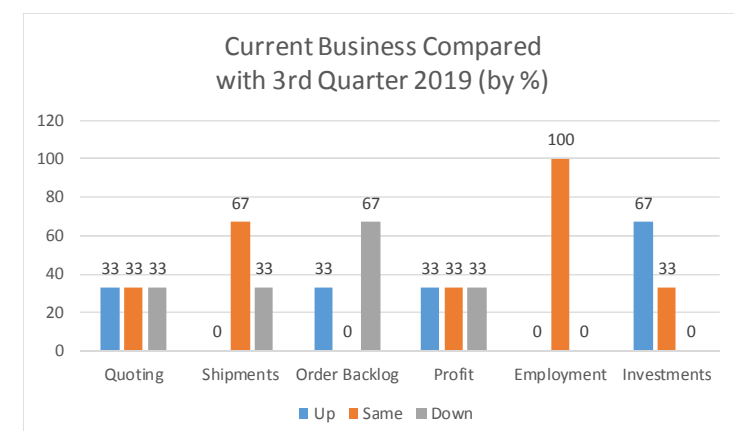
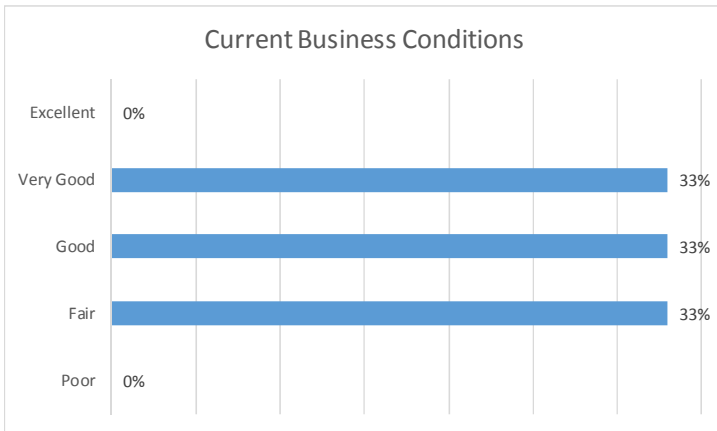
Proactive Selling & Business Development Activity & Investment is:



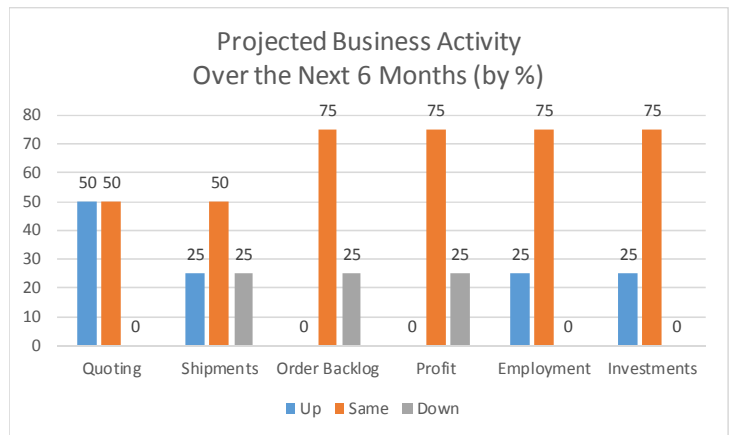
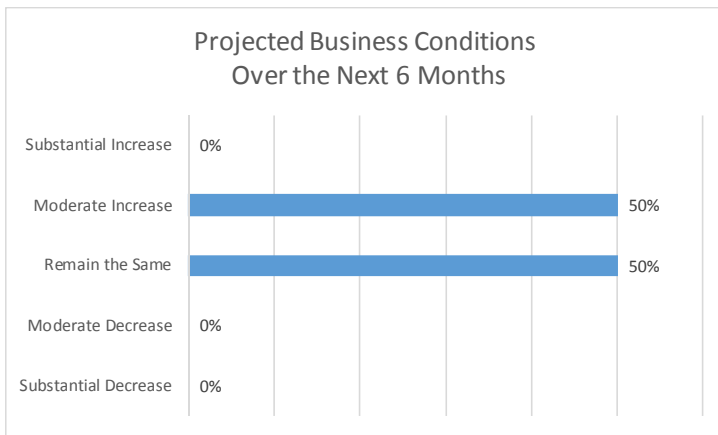
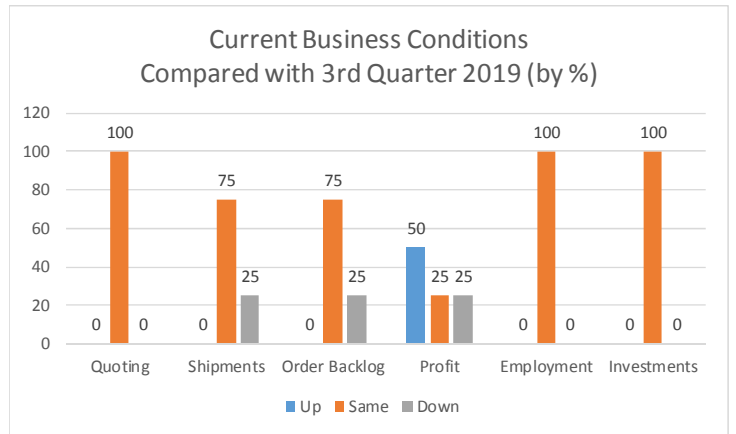
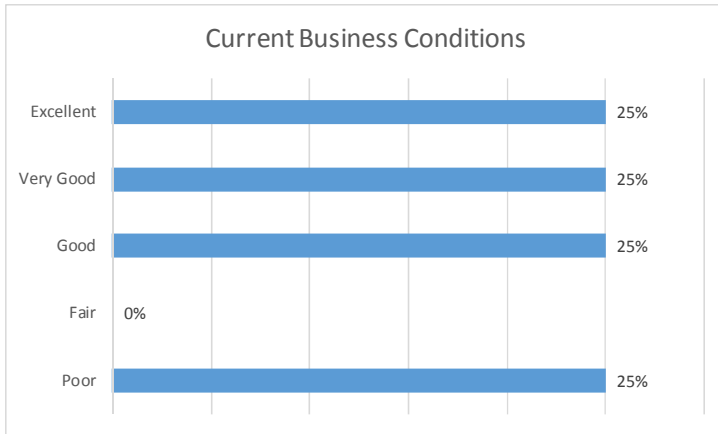
Business Conditions by Industry Sector Tools, Die & Fixtures (5 responses)



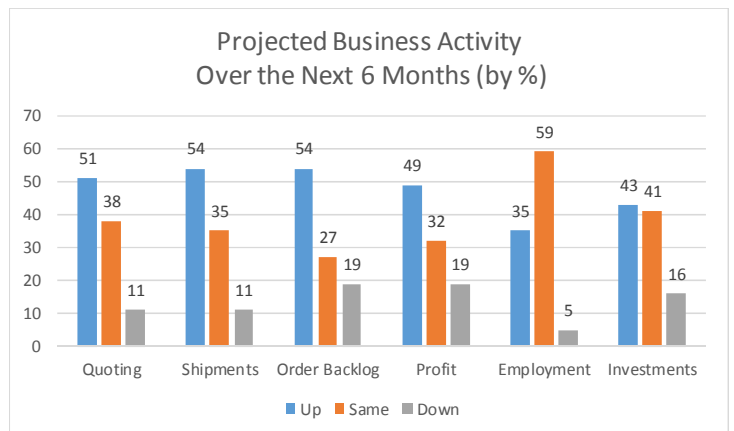
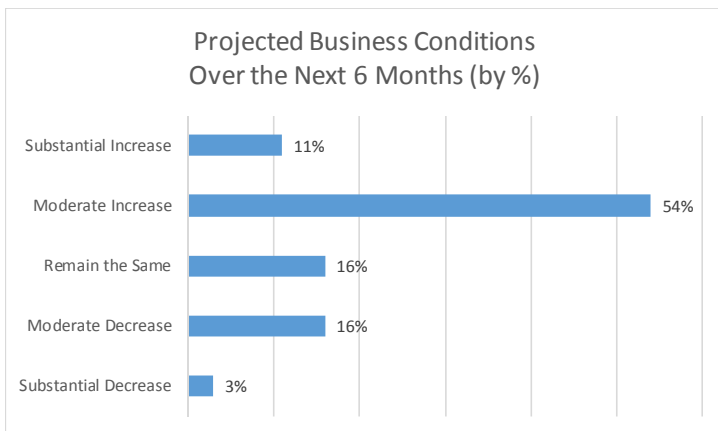
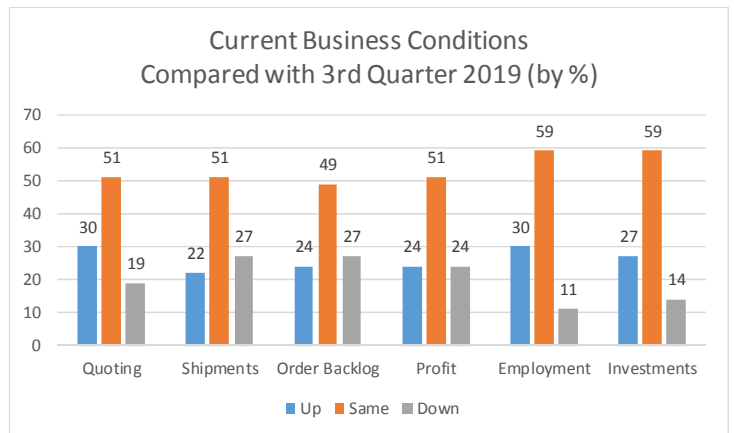
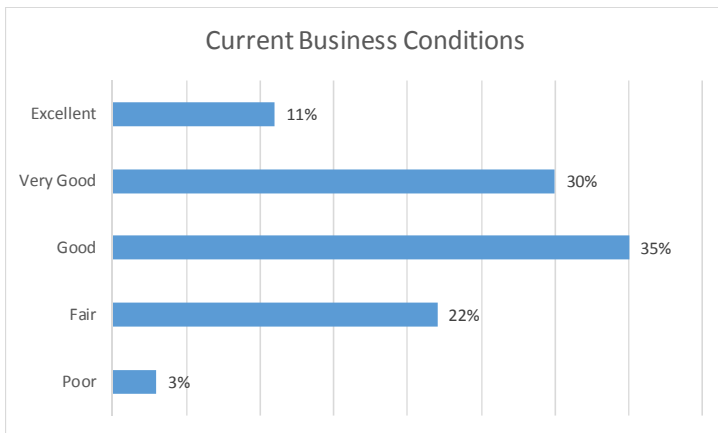
Molds (3 responses)



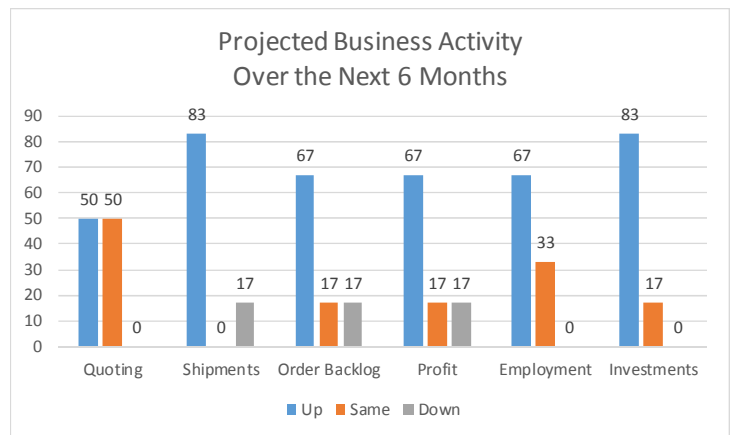
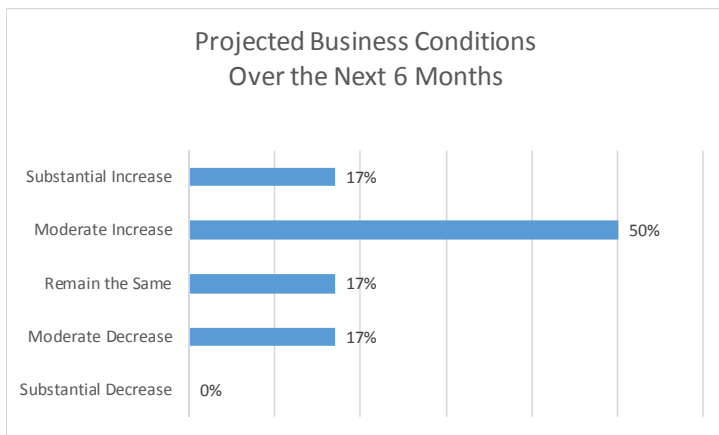
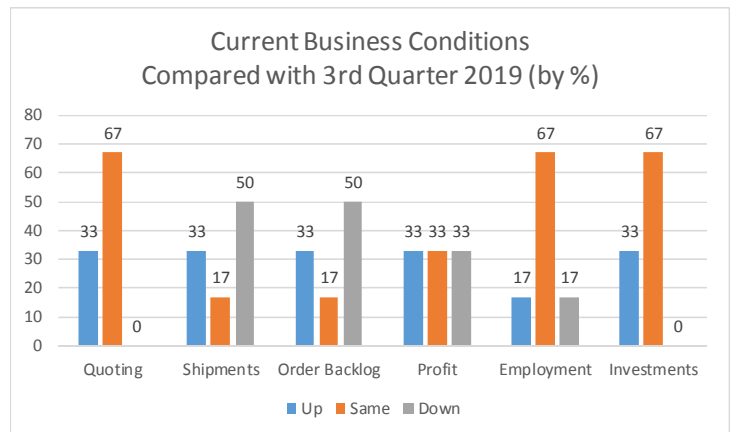
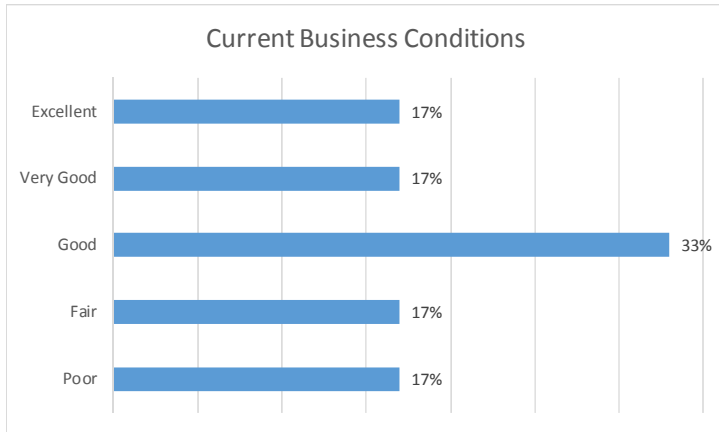
Special Machines (4 response)



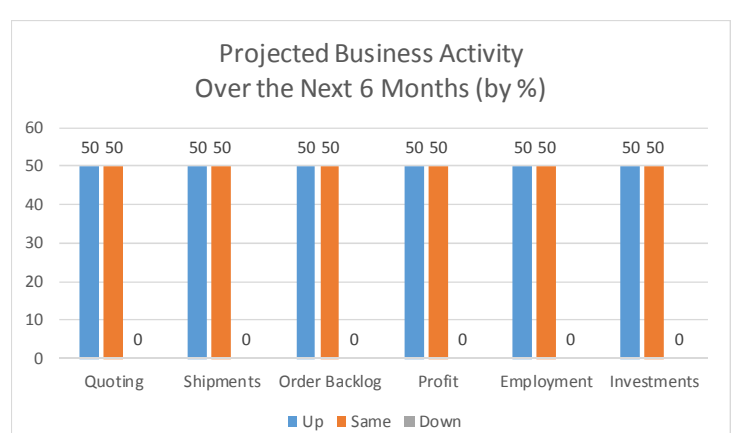
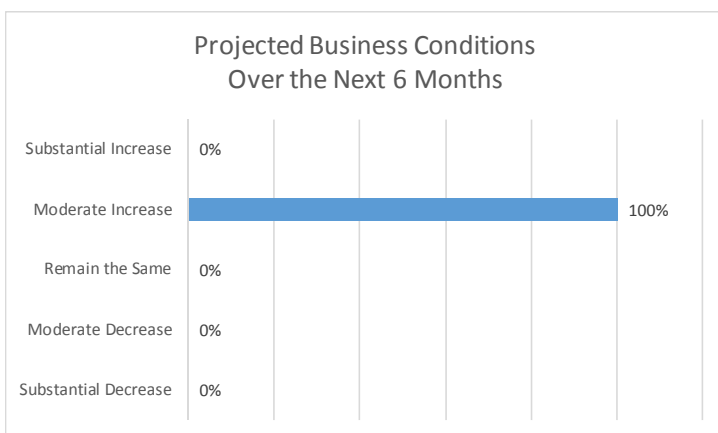
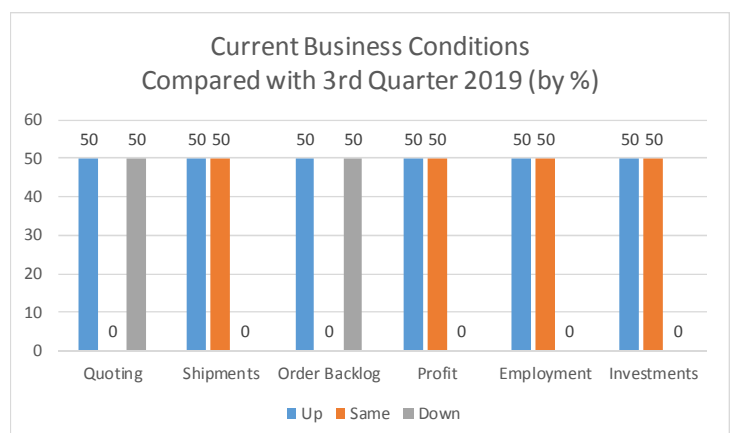
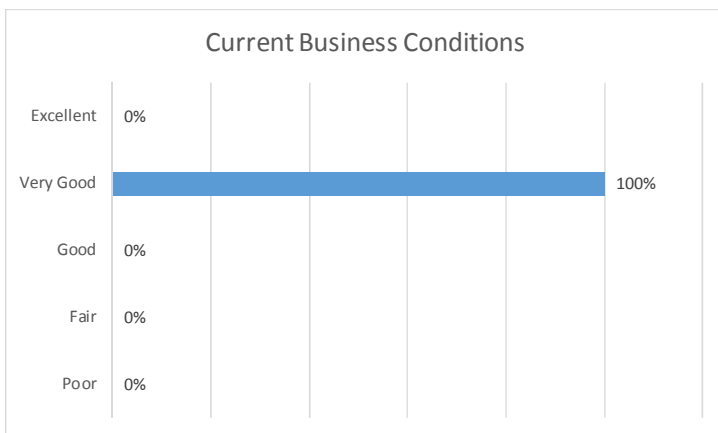
Precision Machining excluding Aerospace (37 responses)



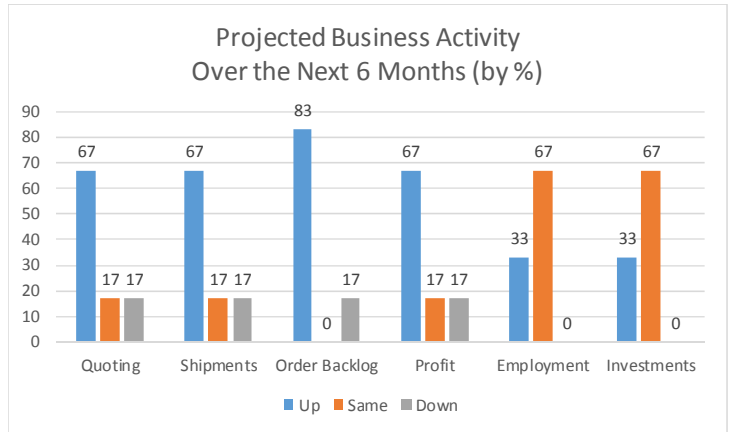
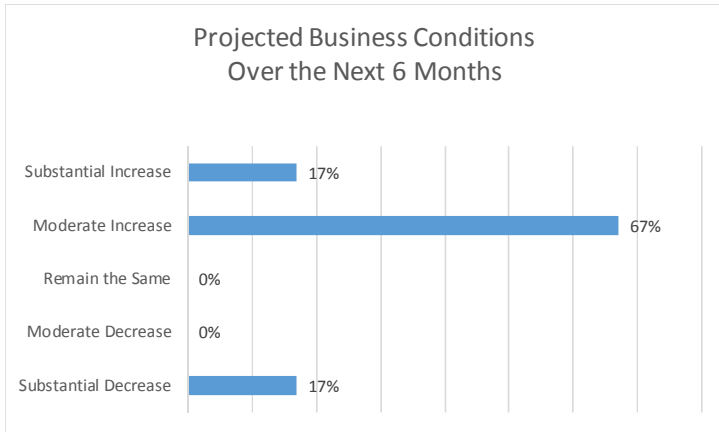
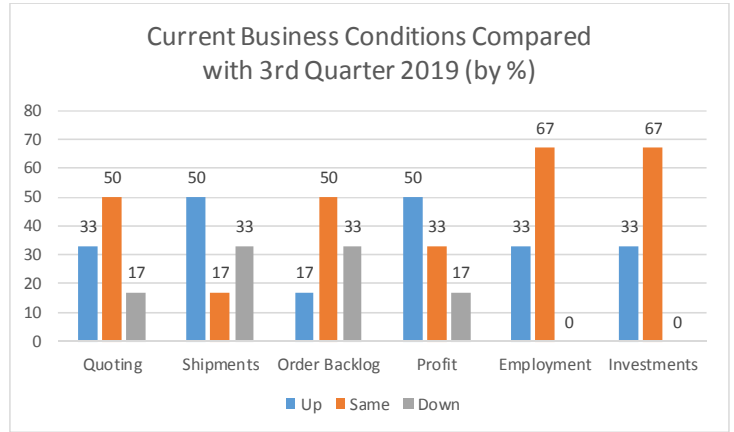
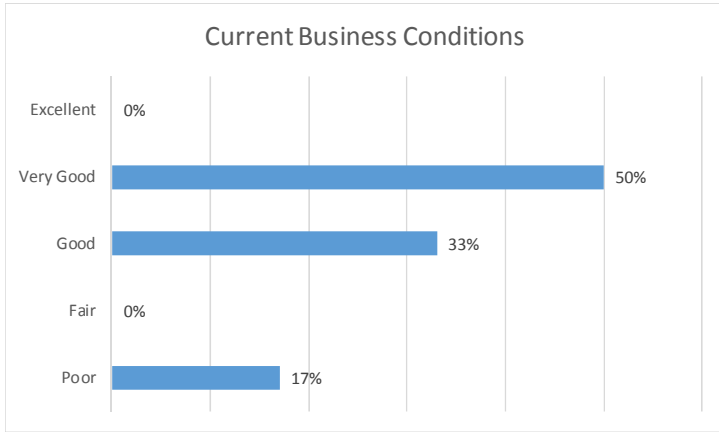
Aerospace Machining & Fabrication (6 responses)



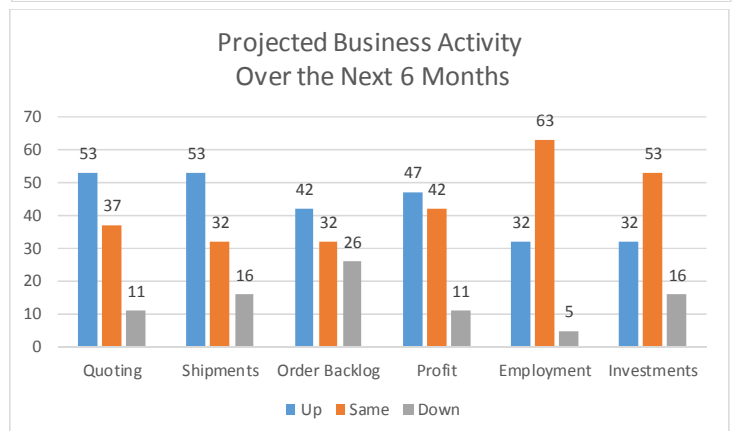
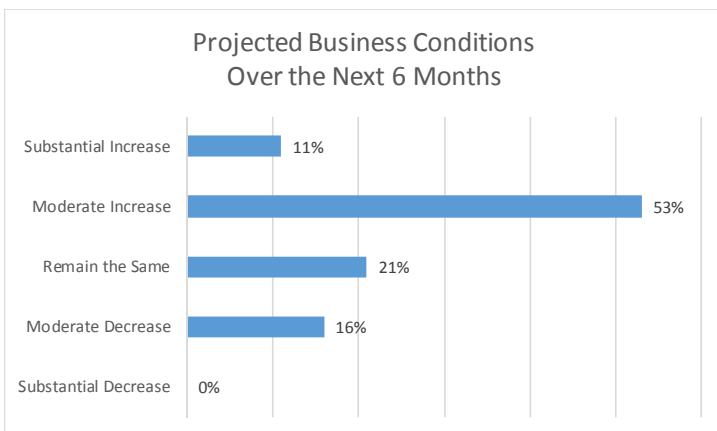
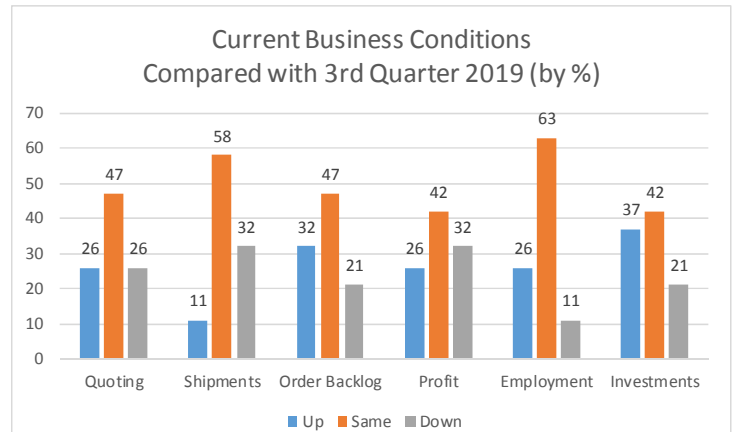
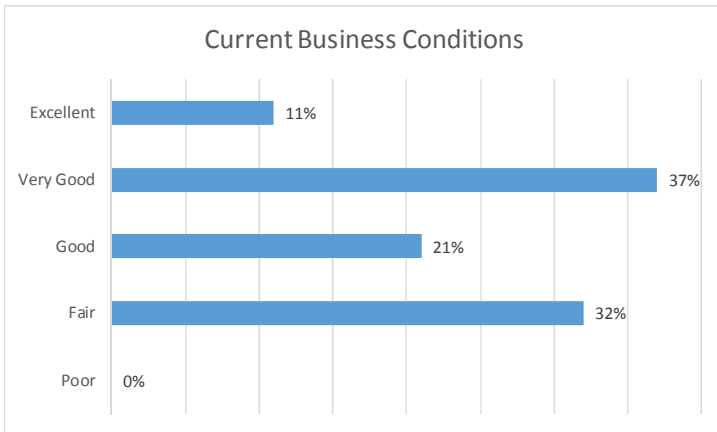
Metal Fabrication & Stamping (2 response)



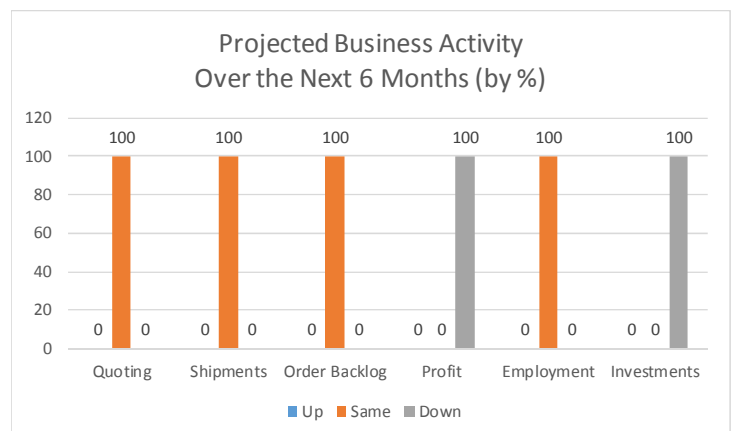
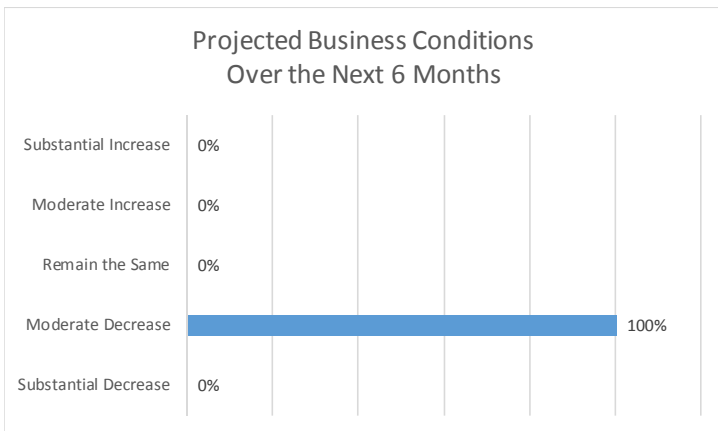
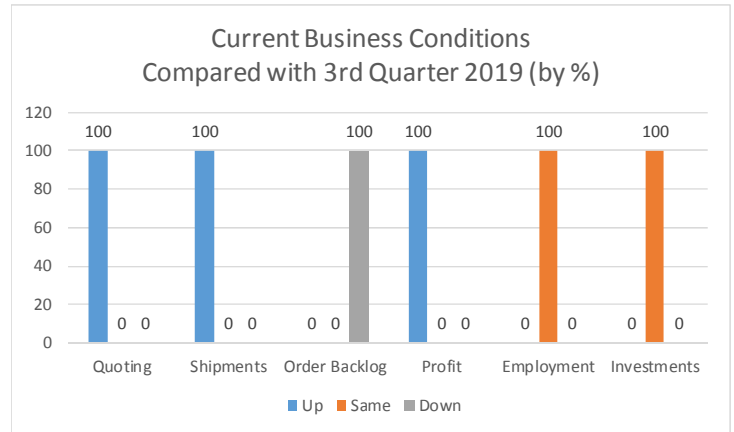
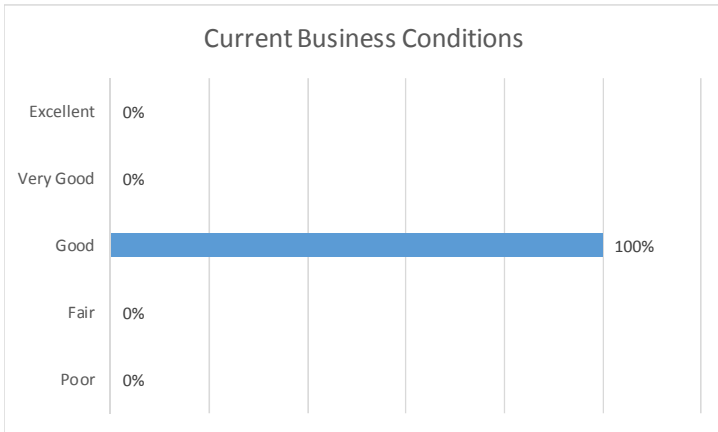
BUSINESS CONDITIONS by Geographic Region NEW ENGLAND (ME, VT, RI, NH, MA, CT) – 6 responses



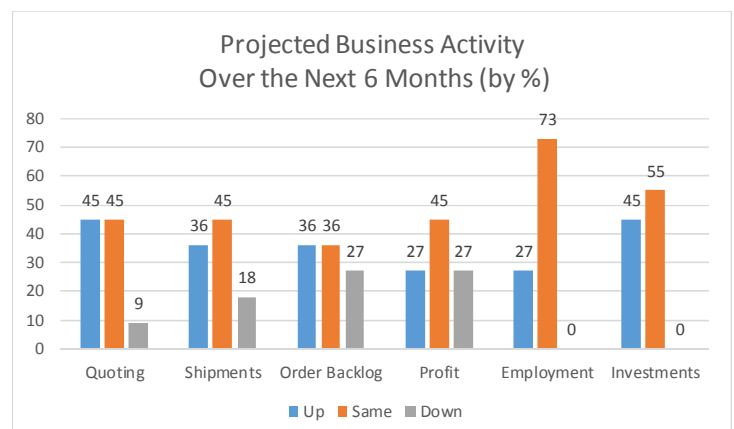
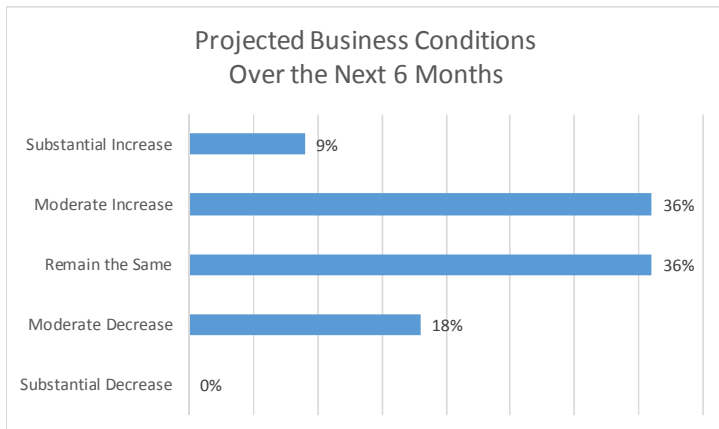
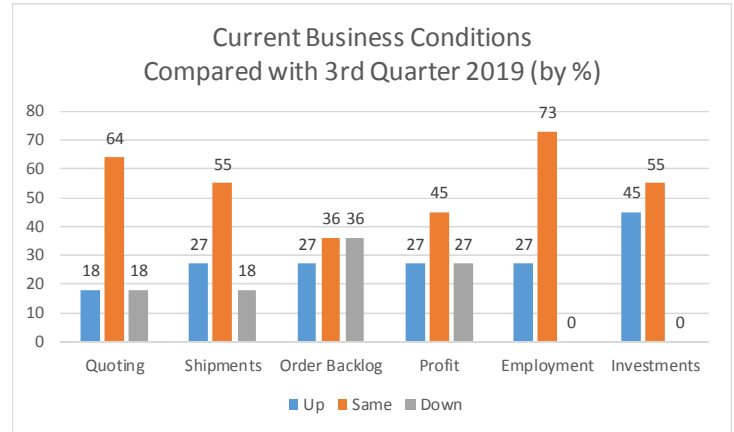
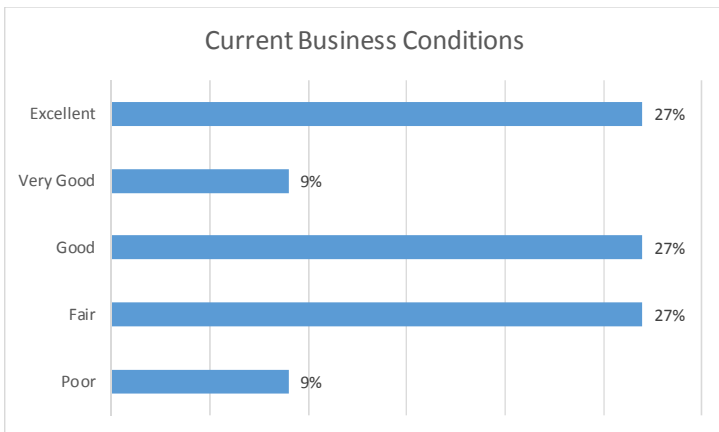
NORTHEASTERN CENTRAL (DC, NY, PA, NJ, DE, MD, WV, VA) – 19 responses



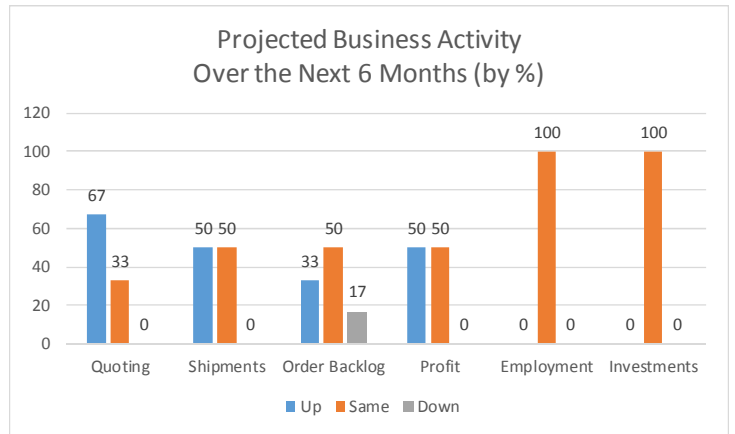
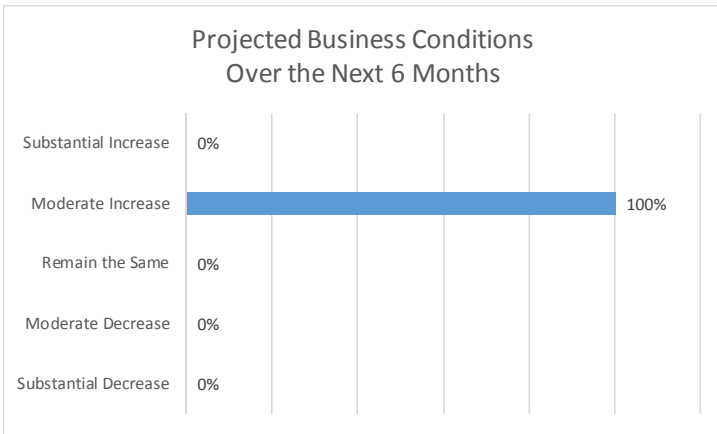
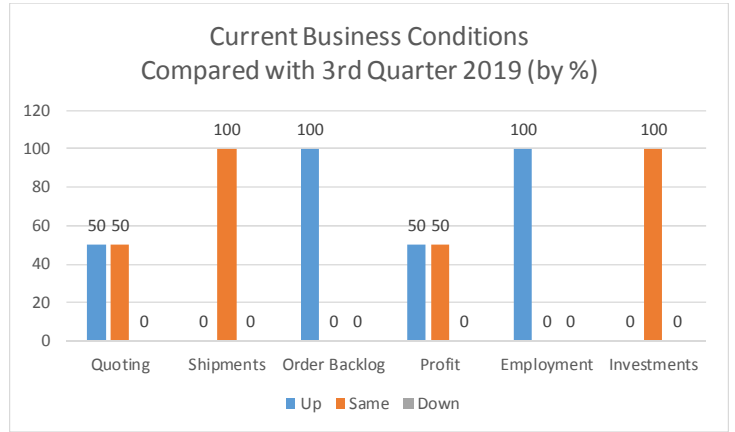
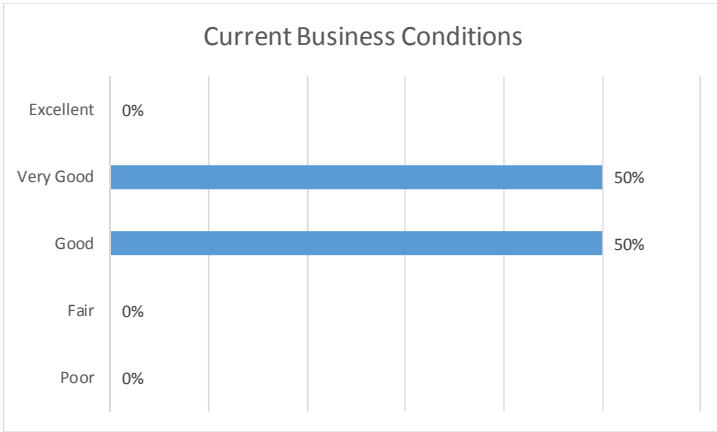
SOUTHEASTERN (FL, KY, NC, SC, TN, GA, AL MS) – 1 responses



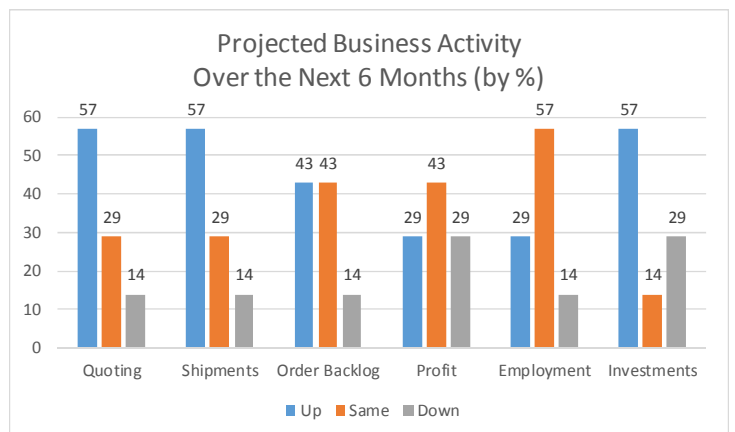
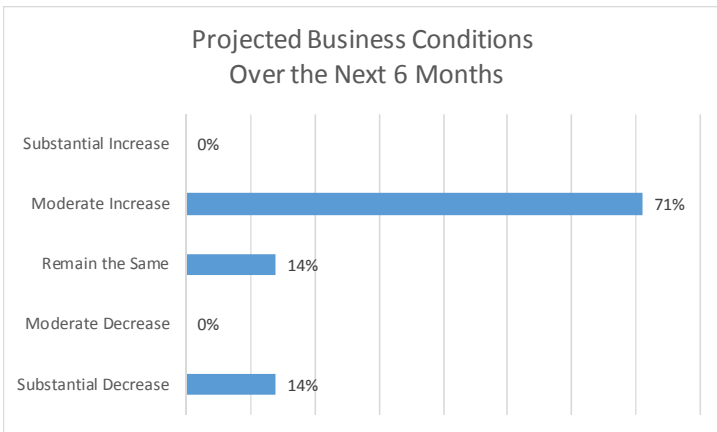
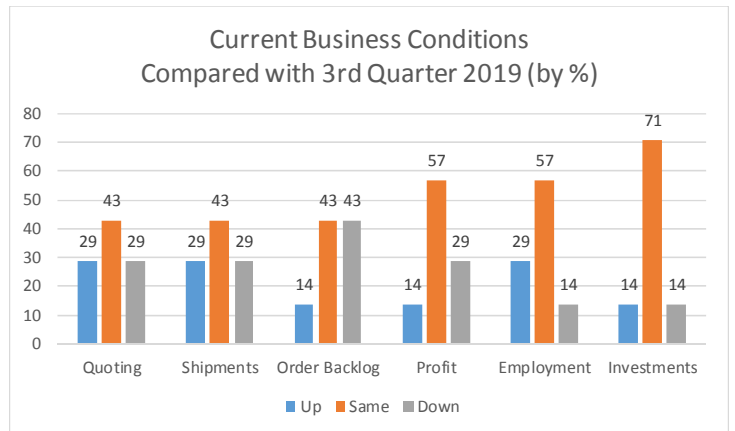
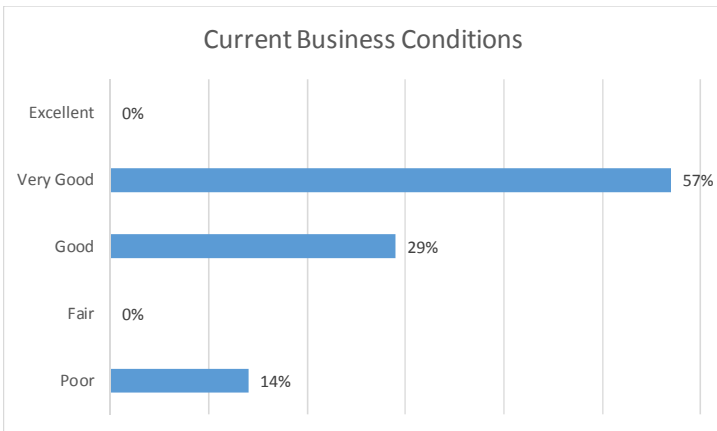
NORTH CENTRAL (OH, MI, IL, IN, WI) – 11 responses



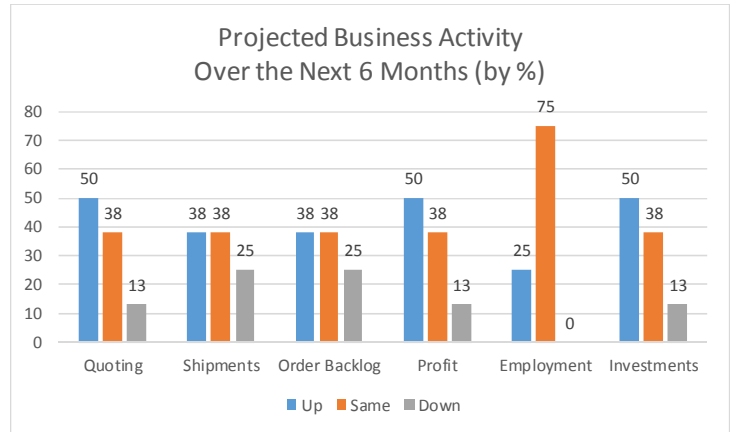
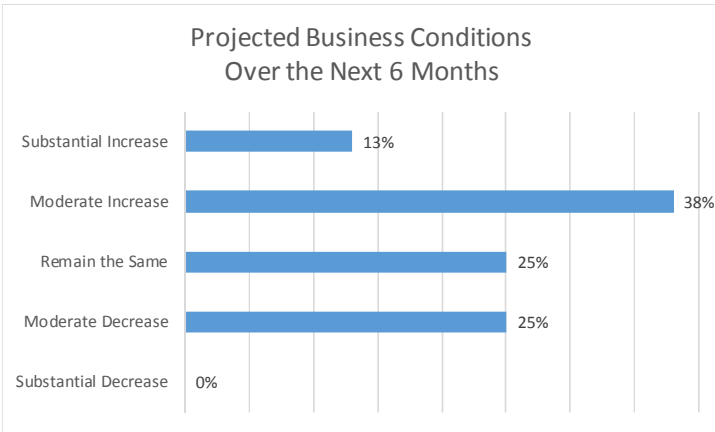
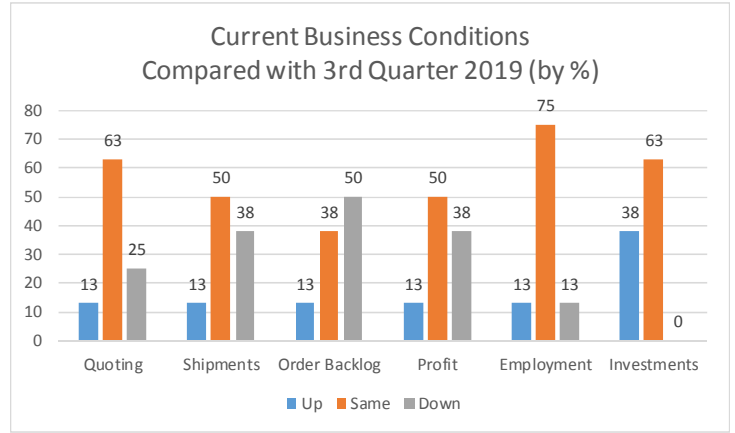
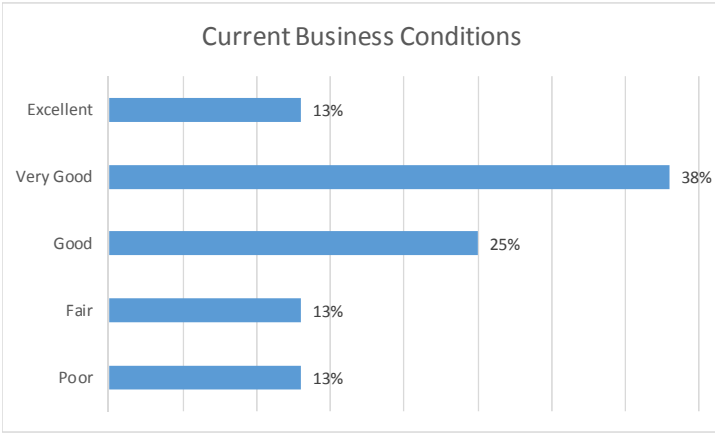
CENTRAL (IA, MO NE, KS, MN) – 2 responses



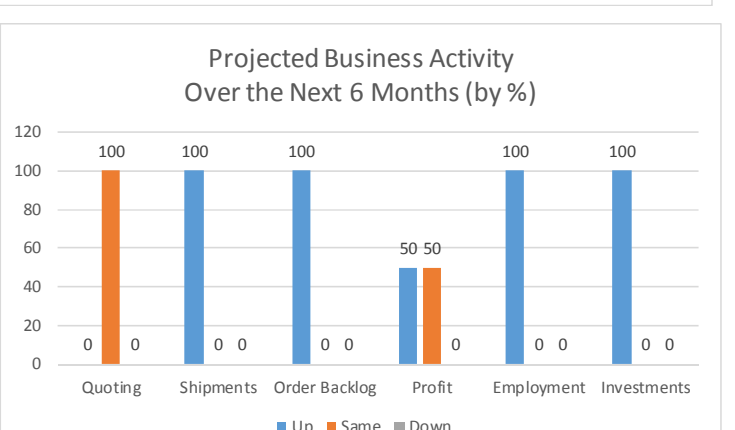
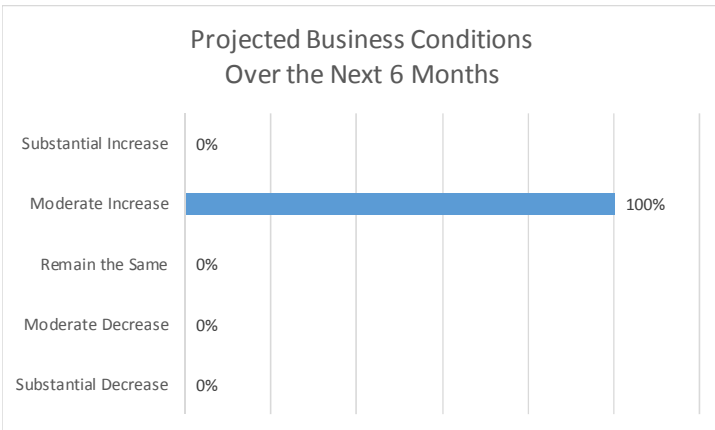
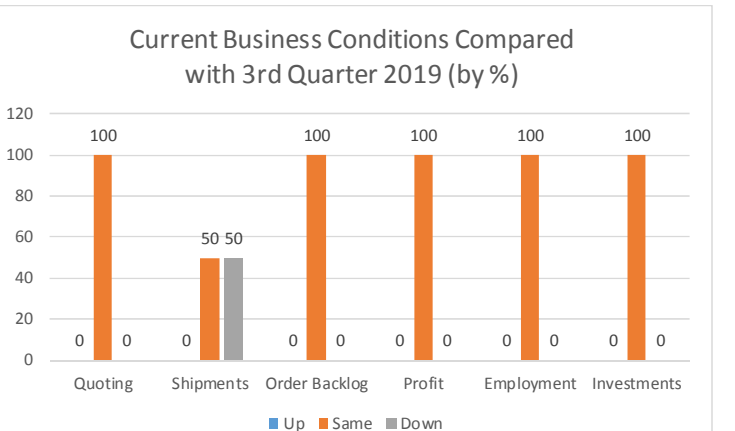
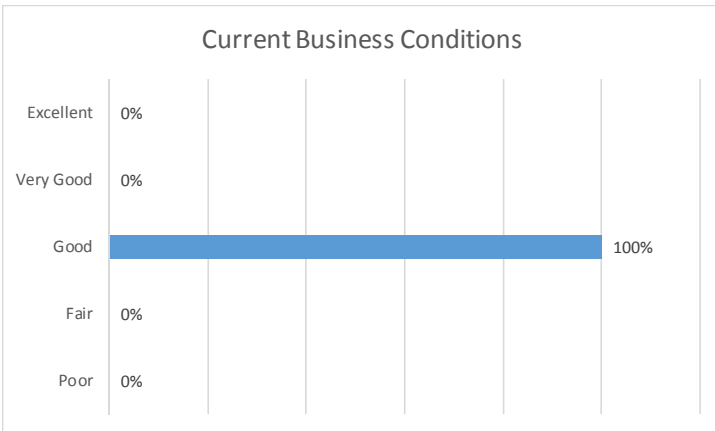
CENTRAL SOUTHWEST (AR, LA, OK, TX, NM, CO) – 7 responses



GREATER PACIFIC SOUTHWEST (CA, NV, AZ, UT) – 8 responses



GREATER PACIFIC NORTHWEST (ID, WA, OR) – 2 response



Q 22In order to achieve our business goals, our three biggest needs are:		
#1	#2	#3
More lucrative work	Better trained employees	Steady repeat work
Work	Employees	Reduced raw material cost
Workforce	Capital	
CNC operators	CNC programmers	Set up people
Find new customers outside of this lousy state CT	Begin ISO process	
Workforce (skilled people)	Workforce Development	Increased Capacity
Skilled Employees	Stable Economy (Federal and State)	Less Regulations (Federal and State)
Implement Automation	Acquire and keep skilled labor	Increase sales
PRODUCTIVITY	SKILLED WORKERS	SALES
Qualified skilled employees	Additional machine tools	
More qualified production applicants	Better quality material from casting suppliers	Reduced medical costs
Adding 5th axis capability	Continuous growth and training of all personnel	Reducing mfg costs
More work	Younger workforce	High tech machines
Workers	Equipment	Money
Qualified Employees	Leads	Health Care needs to stop increasing
Better people	Reduce scrap	
Expansion of our outside sales efforts	Improvements in website and marketing	Increases in operating efficiency
New customers	Increase old customer revenue	Qualified employees
Capital to acquire more square footage	Capital to acquire more equipment	Capital to train and educate employees
Stabilization of material costs.	Developing new customer/new market.	Increase process improvement to lower costs.
Sales	Better margins	Reduce mistakes
Sales and Marketing	Increase in Consumer Confidence / Investments	
Young trainable workers	Affordable healthcare	Calmness
New plant and equipment	New hires	Training
Increase Sales Revenue w/profitable work	Hire Sales Person	Increase sales revenue w/ profitable work
Recruiting talent	Training our existing workforce	Managing our supply chain
Increase in molding customers	Prove production machining capabilities.	Level out the business lulls.
Find/implement efficiencies	Find skilled machinists	Purchase equipment
The right people	The right people	The right people
New customers with increased revenue	Cost reduction	Support staff
Hiring & training new machinists	Create a focused marketing campaign	Refine our quality system and standard operating
More work	Stable workforce	Decrease costs
Employees	Skilled employees	Ambitious employees
Skilled help	Training for incumbent employees	More investments in technology & automation
Awareness via Internet searches	"Call to actions" (RFQs) on our website	A growing industry
Good capable machinists	Capable supervision	QC inspectors with CMM skills
Work	Skilled employees	Sales
New facility	Additional people	Actually do marketing
Automation	Skilled Labor	Footprint
Qualified Employees	Increase production and decrease downtime	Increase machinery
Increased Sales	Increase of skilled employees	2nd Shift
Highly skilled, productive labor	Higher quantity jobs	Implement time saving initiatives
Confidence in the politicians	New customers	Skilled employees
Skilled Labor	Adding Additional Equipment	Productivity Increases
Continue to sell 10% per year	Keep productivity from slipping.	Purchase SMART!

Technical Resources	Training	Strong Economy
Sales increases	Skilled employees	Finding new customers
Training	Scheduling	Managing expanding workload
Additional customers	Employee training	Automation of routine production tasks
Trained machinists	New technology	New shop floor control software