



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

CONTACTS

James K. Pedderson, Director of Public Relations
Office: 312-422-5078
Mobile: 847-567-1463
jamespedderson@challengergray.com

Colleen Madden, Media Relations Manager
Office: 312-422-5074
colleenmadden@challengergray.com

Job-Cut Announcements Remain Flat in May **EMPLOYERS ANNOUNCE 38,810 CUTS AS SUMMER** **SLOWDOWN APPROACHES**

CHICAGO, June 2, 2010 – The pace of downsizing was virtually unchanged in May, as employers announced plans to cut 38,810 jobs from their payrolls during the month. That was slightly (1.3 percent) more than the four-year low of 38,326 job cuts announced in April, according to the latest job-cut report released Wednesday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

May layoffs were 65 percent lower than the same month a year ago, when planned job cuts totaled 111,182. This marks the 12th consecutive month in which the job-cut total was lower than the comparable year-ago figure. It also marks the 12th consecutive month that saw fewer than 100,000 announced job cuts.

Through the first five months of 2010, planned layoffs announced by employers totaled 258,319, which is 69 percent fewer than the 822,282 announced during the same period last year.

“Announced job cuts have, for all intents and purposes, returned to pre-recession levels. What makes the low job-cut totals we have seen this spring particularly remarkable is that we still have not reached what is the slowest downsizing period of the year, which typically occurs during the summer months,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas, Inc.

“It is difficult to imagine the pace of downsizing slowing even further, considering that the economy, while recovering, is still in a relatively fragile state. However, monthly job cuts may indeed continue to fall during the summer, when many businesses hold off on making dramatic staffing changes,” he added.

The one area of the economy that may not follow the typical pattern of a summer slowdown is the government and non-profit sector, which announced 16,697 job cuts in May, 12 percent more than April’s 14,973. May job cuts brought the year-to-date total for the struggling sector to 93,470, which is more than two-and-a-half times more than the second-ranked pharmaceutical industry’s 34,157 job cuts this year.

“Unlike the private sector, which is beginning to see the fruits of recovery, the budget crisis for many states and municipalities is only getting worse. High unemployment and falling home ownership are taking a significant toll on tax revenues. And, with many states in an election year, politicians are reluctant to raise income taxes and sales taxes, so as not to punish voters. However, this leaves them with no other choice but to make drastic cuts in public programs and the jobs that go with them,” said Challenger.

###

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

TOP FIVE INDUSTRIES

Year To Date

	2010	2009
Government/Non-Profit	93,470	82,864
Pharmaceutical	34,157	51,034
Retail	21,875	82,132
Telecommunications	15,257	20,046
Health Care/Products	12,201	23,790

MONTH BY MONTH TOTALS

	2010	2009
January	71,482	241,749
February	42,090	186,350
March	67,611	150,411
April	38,326	132,590
May	38,810	111,182
June		74,393
July		97,373
August		76,456
September		66,404
October		55,679
November		50,349
December		45,094
TOTAL	258,319	1,288,030

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	42,922
Dist. of Columbia	35,020
California	34,191
New Jersey	18,927
Illinois	17,368

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

Copyright 2010 Challenger, Gray & Christmas, Inc.

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

JOB CUTS BY INDUSTRY

	MAY	TOTAL
Government/Non-Profit	16,697	93,470
Pharmaceutical	6,943	34,157
Transportation	3,262	10,095
Financial	2,363	9,431
Entertainment/Leisure	2,271	5,551
Aerospace/Defense	1,329	5,167
Media	894	3,770
Health Care/Products	740	12,201
Food	613	4,419
Retail	608	21,875
Services	515	5,246
Consumer Products	511	2,086
Industrial Goods	409	6,901
Computer	335	7,879
Utility	275	3,032
Chemical	210	552
Telecommunications	202	15,257
Energy	183	2,610
Electronics	160	1,880
Real Estate	150	354
Construction	62	1,719
Commodities	40	155
Insurance	21	928
Automotive	17	9,043
Apparel		541
TOTAL	38,810	258,319

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

**JOB CUTS BY REGION, STATE
MAY**

East	21,285
New York	18,960
Dist. of Columbia	1,120
Massachusetts	520
Maryland	497
Pennsylvania	152
Vermont	23
New Jersey	13

Midwest	4,288
Illinois	2,050
Missouri	1,256
Iowa	597
Kansas	150
Ohio	86
Indiana	75
Michigan	74

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

**JOB CUTS BY REGION, STATE
MAY**

West /Southwest	7,923
California	4,920
Texas	1,377
Hawaii	500
Utah	437
Alaska	300
Oregon	150
Colorado	82
Oklahoma	57
Nevada	41
Washington	36
North Dakota	23

South	5,314
Florida	1,968
S. Carolina	1,327
Alabama	500
Virginia	490
Tennessee	413
N. Carolina	316
Louisiana	300

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

JOB CUT REASONS

	MAY
Cost-Cutting	15,998
Restructuring	6,871
Merger/Acquisition	6,650
Closing	3,671
Economic Conditions	2,052
Labor Dispute	1,583
Demand Downturn	1,130
Relocation	350
Reorganization/Consolidation	223
Legal Trouble	200
Order Cancellation/Reduction	82
TOTAL	38,810

Copyright 2010 Challenger, Gray & Christmas, Inc.

**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	578,510	318,165	240,233	151,122	1,288,030
2010	181,183				181,183
AVG	218,038	165,498	190,067	229,527	

*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.

Copyright 2010 Challenger, Gray & Christmas, Inc.

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

**ANNOUNCED HIRING PLANS
MAY**

Industry	Jobs
Financial	1,900
Automotive	1,620
Government/Non-Profit	1,427
Insurance	1,400
Transportation	1,376
Pharmaceutical	1,230
Computer	1,150
Consumer Products	1,100
Industrial Goods	880
Retail	685
Electronics	500
Aerospace/Defense	450
Services	383
Entertainment/Leisure	306
Food	250
Energy	220
Apparel	45
TOTAL	14,922