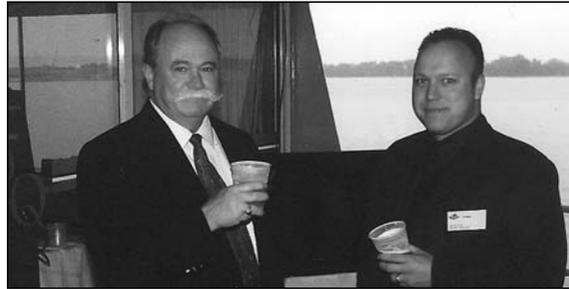


CMTDA Annual Spring Meeting

June 5, Toronto Harbour Boat Cruise



Bill Bowden (left) and Andy Lux, both with Iscar Tools Inc., Oakville, ON.



CMTDA Executive Director Jim Burrows (left) and Bob Mathieu of Reed Exhibitions.



Kurt Neiman (left), vice president and trade shows, presents Trudy Jahn (center) and Manfred Jahn with a plaque making the Jahns Honorary Members of CMTDA.



(Left to right) Dave Collison, Ruth Collison, Angie Collison, Denise Carr, Michael Carr and Dorne Collison. The Collisons were representing SMS Machine Tools while the Carrs were representing Elliott-Matsuura.

The CMTDA recently held its annual spring meeting and social gathering. The highlight of the evening was a boat cruise around the Toronto Harbour. Approximately 86 CMTDA members and guests attended the annual event which also included dinner as well as the cruise.



Keith Kerr (left) of Amada Canada and wife Lynne Kerr enjoy the cruise.

NEWS UPDATE

CMTDA has welcomed two new regular members since our last newsletter. Joining the association as regular members are **Canadian Measurement-Metrology Inc.**, Mississauga, ON, **Elliott Foster**, president and **Paramount Machinery Inc.**, Mississauga, ON, **Eric St. James**, president.

Manfred and Trudy Jahn were made Honorary Members of CMTDA at our recent spring meeting. Manfred has now retired from his machine tool business, **M. Jahn Machine Tools Inc.**, after many years of working for and representing **Index Corporation**. Manfred was president of CMTDA in 1992-1993.

The **Society of Manufacturing Engineers (SME)** has launched a Jobs Connection service to allow professionals to post their resumes for review by manufacturing employers. The Jobs Connection service is free for SME members. Click on <http://job-connection.sme.org> to go to Jobs Connection.

CMTDA

The newsletter of the Canadian Machine Tool Distributors' Association

Summer, 2003

PO Box 262, Minden, ON KOM 2K0 Phone: (705)286-6921 Fax: (705) 286-6905 www.cmtda.org

Newsletter



CANADIAN MACHINE TOOL
DISTRIBUTORS' ASSOCIATION

CMTDA President's Message

Welcome to the summer issue of our newsletter. It would have been nice for me to be able to report better sales statistics and a good economic recovery but the reality of the situation is quite different. It is however a pleasure to confirm that our association remains strong in these difficult times. Our membership continues with 63 regular and 10 associate members participating in the benefits of CMTDA. Our annual Spring Meeting and Harbour Cruise was held on June 5th and was attended by 86 members and guests. Unfortunately, I was not able to attend, however according to Jim Burrows, the cruise was fun and the food was excellent. In keeping with the tradition, our media friends, CM&M, MP&P and CIP provided support with the wine and spirits and we thank them for their commitment.

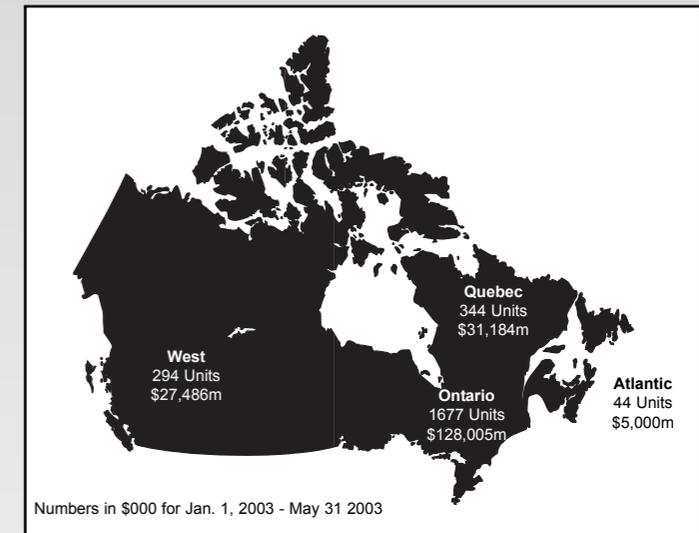


Albert Leblanc

Kurt Neiman, our Vice President, presented Manfred Jahn and his wife Trudy with an Honorary Membership to CMTDA. Manfred retired recently from his machine tool distributorship after a long and successful career. He is also a past president and a very loyal supporter of CMTDA. Manfred and Trudy, good luck and good health in your retirement. Kurt also welcomed Eric St. James and Keith Hann of Paramount Machinery as new members, Bob and Sandy Burnside, Jim Smith and Jim and Marilyn Burrows as honorary members. Once again, CMTDA is supporting a Toronto exam site for the CMTSE program operated by AMTDA on July 26th. The site will once again be held at Ryerson in the downtown area. Good luck to all participants.

The Canadian Machine Tool Show in Toronto is just around the corner at the National Trade Centre on October 20 thru 23, 2003. The show will group machine tools, metal forming, measurement technology, tooling and factory automation together in one package. Our responsibility will be to promote the show with our suppliers and customers alike to make this show a success in these trying economic times.

Continued on Page 2



Machine tool sales remain depressed

by CMTDA Executive Director Jim Burrows

Sales for machine tools are continuing at a similar pace to last year. The first five months of 2003 have shown an increase in dollars and a decrease in units.

While the units are down approximately 11%, the dollar increase is approximately 12%.

Average order size is \$307,000 for lathes, \$173,000 for vertical machining centers, \$504,000 for horizontal machining centers, \$538,000 for horizontal boring mills, \$195,000 for wire EDMs, \$114,000 for EDM sinker, \$145,000 for grinders and \$171,000 for coordinate measuring machines.

Conventional machine tools average \$20,000, CNC fabricating equipment was \$198,000, non-CNC fabricating equipment was \$16,000, and metal stamping equipment was \$43,000. The overall average machine tool sale was \$98,400.

Some of these numbers are up significantly, especially in the CNC lathe and horizontal machining categories. Both show substantial increases in units and average dollars.

It seems the market demands increased sophistication and automation in these areas, however the overall machine tool market remains extremely competitive.

More industry statistics on page 3

Once again, we are planning our annual CMTDA golf tournament. The date will be August 21st and we will be playing at Pheasant Run in Newmarket. Thanks to Kurt Neiman for his effort in organizing this enjoyable event. Our Annual General Meeting will be held this year on November 20th at the Toronto Curling, Skating and Cricket Club. Our speaker will be David Prentice. He will be conducting a seminar during the day for sales people as well. We will advise the details for you shortly. As this is my last newsletter column as president of your association, I want to tell you that the experience has been wonderful. I have learned a lot working with a fine group of directors over the past 6 years. Thank you to all of them and a special thanks to Jim Burrows for his support and commitment.

Best regards,

Albert LeBlanc, President

The CMTDA's purpose and objectives

The Canadian Machine Tool Distributors Association was founded in 1942 as a trade association dedicated to the marketing of machine tools and services in Canada through distributorship companies.

Its aims are:

- To promote friendly business relations among its members
- To provide means whereby problems affecting the industry can be readily discussed and to co-operate, as a group, to further the interests of the industry by all desirable and lawful means
- To stimulate growth in the use of machine tools and secure wider markets for these tools
- To advertise the industry and the specific advantages attainable through the use of machine tools
- To make available information which will assist users and prospective users to obtain properly selected machine tools
- To collect and disseminate statistics on market capacity and other pertinent matters
- To exchange information among members for the purpose of reducing distribution costs and eliminating waste and duplication of efforts
- To enable the members, as a group, to discuss with the government, if need be, tariff problems and other issues relating to machine tools.

HOW TO JOIN THE CMTDA

Any individual, partnership, firm, company or corporation may be elected to membership in the CMTDA by an affirmative vote of not less than 2/3 majority of the current directors of the Corporation. A regular member is one which maintains an office or other recognized place of business, represents at least one recognized manufacturer of machine tools on an exclusive basis in a designated territory, carries its own accounts, is established and actively engaged in the distribution of machine tools in Canada for at least one year at the time of application, does at least 51% of its business in new machinery and provides monthly orders booked data in the format set out by the Corporation. Contact the CMTDA at P.O. Box 262, Minden, ON K0M 2K0. Phone (705) 286 6921 or fax (705) 286 6905.

CMTDA Investigating Accelerated Depreciation

Recently, George W. Bush, President of the United States of America, approved a bill giving accelerated depreciation to companies purchasing machine tools and other equipment.

This new law allows 50% expensing in the first year of use and helps customers justify new machine tools sooner and easier.

Your board of directors has decided to have our association join the Canadian Federation of Independent Business (CFIB) for lobbying and for other benefits.

CFIB has approximately 105,000 Canadian member companies and as a result receives an audience from Ottawa easily and promptly. Our membership now has 11 member companies that belong to CFIB.

While your board of directors feel that there are many benefits, they also feel that this will increase our exposure with Ottawa and possibly encourage a similar depreciation incentive in Canada.

It seems that most of the work putting this together in the U.S.A. was accomplished by AMT. We will be advising you of the advantages of membership and possibly encourage your participation.

Individual membership starts at \$265.00 for a one man organization.

CMTDA Offers Sales Seminar

Your association has hired Mr. Dave Prentice to be the presenter at a seminar organized for November 20, 2003 at the Toronto Curling Skating and Cricket Club.

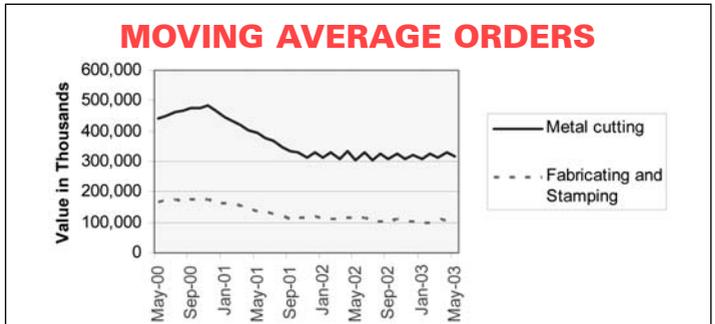
Dave Prentice is one of Canada's most dynamic sales and marketing professionals. He is President of Learning Corp. Inc., a very successful training and management consulting firm. This session will focus on advanced skills, techniques and strategies to create the conditions that give you a competitive edge. Specifically, the session will deal with the concept of "value based selling". Success in sales seldom just happens. Success in sales takes hard work, skills, techniques and sales strategies. This event will be an interactive learning experience that reinforces skills and introduces new ideas and approaches. In addition, it will be fun, lots of fun.

Rudi Walter-1919/2003

Sadly, we report the passing of **Rudi Walter**, president and founder of **Westway Machinery Limited**. Rudi was a great supporter of CMTDA and a very long standing member.

Rudi started Westway Machinery approximately 30 years ago. The business also involved his wife, Hildegard and their three sons, Frank, Bernie and Kurt.

Rudi was always honest, a lover of his work and business and a very successful machine tool distributor. He will be missed but has left Westway in the capable hands of his three sons.



The most graphic representation of the market conditions is the Moving Average Orders chart, which plots the year over year moving average. We have also produced a moving average chart showing results over the past two years. This chart shows the true picture of business conditions today.

CMTS 2003 Update

The 2003 Canadian Machine Tool Show scheduled for October 20-23 is fast approaching and your Board of Directors has been working with Reed Exhibitions to insure a successful show.

This year, the show will include machine tools, factory automation, measurement technology, tooling and accessories, metal forming equipment and much more. CMTDA continues to be the major sponsor for CMTS and most members are participating and anxious to display their new technology to prospective customers.

Some discussion has taken place concerning the show time frame. Because of conflicting events, it was suggested that a Spring Show might attract more attendees. Both CMTDA and Reed Exhibitions did a survey of members and past show customers and found the fall time frame to be much more popular with everyone. Lets hope the show puts a spark into the machine tool market.

Upcoming Events

- August 21, 2003**
CMTDA Annual Golf Tournament, Pheasant Run Golf Club, Newmarket, ON
- October 20-23, 2003**
Canadian Machine Tool Show, National Trade Center, Toronto, ON
- November 20, 2003**
CMTDA Annual General Meeting/Sales Seminar, Toronto Curling, Skating & Cricket Club

CMTDA Board of Directors

- President**
Albert Leblanc, A.W. Miller Technical Sales
- Past President**
Robert Dunbar, Toshiba Machine Co. Canada
- Vice President and Trade Shows**
Kurt Neiman, Neiman Machinery Sales
- Statistics**
Darren Carroll, Ossco Machine Sales
- AMTDA Liaison**
Michael Carr, Elliot Matsuura Can. Ltd.
- Government Relations**
John Manley, Machine Tool Systems Inc.
- Membership**
Brian Donnelly, Ferro Technique Ltd.
- Education**
Juergen Moeglich, UBJ-Boehringer Inc.

C.M.T.D.A. MEMBERS

- 600 Machine Tools
- A.M.T. Machine Tools Ltd.
- A. W. Miller Technical Sales Canada
- Acme Saw Ltd.
- Advanced Fabricating Machinery Inc.
- Akhurst Machinery Ltd.
- Amada Canada Ltd.
- Amcan Machine Tool Technology Inc.
- Barer Engineering Co.
- Cahmac Int'l Machinerie Inc.
- Canadian Hardinge Machine Tools
- Canadian Measurement-Metrology Inc.
- CIT Financial Ltd.
- Citicapital Commercial Corp.
- CML Machinery Inc.
- Cutting Systems Inc.
- DMG Canada Inc.
- Elliott Matsuura (Canada) Inc.
- Ellison Machinery Company
- EMEC Machine Tools Inc.
- Fagor Automation Canada
- Ferro Technique Ltd.
- Forward Precision Tools Ltd.
- G.E. Capital Canada Equipment Financing
- Gilbert C. Storey Machinery Ltd.
- Graham Machine Sales & Service Inc.
- Gross Machinery Group
- Haco Canada Ltd.
- Hartford Technology Ltd.
- Hascotech Inc.
- H. H. Roberts Machinery Ltd.
- Heinman Machinery Ltd.
- Huron Canada Inc.
- Ian Jones Sales Ltd.
- Industrial Machinery Exchange Inc.
- Iscar Tools Inc.
- KBC Tools & Machinery Inc.
- Key Equipment Finance
- M. Jahn Machine Tools Inc.
- MF Technologies Inc.
- Machine Tool Systems Inc.
- Machinerie BV Ltee
- Machinery Canada
- Matcom Industrial Installations Inc.
- Megatel Inc.
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- Neiman Machinery Sales Inc.
- Omnitrade Machinery
- Ossco Machine Sales
- Paine Machine Tool Inc.
- Paramount Machinery Inc.
- Parpas America Inc.
- Phoenix CNC Tech.
- Powermaster Machinery Ltd.
- Quickmill Inc.
- Royal Products
- Sirco Machinery Co. Ltd.
- SMS Machine Tools Ltd.
- Sparquetec Inc.
- Stan-Canada Inc
- Swiss Instruments Ltd.
- TTL Inc.
- Thomas Skinner & Son Ltd.
- Toolmex Corp., Machine Tool Division
- Top Tech Machinery Ltd.
- Toshiba Machine Co. Canada Limited
- Ultra Machine Sales Ltd.
- Upton & Sullivan Co. Limited
- UBJ-Boehringer Inc.
- Wells Fargo Equipment Finance
- Westway Machinery Limited
- Yervant Industriel/AL Inc.