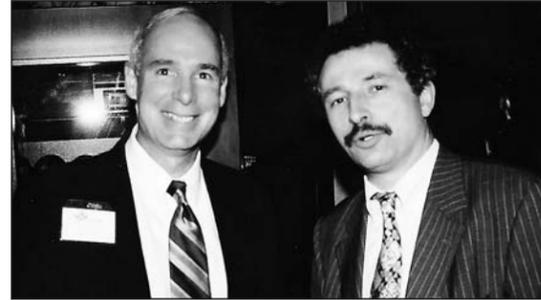


CMTDA Annual General Meeting

November 17, Toronto Cricket, Skating and Curling Club



Ralph Nappi (left), president, American Machine Tool Distributors Association and Dieter Schill, DMG Canada.



(Left to right): Darrell Pantalone, Powermaster Machinery; Dave Baker, Fagor Automation Canada; and Bill Brennan, William Brennan (1978) Ltd.

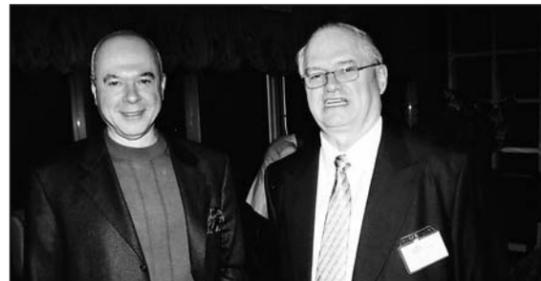


Juergen Moeglich (left), UBJ-Boehringer and Peter Turton, 600 Machine Tools.

The CMTDA recently held its Annual General Meeting at the Toronto Cricket, Skating and Curling Club in Toronto. The meeting was attended by 100 members and guests. Ralph Nappi, president of the American Machine Tool Distributors' Association was the guest speaker.



CMTDA members and guests enjoy a reception following the Annual General Meeting.



Michael Carr (left), Elliott-Matsuura Canada and David Collison, SMS Machine Tools.

NEWS UPDATE

We are pleased to welcome **William Brennan (1978) Limited**, **Bill Brennan**, President; **Elite Machinery Ltd.**, **Dan Larocca**, President; **Montfort International Ltd.**, **Raymond Theriault**, President; **Spark & Co.**, **Guy Belanger**, Vice President; **Finn-Power Canada**, **Chris Amell**, Sales Engineer;

MGL Technologies, **Gilles Lupien**, President; **LaMarche Machinery Inc.**, **Dan LaMarche**, President; and **Sandvik Canada**, **Brian Philip**, Business Development Manager as new members.

The new 2005 edition of the CMTDA directory will go to

print soon. Look for your personal copy in the mail.

The next edition of the CMTDA Newsletter scheduled for summer, 2005 will be sent out by e-mail. If you are not a CMTDA member and wish to receive your copy, please send your e-mail address to info@cmtda.com

CMTDA

The newsletter of the Canadian Machine Tool Distributors' Association

Winter, 2004

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

Newsletter



CANADIAN MACHINE TOOL
DISTRIBUTORS' ASSOCIATION

CMTDA President's Message

It's hard to believe that a year has gone by since I took over the wheel from our past President Albert Leblanc. A lot has happened during my first year as President.

We are finally seeing some light at the end of the tunnel with regards to a rebound of machine tool sales in Canada.

Your association has continued to grow. We are strong financially and the future looks good.

It has been a great pleasure for me to serve as President as I truly enjoy the opportunity of meeting our members, and the chance to discuss items in common, and to work with the directors for the betterment of our industry.

The Toronto Cricket, Skating & Curling Club was the scene for our 62nd Annual General Meeting. This was the second time we held our meeting at this new location and from all accounts, we had an excellent meeting and evening. A familiar face to most and our good friend Ralph Nappi, president of the American Machine Tool Distributors' Association (AMTDA) was our guest speaker. He addressed the group with his talk titled "Rebound: Strategies for Success". For those who don't know Ralph, he is an accomplished speaker and always has an extensive knowledge of industry trends for our marketplace.

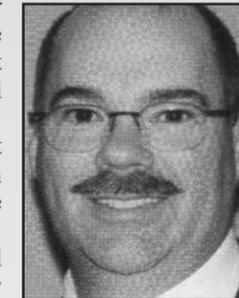
Later, no fewer than 100 members, honorary guests, new members and invited guests in attendance heard from our different committees, pertaining to trade shows, membership, education, government relations and statistics.

CMTDA has a new director, Dieter Schill, president of DMG Canada Inc. Dieter has accepted position of director for the balance of 2004 and 2005 to replace John Manley who resigned earlier than his term due to business constraints.

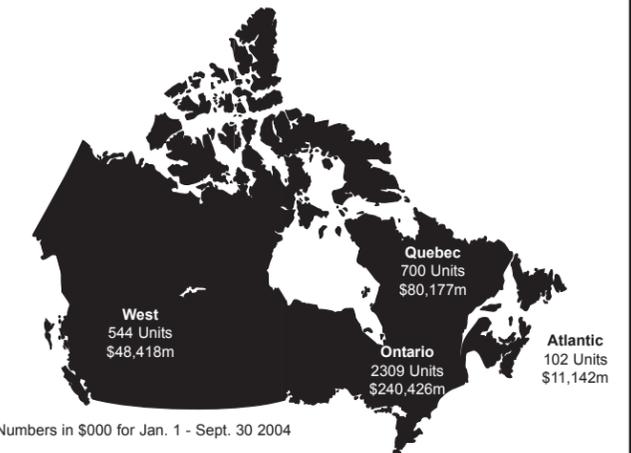
Dieter's business skills and knowledge will surely be a benefit to our association. His new responsibilities as director will be statistics. Welcome aboard Dieter.

For a change, all reports presented were of a positive note.

Continued on Page 2



Kurt Neiman



Machine tool sales units up 12%, dollars up 32% from September 30, 2003

by CMTDA Executive Director Jim Burrows

Sales for machine tools in Canada show a rise in units of 12% and in dollars of 32% at September, 2004 compared to 2003. Average order size in CNC metal cutting was: horizontal spindle lathes, \$187,000; vertical spindle lathes, \$315,000; VMCs, \$167,000; HMCs, \$405,000; boring mills, \$589,000; wire EDM, \$177,000; sinker EDM, \$123,000; grinders, \$243,000; and CMMs, \$120,000. New categories for 2004 are multi-tasking lathes at \$325,000; milling machines at \$119,000; and CNC saws at \$140,000. Conventional metal cutting machines averaged \$17,000. In CNC fabricating the figures were: press brakes, \$114,000; turret presses, \$367,000; laser profile cutting, \$659,000 and an average CNC fabricating machine was \$255,000. In non CNC fabricating, the average sale was \$16,000, while metal stamping and forming averaged \$48,000. New categories for 2004 include plasma profile cutting at \$389,000; water jet profile cutting at \$245,000 and other laser at \$139,000. Our records show a significant increase in horizontal lathes, VMCs, HMCs, CMMs and laser profile cutting. CNC metal cutting machine tools have increased 34% in both units and dollars, CNC metal forming, 16% in units and 52% in dollars. Conventional metal cutting machines have dropped 5% in units and 14% in dollars from this period last year.

CMTDA's 4th annual golf classic a success

CMTDA hosted the Fourth Annual Golf Classic on Tuesday, August 24, 2004 at the beautiful Pheasant Run Golf Club just east of Newmarket, ON. The weather was a perfect late summer day, 24°C, and not a cloud in the sky. Pheasant Run is a par 72 course sculptured within a hardwood forest with lots of natural beauty, and it is a pleasant challenge. Scramble format rules were observed.

A total of 11 foursomes joined fellow CMTDA members for a day of fun and networking. The winning foursome comprised of Marc Burroni, Dave Ralph, Ted Van Wyk and Stan Krajewski, came in with a score of 6 under par. John Moody of MP&P presented each of the winners' with a beautiful fairway driver and the winners' trophy.

Larry Bonikowsky of CM&M presented four fantastic Blue Jay tickets (for an upcoming game against the New York Yankees this fall) to Stan Krajewski for the "closest to the pin" award. Next, Bob Mathieu, Reed Exhibitions presented Robert Renaud with a \$100.00 LCBO voucher for achieving the "longest drive". Congratulations to our winners! We had many great prizes to give away this year. Golf clubs, golf apparel, Blue Jay tickets, watches, LCBO vouchers,

Continued on Page 2

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.

President's Message Continued from Page 1

What a change from only a few years ago. Based on our statistics report, machine tools, metal fabricating machinery and stamping equipment have shown clear growth.

However, on the downside, the dollar value of units sold has not risen at the same rate. As quoted by one of our directors, "Despite improved trading conditions, inability to raise prices (while operating costs are going up) is the main threat for builders and distributors". As stated in my welcome message at our AGM, "Canadian manufacturers will only remain competitive by investing in machine tools providing increased throughput with less costs." I think most of us can relate to this transformation.

I urge all of you to take advantage of the services and information provided by the CMTDA and the AMTDA. Our upcoming 2005 CMTDA Directory will be mailed out this year along with a future issue of Canadian Machinery & Metalworking. This will put our directory in front of some 20,000 plus readers. I hope you have your information up to date.

With regards to your information, as a reminder, CMTDA.com, our association's web page is working well; nevertheless, not all members have utilized this benefit to list their company's program. On the site you can list important contact information regarding your company, branch offices, contact personnel, change of product line information, etc. All of this can be done on demand. Beyond a doubt this is a great sales tool that we are providing for you.

CMTDA is not responsible for entering your company data, product lines, etc. This is a self-administered site to be completed by you. CMTDA has invested heavily into this web site, please take the time to complete and manage your section. If you have questions or need to know how to log in, please contact us.

Your CMTDA board of directors is working on plans for 2005, many issues that concern all of us are being worked on, and will be addressed in future issues of our newsletter or via e-mail. We have tabulated the results of our recent survey sent in October and I ask you to read the separate article in this newsletter regarding these results. We also have some social events planned for 2005; our annual Spring Boat Cruise on the Toronto Harbourfront is being planned with a new twist this year. In closing, I would like to thank our membership for their support and continued confidence in the CMTDA. Special thanks to the board of directors, and Jim Burrows our executive director for their immeasurable time donated to our association. As we come to the close of this year, I would like to wish our members, associates and friends "Season's Greetings."

Best regards,



Kurt Neiman, President

MOVING AVERAGE ORDERS

The above moving average orders chart shows a creditable increase over the past 14 months. Since 2003, business has increased 12% in units and 32% in dollars.

Fourth CMTDA golf classic, Continued from Page 2

Cross pen sets and so much more. Thank you to all of our sponsors for helping out with the prizes.

It was wonderful to see everyone who came out to make this day a great success. We had more women golfing with us this year, which was excellent. After the game, we all enjoyed drinks on the patio and a delicious dinner in the dining room. Tom Dillon of CIP, again looked after our wine tab. A draw for fabulous prizes concluded this enjoyable event.

CMTDA would like to thank Susan Perkins of Neiman Machinery and Jim Burrows of CMTDA for organizing this day.

Again, we would like to express our gratitude to our sponsors; MP&P, CIP, CM&M, Reed Exhibitions, Commerce Customs Brokers, CIT Finance, Iscar Tools, Royal Products, Wells Fargo, Matcom Industrial, Klad Rentals and G.E. Capital. Thank you to all!

Next year's CMTDA Golf Classic has been scheduled for August, 2005. Watch for more details to follow.

Upcoming Events

June, 2005

CMTDA Annual Spring Meeting

August, 2005

CMTDA Annual Golf Tournament

October 17-20, 2005

Canadian Manufacturing Technology Show, Toronto, ON

CMTDA Board of Directors

President

Kurt Neiman, Neiman Machinery Sales Inc.

Past President

Albert Leblanc, A.W. Miller Technical Sales Canada

Director

Joe Robb, Forward Precision Tools Ltd.

Director

Darren Carroll, Ossco Machine Sales

Director

Michael Carr, Elliot Matsuura Can. Ltd.

Director

Dieter Schill, DMG Canada Inc.

Director

Brian Donnelly, Ferro Technique Ltd.

Director

Juergen Moeglich, UBJ-Boehringer Inc.

C.M.T.D.A. MEMBERS

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Acme Saw Ltd.
Advanced Fabricating Machinery Inc.
Akhurst Machinery Ltd.
All Fabrication Machinery Ltd.
Amada Canada Ltd.
Amcan Machine Tool Technology Inc.
Barer Engineering International
Cahmac Int'l Machinerie Inc.
Canadian Hardinge Machine Tools
Canadian Measurement-Metrology Inc.
CIT Financial Ltd.
Citicapital Commercial Corp.
CML Machinery Inc.
DMG Canada Inc.
Elite Machinery Ltd.
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EMEC Machine Tools Inc.
Fagor Automation Canada
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Gross Machinery Group
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Hartford Technology Ltd.
H. H. Roberts Machinery Ltd.
Heinman Machinery Ltd.
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Industrial Machinery Exchange Inc.
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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
William Brennan (1978) Ltd.
Yervant Industrial/AL Inc.