



The Newsletter of the Canadian Machine Tool Distributors' Association

Machine tool sales holding steady

Our records indicate that while machine tool units are up slightly, the dollar figures are down.

According to our records, the dollar figures are down approximately 10%.

This shows an average order down due to the increase in value of the Canadian dollar.

Average order size in CNC metal cutting was: horizontal spindle lathes amounted to \$157,000; vertical spindle lathes totalled \$243,000; and multi tasking lathes recorded a total of \$321,000.

For vertical machining centers (up to 40 in. X-axis) the total was \$99,000; vertical machining centers (over 40 in. X) amounted to \$164,000; and vertical machining centers (five or more axes) reached \$591,000.

Moving onto horizontal machining centers, according to the association's records, horizontal machining centers (up to four-axis) recorded a total of \$409,000; horizontal machining centers (five or more axes) reached a dollar figure of \$1,104,000; milling machines totalled \$144,000; horizontal boring mills amounted to \$650,000; and vertical boring mills reached a total of \$732,000.

In the EDM area, wire EDMs totalled \$153,000; sinker EDMs were \$146,000; grinders amounted to \$582,000; coordinate measuring machines (CMMs) reached \$96,000; and saws reached a total of \$86,000. The average booked order for conventional metal cutting was \$16,700. The CNC fabricating machine tool average order was:

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President's Message

It is hard to believe that we are half way through 2006. The challenges that we as an industry have encountered since 2000 are continuing.

A strong dollar, competition from overseas (China etc.) and a declining manufacturing sector continue to hamper the recoveries similar to what we have experienced in the past. Our North American automotive industry, on which



Brian Donnelly

Ontario is very dependent, continues to lose market share yearly to the Japanese and other European car builders. The Big Three that we grew up with are gone. We are truly in a global economy. Whatever happens on the other side of the world now affects us here. As you see by our monthly statistics all of our dollar comparisons are down compared to 2005.

The one bright spot that we have and without it our numbers would be even more dismal is Alberta.

The last couple of years have been banner years for Alberta and with the price of gas today I have to believe it will continue. That's great news. It would be nice to have a little relief on the price of gas though. Is it all doom and gloom though? Absolutely not! We have just had the Montreal Fabricating and Machine Tool Show and comments I received were very positive. Overall,

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**CANADIAN MACHINE TOOL
DISTRIBUTORS' ASSOCIATION**

News Update

We are pleased to welcome Edge Production Supplies Ltd., Mr. Jim Spady, president as a new member.

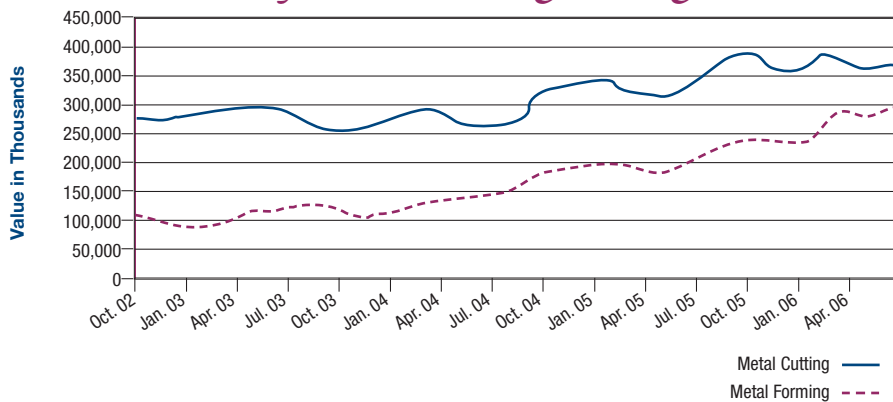
Our Spring Meeting and Cruise was a resounding success as we had 100 people registered to attend for the first time. This year, the cruise was held on the Mariposa Belle and cruised throughout the Toronto harbour on a beautiful June 14 evening. Everyone enjoyed the networking time and relaxation with their spouses and CMTDA members and guest.

The buffet was a choice of prime rib or chicken along with cold salmon and other delicacies served to perfection. The DJ supplied an ample dose of good music and a great time was had by all.

Montreal Fabricating & Machine Tool Show Report

CMTDA once again was proud to sponsor the bi-annual Montreal Fabricating & Machine Tool Show (MFMTS) in Montreal. You can't measure the success of a show based solely on the number of attendees. This was again proven at the recent MFMTS held at Place Bonaventure from May 15-May 17. The attendance was brisk and exhibitors were very positive. "One of the best shows for leads that we have attended in a long time," said one distributor. Another exhibitor remarked, "It has been a long time since we have sold machines off our booth, but this show, we have sold three." Several exhibitors that I spoke with indicated they would not hesitate to return in two years. What is the reason? One of the factors that I would like to believe is that the machine tool industry is continuing to press ahead with solid sales and inquiries from customers.

Yearly Sales Moving Average



Upcoming Events

September 6-13, 2006

IMTS

McCormick Place, Chicago, IL

November 15, 2006

CMTDA Annual General Meeting

Toronto Cricket Club

June, 2007

CMTDA 65th Anniversary/
Spring Meeting

President's message continued from page 1

exhibitors said that were happy with the attendance and they would return in 2008. A number of dealers have recently had open houses with good turnouts. IMTS is approaching and usually brings with it additional business. We are all doing in today's economy what it takes to make our businesses leaner and more profitable. Or should I just say profitable?

CMTDA recently had our spring cruise on the Mariposa Belle. This was our first time having it on the Belle but with all the

positive comments it will not be the last. It is always nice seeing our honorary members out at this event. Thanks again to MP&P, CM&M, and CIM, and for contributing to the liquid refreshments for the evening. It was a great evening for all. Thanks to Jim Burrows for all of his hard work to put the evening together. 2007 is our association's 65th anniversary and we are having our spring meeting at Windermere in Muskoka with a similar format to our 60th. However, we need your participation. We have a great

location selected; and we will have an educational, entertaining and fun format. All that we need are great people like you. Please let Jim Burrows know how many people will be able to attend from your company. Have a great summer and see you at the Annual General Meeting at the Cricket Club on Wednesday, November 15th, 2006.

Best Regards
Brian Donnelly

CMTDA Celebrates 65 Years in 2007

The organizational meeting of the Canadian Machine Tool Dealers Association was held in Montreal, QC on March 25, 1942. Present were 10 companies including: the Canadian Fairbanks-Morse Company Ltd., Williams and Wilson Ltd., F.F. Barber Machinery Company Ltd., J.H. Ryder Machinery Company Ltd., T.E. Ryder Machinery Company, Arthur Jackson Machine Tool Company, Rudel Machinery

Company Ltd., John Bert am & Sons Company Ltd., A.R. Williams Machinery Company, and Canada Machinery Corporation Ltd. Sixty-five years later, we currently have 62 regular members, 13 associate members, and 18 honorary members. The membership dues have risen from the initial rate of \$500 to today's \$600. To celebrate the CMTDA's 65th anniversary, we plan to have our 2007 Spring Meeting at

Windermere House on Lake Rosseau, Muskoka, June 16-18, 2007. CMTDA first went to Windermere House for its Spring Meeting in 1973. Since then, Windermere House was destroyed by fire and rebuilt in the 1990s. We are looking for your input regarding this meeting and would like to hear from you. At CMTDA's 60th anniversary at Deerhurst Resort, we had 84 participants and we would like to exceed that number.

Machine tool sales continued from page 1

press brakes, \$98,000; shears, \$52,000; turret punches, \$449,000; single end punches, \$120,000; profile laser cutting, \$720,000; profile plasma cutting, \$219,000; profile water jet cutting, \$230,000; and other items, \$159,000.

Conventional fabricating machine tools averaged \$18,000 and metal stamping orders averaged \$18,500.

Overall, the largest increases have been in CNC horizontal spindle lathes, 9% in units and 17% in dollars; vertical machining centers over 40 in. X-axis, 90% in units and 40% in dollars.

Next on the list was CNC press brakes with 10% in units and 11% in dollars while CNC shears recorded 35% in units and 29% in dollars.

Plasma profile cutting machines recorded figures of to 250% in units and 197% in dollars while conventional press brakes amounted to 43% in units and 5% in dollars.

AMTDA's 81st Annual Meeting

The American Machine Tool Distributors Association's (AMTDA) 81st annual meeting with the theme, "The Distributor Revolution" was held April 9-12 at the Don CeSar Beach Resort, St. Pete Beach, FL. The event was a success and featured a record attendance since 2002.

The program covered various topics including China; Builder-Distributor Relations; and the Changing Face of Distribution. Presentations were also made by John Healy, president of AMTDA and John Byrd III, president of AMT. The association elected Lynne Anderson, president, Able Machine Tool Sales Inc., Agawam, MA as Chairman for the coming year. Congratulations Lynne. The USMTC report, a joint program of AMTDA and AMT, is reporting a year to date total of \$1,437,110 million for 2006, up 22% compared to the end of May, 2005. "May's growth in consumption is particularly encouraging because it is shared across every region of the country, said AMTDA President Healy.

CMTDA AGM November 15, 2006

We are pleased once again to be able to hold our Annual General Meeting at the Toronto Cricket Club.

The Toronto Cricket Club has proven to be a superb facility for the meeting and dinner.

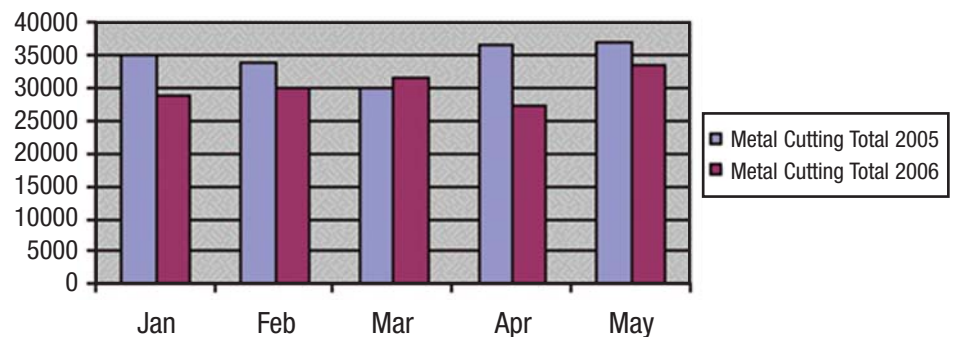
This year we will have the honour of Lynne Anderson, president of Able Machine Tool Sales Inc. and Chairman of the American Machine Tool Distributors' Association (AMTDA) in attendance.

Joining her will be John Healy, president of AMTDA. John will be making a presentation on current distributor trends.

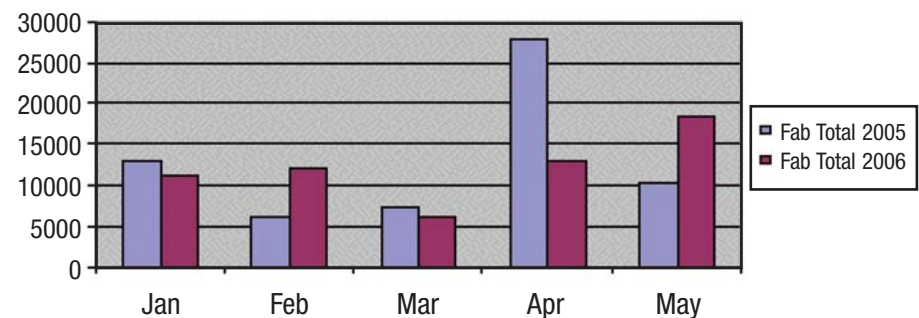
We are also pleased to have Tom Dillon, president of Mori Seiki U.S.A., as our second speaker.

Tom will provide a manufacturer's insights into selling and marketing machine tools. Put November 15, 2006 on your calendar and plan to attend.

Metal Cutting Totals - Year Over Year 5 Month Comparison



Fabricating Totals - Year Over Year 5 Month Comparison



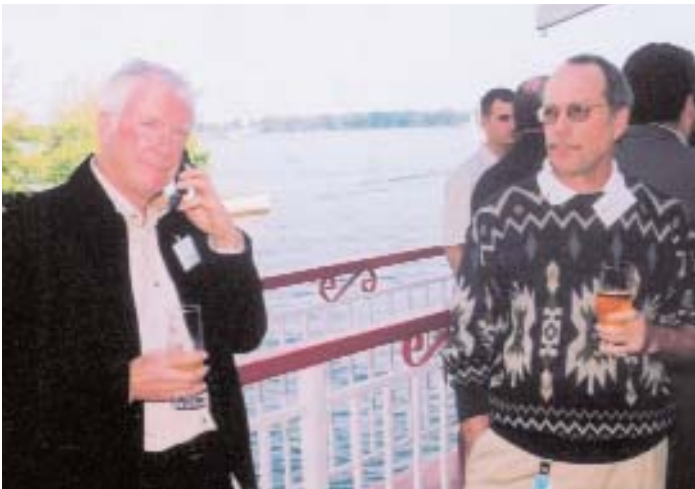
CMTDA Annual Spring Meeting



CMTDA President Brian Donnelly welcomes association members and guests aboard the cruise.



(Left to right): Jay and Janice Summers, and Ron Roberts, all representing Mitutoyo Canada.



(Left) Joe Robb and Robert Jamieson, both with Forward Precision Tools.



(Left to right): Steve Hawker, Toshiba Machine; Paul Beattie and Steve Rendl, both with Wells Fargo Equipment Finance, and James Bonnell with Toshiba Machine.



(Left): Charlie Hardie with Advanced Fabricating Machinery and wife Mary.



(Left to right): Michael Carr, Elliott-Matsuura, Dorne Collison, vice president and David Collison, president, both with SMS Machine Tools.

CMTDA Board of Directors

President: **Brian Donnelly**, Ferro Technique Ltd.
Past President: **Kurt Neiman**, Neiman Machinery Sales Inc.
Director: **Michael Carr**, Elliot Matsuura Can. Ltd.
Director: **Juergen Moeglich**, UBJ-Boehringer Inc.
Director: **Joseph Robb**, Forward Precision Tools Ltd.
Director: **Darren Carroll**, MC Machinery Canada
Director: **Dieter Schill**, DMG Canada Inc.
Director: **Eric Stebner**, Ackhurst Machinery Limited

How To Join

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.

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.



**CANADIAN MACHINE TOOL
DISTRIBUTORS' ASSOCIATION**

CMTDA 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.
All Fabrication Machinery Ltd.
Amada Canada Ltd.
Barer Engineering Co.
Cahmac International Machinery Inc.
Canadian Hardinge Machine Tools
Canadian Industrial Publishing
Canadian Measurement-Metrology Inc.
Canadian Metalworking
CIT Financial Ltd.
CML Machinery Inc.
DMG Canada Inc.
Edge Production Supplies Ltd.
Elite Machinery Limited
Elliott Matsuura (Canada) Inc.
Ellison Machinery Company
EMEC Machine Tools Inc.
Empire Machinery & Tools Ltd.
Fagor Automation Canada
Ferro Technique Ltd.
Finn-Power Canada 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.
H.H. Roberts Machinery Ltd.
Huron Canada Inc.
Ian Jones Sales Ltd.
Industrial Machinery Exchange Inc.
Iscar Tools Inc.
KBC Tools and Machinery Inc.
LaMarche Machinery Inc.
Machine Tool Systems Inc.
Machineries BV Ltee.
Machinery Canada
Matcom Industrial Installations Inc.
MC Machinery Canada
Megatel Inc.
Metalworking Production & Purchasing
Mitutoyo Canada Inc.
Montfort International
Neiman Machinery Sales Inc.
Paine Machine Tool Inc.
Paramount Machinery Inc.
Parpas America Inc.
Powermaster Machinery Ltd.
Quickmill Inc.
Renishaw (Canada) Ltd.
Royal Products
Sandvik Coromant
Sirco Machinery Co. Ltd.
SMS Machine Tools Ltd.
Spark & Co. Inc.
Sparquetec Inc.
Stan-Canada Inc.
TTL Inc.
Thomas Skinner & Son Ltd.
Top Tech Machinery Ltd.
Toshiba Machine Co. Canada Ltd.
Ultra Machine Sales Ltd.
Upton & Sullivan Co. Ltd.
UBJ-Boehringer Inc.
Wells Fargo Equipment Finance
Westway Machinery Ltd.
William M. Brennan Co. (1978) Ltd.
Yervant Industrial/AL Inc.