



CMTDA Today's MACHINE TOOLS

Winter 2009

The Newsletter of the Canadian Machine Tool Distributors' Association

Machine Tool Sales

steady in all areas of Canada except Ontario

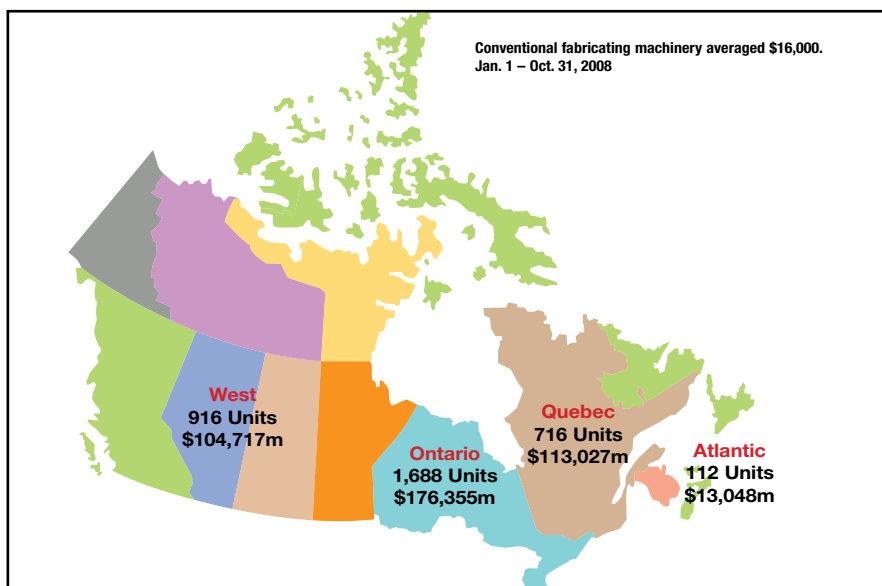
CMTDA monthly statistics show the number of units in Canada down 18% to 2007 but the dollar figure up by 1%. Atlantic Region, Quebec and Western Canada all show gains, however the Ontario market is only in the 75% range of 2007.

Average order size in CNC metal cutting was: horizontal spindle lathes, \$ 148,000, vertical spindle lathes, \$ 164,000, multi tasking lathes, \$322,000, vertical machining centers to 40" X, \$ 107,000, vertical machining centers over 40" X, \$ 185,000, vertical machining centers, 5 or more axis, \$ 567,000, horizontal machining centers to 4 axis,

\$ 387,000, horizontal machining centers, 5 or more axis, \$ 1,743,000, milling machines, \$42,000, Horizontal Boring Mills, \$764,000, Vertical Boring Mills, \$659,000, EDM Wire, \$161,000, EDM Sinker, \$93,000, Grinders, \$195,000, CMM'S, \$147,000, saws, \$40,000.

The average order for a conventional cutting machine tool was \$17,000.

Orders for Fabrication Machinery are at a reduced level in both units and dollars. Units in Canada are lower by 28% and the dollar numbers are lower by 33% The average order size for CNC machines were - press brakes, \$117,000, shears, \$51,000, turret punches, \$449,000, profile laser cutting, \$558,000, profile plasma cutting, \$90,000, profile water jet cutting, \$267,000, tube benders, \$35,000.



President's Message

John Manley

2009 New Year Greeting

I would like to take this opportunity to thank my fellow CMTDA members and the board of directors for electing me as your President for the next three years. This role is an honor and a privilege and I look forward to working with our board members. Please welcome our new board members, who are certain to bring tremendous experience and enthusiasm to the organization, Les Barsony of Single Source Technologies – Government Affairs, Eike Huebner of DMG Canada – Education and Frank Haydar of Elliott Matsuura Canada

Brian Donnelly, a member of our board for the past seven years, has finished his three-year term as President, to assume the role of Past President. Under Brian's appreciated guidance the CMTDA has seen considerable growth in our membership, including both a greater geographic distribution and more associate members.

Michael Carr of Elliott Matsuura is retiring from his role as Past President after 17 years on our board. Michael's energy and humor have made both board meetings and events most enjoyable. Michael has been a great champion of our organization. His involvement with the CMTDA has appreciatively kept the CMTDA well informed of developments south of the border. We wish you the best in your retirement from the CMTDA.

After 25 years on our board and our Executive Director since 1997, Jim Burrows is retiring from this critical role in our organization. Boat cruises, golf tournaments, annual general meetings and regular board meetings are only a few of the visible contributions Jim has made to the CMTDA. Behind the scenes though, Jim has been our chief statistician and a valued liaison to the CMTDA. On behalf

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CANADIAN MACHINE TOOL DISTRIBUTORS' ASSOCIATION

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of the board and our entire industry, thanks very much for your phenomenal commitment over the years. We look forward to your continued advice and friendship!

We are excited to announce that Peter Turton, past President of 600 Group, is taking over as Executive Director. Peter brings 8 years past experience on our board as chief statistician, together with extensive machine tool distribution knowledge. Welcome aboard!

Kurt Neiman of Nieman Machinery Sales has just finished his term as the CMTDA's Past President, after 10 years of valued service to our board. Kurt has been a very active member of the board, particularly voicing the opinion of our valued fabricating members! We will miss your dedication and tremendous efforts to grow the fabricating membership ranks. We look forward to your future championing of the value of CMTDA membership.

I would like to highlight the CMTDA's recent developments that will be implemented in 2009:

Skills Canada Competition: We will be contributing \$5,000 per annum towards rewarding young skilled machinists at a provincial and national level. For more information on the competition, feel free to visit our partner <http://www.skillscanada.com>

CMTDA Web Based Statistics: We will be launching our statistics module on the CMTDA website during the second quarter of 2009. This will provide a cost savings to the organization while providing real time data with customizable results for participating members. Juergen Moeglich of MAG IAS Canada, our statistician is partnering with Peter Turton and our web designer on this project.

Health and Safety Review: The CMTDA will actively pursue the Health & Safety Review committee to help our members and clients stay abreast of up and coming changes to the code. Our goal is to be proactive in this code so that we can keep machinery alternations reasonable and less subjective. By doing so, our clients can remain globally competitive. Les Barsony of Single Source Technologies is coordinating this effort.

Labor Market Assessment: The CMTDA is currently pursuing an immigration acceptable extended warranty clause for all CMTDA members to utilize as a standard in our proposals. Peter Turton is working with legal counsel on this valued project.

CMTS 2009: With the CMTS 2009 quickly approaching, the SME surveyed both CMTDA members and past CMTS attendees to better appreciate our client's show hour preferences. Our customers voiced a strong opinion to offer extended hours on Tuesday evening. Our next board meeting will finalize the show hours. We also anticipate some positive concessions on parking fees coming from the convention center. Lastly, we are working very closely with the SME to offer better food choices at CMTS. Bill Mara of Emec Machine Tools is our liaison to the SME for trade shows.

The Future: 2008 has been a tumultuous year on a global basis. Who could have predicted where we are today... certainly not our RRSP managers? The upcoming business year will certainly be a test of both how lean our organizations operate, as well as our responsiveness, as clients continue to stretch their resources and in turn, ours. It will be a challenge. There are certainly fantastic opportunities going forward as large corporations will continue to outsource. Industry will continue to focus on more sophisticated multi-purpose turnkey solutions and safety conscious designs, providing tremendous opportunities for equipment upgrades. As we continue to compete abroad, these solutions will be the key to Canada's metalworking success.

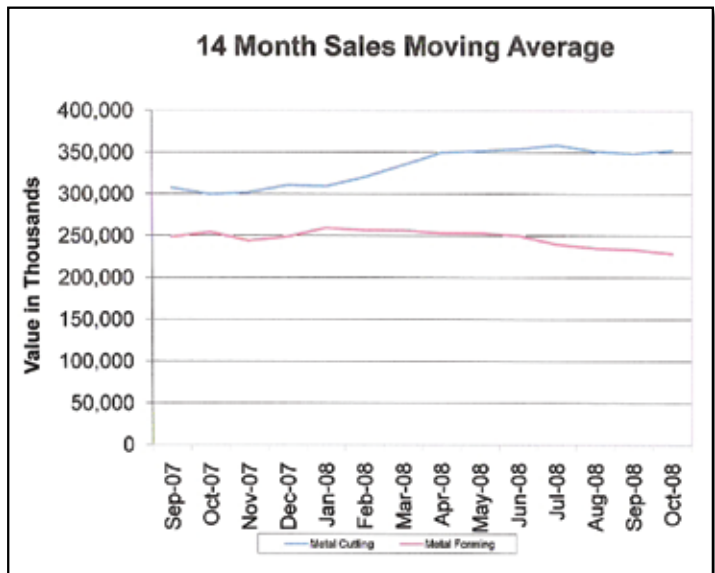
I hope you and your families had a relaxing and safe holiday and look forward to a mutually prosperous 2009!

Welcome John Manley

We are pleased to welcome John Manley, President of Machine Tool Systems Inc. as the new President of CMTDA. John has been on the Board of Directors on two separate occasions and was Vice President in 2008. He lives in North Toronto with his Wife, Heather and their two children.

John brings with him a wealth of experience in the machine tool distribution industry and also worked directly for a machine tool manufacturer. Machine Tool Systems focuses its energy toward the grinding process of machining and represents some well known manufacturers from around the world.

New members joining him on the Board of Directors are Les Barsony, Single Source Technologies, Eike Huebner, DMG Canada and Frank Haydar, Elliott Matsuura.



NEWS UPDATE

We are pleased to welcome 9 new members since our previous newsletter. Welcome to Mazak Corporation Canada, Ray Buxton, General Manager, Chipblaster Inc., Greg Antoun, President, TOS Trade Canada, Marian Rakusan, President, K&K Productivity Solutions, Scott Kirkby, President, Seguin Machinery Ltd., Robert Seguin, President, SMTCL Canada, Merry Na, General Manager, BLUM LMT Inc., David Tandori, Reg. Manager, ITN Logistics Group, Paul Franz, Director Sales and Zoller Inc., Chander kant Bhardwaj, General Manager.

Our Board of Directors has been through several changes. We are pleased to welcome Les Barsony, Single Source Technologies and Eike Huebner, DMG Canada. and Frank Haydar, Elliot Matsuura. Many thanks to Kurt Neiman and Michael Carr for their dedication and service to CMTDA.

CMTDA AGM

Exactly 100 participants registered for the Annual General Meeting of the Canadian Machine Tool Distributors' Association on November 13, 2008. The event was held at The Country Club in Woodbridge, Ontario. We were blessed with three excellent presentations from Peter Borden, President of American Machine Tool Distributors' Association, Larry Schwartz, President of Okuma America and Greg Antoun, President of Chipblaster Inc.

The presentations covered AMTDA programs suitable for CMTDA members, The Effects of a Global Economy on a Machine Tool Builder such as Okuma and The effects and benefits of High Pressure Coolant.

Many thanks to our sponsors for the liquid refreshment, Canadian Metalworking Magazine, MP&P Magazine, Canadian Industrial Machinery Magazine and SME Canada. All were treated to a delightful dinner of salmon and steak before departing.

Upcoming Events

CMTDA Annual Spring Meeting

June 11, 2008, 5:30 P.M.

The Mariposa Belle

Toronto, Ontario

Western Manufacturing Technology Show

Northlands Park,

Agricom

June 16/18, 2009

Edmonton, Alberta

Canadian Manufacturing Technology Show

Direct Energy Center

October 19/22, 2009

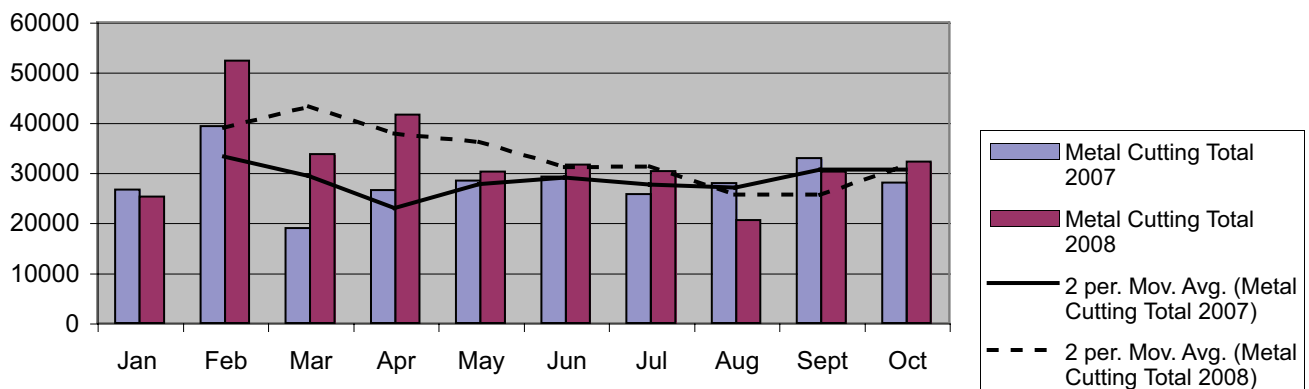
Toronto, Ontario

CMTDA Appoints New Executive Director

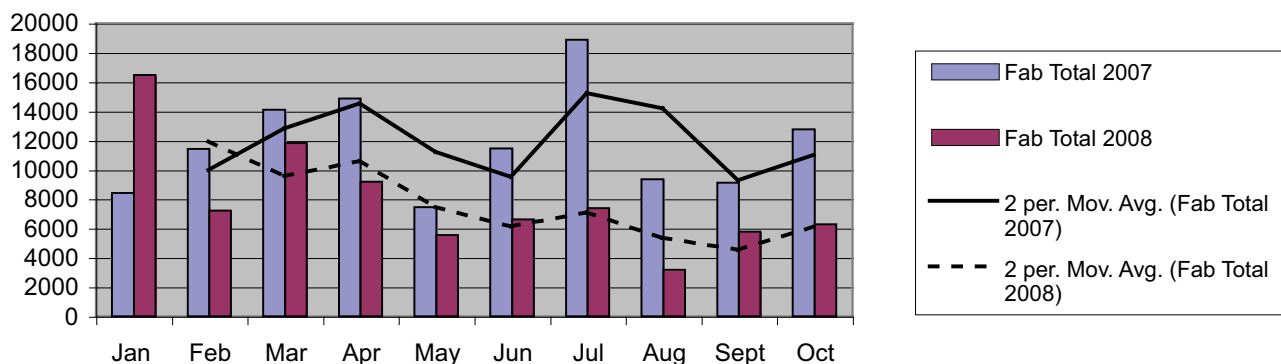
Peter Turton, former President of 600 Machine Tools, has been appointed Executive Director of the Canadian Machine Tool Distributors' Association. Jim Burrows will retire at the end of 2008, after 12 years with CMTDA, and turn the duties over to Peter.

Peter has been involved with CMTDA for several years, having been a Director previously. His experience covers many years in the machine tool distributorship business and was an influencing factor in our existing statistical program. Welcome Peter Turton.

Metal Cutting Totals - Year Over Year 10 Month Comparison



Fabricating Totals - Year Over Year 10 Month Comparison



CMTDA Board of Directors

President.....John Manley, Machine Tool Systems
Past PresidentBrian Donnelly, Ferro Technique Ltd.
DirectorJuergen Moeglich, MAG IAS Canada Inc.
DirectorSteve Fitz, SparQuetec Inc.
DirectorBill Mara, Emec Machine Tools Inc.
DirectorLes Barsony, Single Source Technologies
DirectorEike Huebner, DMG Canada Inc.
Director.....Frank Haydar, Elliott Matsuura.

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 3008 Silverthorn Drive, Oakville ON L6L 5N6. Phone 905-469-8561 or fax 905-469-9479.

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.

CMTDA Members

600 Machine Tools	Iscar Tools Inc.
A.M.T. Machine Tools Ltd.	ITN Logistics Group
A.W. Miller Technical Sales Canada	KBC Tools and Machinery Inc.
Acme Saw Ltd.	K&K Productivity Solutions
Acu-Rite Companies Inc.	LaMarche Machinery Inc.
Advanced Fabricating Machinery Inc.	L.S. Walker Machine Tools Inc.
Akhurst Machinery Ltd.	Machine Tool Systems Inc.
All Fabrication Machinery Ltd.	Machine Toolworks Inc.
Barer Engineering Co.	Machineries BV Ltee.
BLUM LMT Inc.	MAG Canada
Cahmac International Machinery Inc.	Matcom Industrial Installations Inc.
Canadian Hardinge Machine Tools	Mazak Corp. Canada
Canadian Industrial Publishing	MC Machinery Canada
Canadian Measurement-Metrology Inc.	Megatel Inc.
Canadian Metalworking Capital North Corporation	Metalworking Production & Purchasing
Chipblaster Inc.	Mitutoyo Canada Inc.
CLE Leasing Enterprise Ltd.	Montfort International
CML Machinery Inc.	M&H Probing Systems
DMG Canada Inc.	Neiman Machinery Sales Inc.
Edge Production Supplies Ltd.	Paine Machine Tool Inc.
Elite Machinery Limited	Paramount Machinery Inc.
Elliott Matsuura (Canada) Inc.	Powermaster Machinery Ltd.
Ellison Machinery Company	Quickmill Inc.
EMEC Machine Tools Inc.	Renishaw (Canada) Ltd.
Empire Machinery & Tools Ltd.	Royal Products
Enable Capital Corporation	Sandvik Coromant
Fagor Automation Canada	Seguin Machinery Ltd.
Ferro Technique Ltd.	Single Source Technologies – Canada, ULC
Finn-Power Canada Ltd.	Sirco Machinery Co. Ltd.
Forward 600 Precision Tools and Machinery	SMS Machine Tools Ltd.
Gross Machinery Group	SMTCL Canada Inc.
Haco Canada Ltd.	Spark & Co. Inc.
Hartford Technology Ltd.	SparQuetec Inc.
H.H. Roberts Machinery Ltd.	Stan-Canada Inc.
Hurco Companies	Team Machine Tools Inc.
Huron Canada Inc.	Thomas Skinner & Son Ltd.
Ian Jones Sales Ltd.	Toshiba Machine Co. Canada Ltd.
Industrial Machinery Exchange Inc.	TOS Trade Canada
In-House Solutions Inc.	TTL Inc.
	Ultra Machine Sales Ltd.
	Upton & Sullivan Co. Ltd.
	Westway Machinery Ltd.
	William M. Brennan Co. (1978) Ltd.
	Zoller Inc.

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CMTDA Annual General Meeting



Larry Schwartz, president of Okuma America, was one of the guest speakers at the CMTDA's recent Annual General Meeting.



(Left to right): Joe Poulin and Patrick Smith, both with Hurco Canada.



(Right) John Manley, incoming president of the CMTDA presents a gift to Brian Donnelly, who has finished his tenure as president of the association.



(Left to right): Brian Smith, SMS Machine Tools; Ray Buxton, Mazak Corporation Canada; and Claude Beaulac, A.W. Miller Technical Sales Canada.



(Left to right): John Benedetti, Sandvik Coromant Canada; Keith Crowther, A.M.T. Machine Tools; and Honourary CMTDA member Manfred Jahn.



Peter Borden, president of the American Machine Tool Distributors' Association, gave an overview of association activities.