

Today's

Fall 2010

Machine Tools

The Newsletter of the Canadian Machine Tool Distributors' Association

Machine Tool Orders

Machine tool orders turn the corner

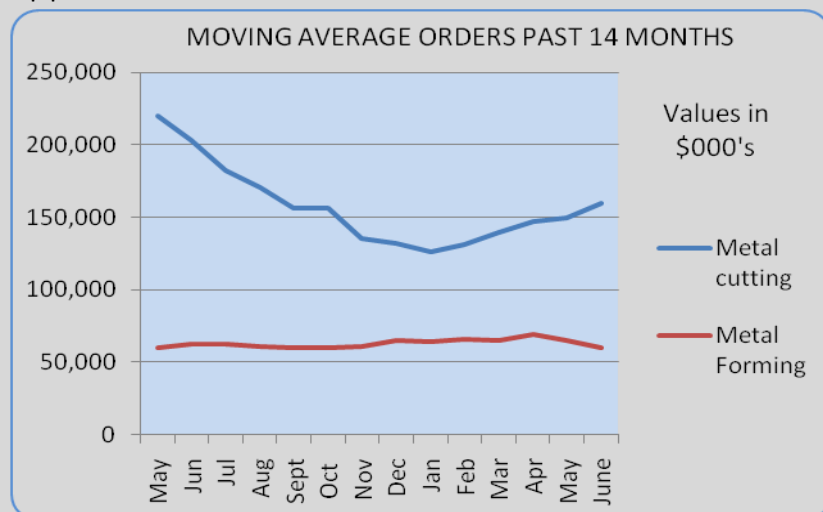


President's Message

Machine Tool Systems Inc.

Machine tool orders seem to have finally turned the corner with orders for CNC metal cutting machinery improving by 33% and manual machines by 31% from June 2009. Major gains were seen in orders for 2 axis lathes and 3 axis vertical machining centers, EDM machines and grinders.

Unfortunately fabricating machinery orders have not fared so well with CNC machinery down 22% and manual machinery up slightly by 8%. Orders for profile cutting machines were up substantially but these gains were offset by reductions in orders for other types of equipment.



Average order size for CNC metal cutting machinery were as follows: horizontal lathes, \$127,000, vertical spindle lathes, \$147,000, multitasking lathes, \$278,000, VMC up to 40" travel, \$102,000, VMC above 40" travel, \$302,000, VMC five or more axis, \$319,000, horizontal machining centers, \$376,000, horizontal machining centers, \$215,000, milling machines, \$232,000, horizontal boring machines, \$921,000, wire EDM, \$155,000, sinker EDM, \$103,000, grinders, \$444,000, CMM, \$113,000, saws, \$41,000, others, \$85,000. Average order size for manual metal cutting machines was \$18,000.

Average order size for CNC fabricating machinery were: press brakes, \$129,000, shears, \$42,000, profile cutting laser, \$549,000, profile cutting plasma, \$138,000, profile cutting water jet, \$100,000, tube benders, \$40,000, others, \$48,000. Average order size for non CNC fabricating machinery was \$7,000 and for presses was \$43,000.

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It has certainly been a hectic year for the machine tool industry as our economy is starting to rebound and our business partners are scrambling to find the necessary resources. There is very positive news, year to date in the Canadian market place and this trend is reflected in the numbers being posted by AMTDA, our US counterpart.

The biggest hurdle we seem to be facing is the inability of our customers to secure financing, as lenders continue to be risk adverse and are scrutinizing capital investments especially in the manufacturing sector.

Since our last newsletter there have been a number of changes to our board of directors with the addition of Paul Krainer, President of Thomas Skinner and Sons from BC and James Rogowski, Managing Director of Trumpf Canada Inc. The board now includes representation from both Eastern and Western Canada, as well as Fabricating. These additions to the board better reflect the changes in our industry and augment our desire to build membership in the East and West in addition to the Fabricating sector. We have initiated a video conferencing set up to make it easier for out of province board members to participate in board meetings with the exception of the AGM.

While on the subject of the Board I would like to take a moment to thank Les Barsony formerly with Single Source Technologies for his involvement on the CMTDA board. Les has moved into a different industry sector but his efforts in our industry and his tireless energy on our board were greatly appreciated.

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The spring meeting cruise aboard the Mariposa Belle was a great success and for once the weather cooperated with sunshine and mild temperatures into the evening. Good food and good company, set against the backdrop of the Toronto skyline. Thanks to Peter Turton, our Executive Director for all his hard work in orchestrating the event.

Following the success of the web based statistics module we are considering two more web based applications. Firstly the CMTDA directory has become increasingly more expensive and is often out of date as it is being printed. We are investigating putting the directory on line in a PDF format that will mirror the existing directory. The directory will be dynamic and will remain current as changes occur in our membership roster and the products that each of you distribute. If you or your suppliers or customers need a copy it will be a simple matter to download and print it.

Secondly we are investigating the possibility of carrying out an ongoing compensation survey which will be password protected and could be completed on line at the CMTDA web site. When the results are collated they would be distributed to all the members who contributed data.

Our show committee spear headed by Bill Mara of Emec Machine Tools has been in discussions with SME regarding the show sponsorship contract which is due to expire following the 2011 CMTS. The primary goal of the discussions is to present a package to the membership that will take away the uncertainty of the spiralling costs of rigging, electrics, etc., so each member will know up front the cost of participating in the show.

The AGM scheduled for November 11th is fast approaching. We are pleased to announce that Dr Rhett Mayor of Georgia Tech, will be the keynote speaker. Dr Mayor is a renowned authority on Micro Machining. He is a captivating speaker and well respected globally in his field. Our hope is that CMTDA members will attend the presentation and bring their sales and applications people so that they may gain insight into this emerging technology. We are also considering inviting members of the Toronto chapter of SME and the members of CTMA. This would be a unique opportunity for our members to network with members of two other respected associations. In addition Peter Borden, President of AMTDA and Steve Lesnewich, Director of Member Services fro AMTDA will also presenting at the meeting to give valuable insight into the state of machine tool distribution in the USA.

In closing I would like to wish you all continuing prosperity for the balance of the year and look forward to seeing you at the upcoming AGM

Skills Canada Update

The 16th annual Canadian Skills Competition took place in May 2010 at RIM Park in Waterloo. The event was attended by more than 500 competitors from across Canada who tested their skills in events as diverse as hairstyling, cooking, aircraft maintenance, automation and control and of course CNC Machining. CMTDA is in its second year of sponsorship of the CNC machining competition and is a National Secretariat Partner of Skills Canada.

The CNC machining Competition was hosted by a CMTDA member, Mazak Canada at their Cambridge, Ontario technology center. The competition is broken down into two sections, machining and turning and Mazak was kind enough (and brave enough) to loan two lathes and two VMC's for the duration of the competition. Each competitor had 4 hours to complete a milling exercise (this year a model of Skydome), and 4 hours to complete a turning exercise (a model of the CN tower) which, on completion were joined together to represent this well known Toronto landmark.



The turning competition was won by Tyler Hackney representing Ontario and the milling competition was won by Luke Moore representing Alberta. Both these outstanding young men will go on to represent Canada at the World Skills Olympics scheduled for London in 2011.

The other competitors in order of finishing were Christian Richard, PEI (Bronze Medal), Launer Bradley, Yukon, Jamie Malley, New Brunswick, Jeremy Beaulieu, Quebec, Peter Fox, BC,, Taylor Dearman, Nova Scotia and Kim Fidler, Manitoba. Each of these competitors received a cheque from CMTDA in the amount of \$250.00.

We should thank our CMTDA members Mazak and Sandvik Coromant for their valued support of the competition.

Please note that the address for CMTDA has changed as follows
 118 Landry Lane
 PO Box 951
 Thornbury, Ontario, N0H 2P0
 Phone (519) 599-2803, Fax (519) 599-5154, e mail info@cmtda.com

MMTS 2010 UPDATE

The Montreal Machine Tools show concluded on May 19th 2010 at Place Bonaventure in Montreal. The show was somewhat smaller than in previous years reflecting the struggles of the machine tool industry in North America.

There were 15 CMTDA member companies that exhibited at the show and they were generally upbeat about the quality and quantity of leads gathered at the show. Several members reported taking orders at the show and most were confident that some solid leads would turn into orders in the months to come

2010 Annual General Meeting

The 68th Annual General Meeting of the CMTDA will take place on November 11th at the Country Club in Woodbridge. Please make a note of this important event in your calendar.

At this year's event we have a full slate of speakers including Dr Rhett Mayor from Georgia Tech. Dr Mayor is a renowned expert in the field of Micro Machining, his biography can be reviewed using this link <http://www.me.gatech.edu/faculty/mayor.s.html>.

Dr. Mayor is actively researching the development of full functionality desktop-scale *micro-factories* that implement true digital manufacturing practices; for example, a USB, plug-and-play, CAD-direct production system. These micro-factories have the potential to provide pervasive impact on society by providing significant economic benefits, as well as reducing environmental footprint and energy consumption associated with conventional scale manufacturing of micro/meso-scale components.

Peter Borden and Steve Lesnewich of AMTDA will also be in attendance and will give valuable insight into the challenges facing the machine tool distributors in the USA.

The meeting will conclude with a cocktail reception and dinner.

SPRING MEETING

The annual spring meeting took place aboard the Mariposa Belle for a cruise of the Toronto Harbour and the islands.

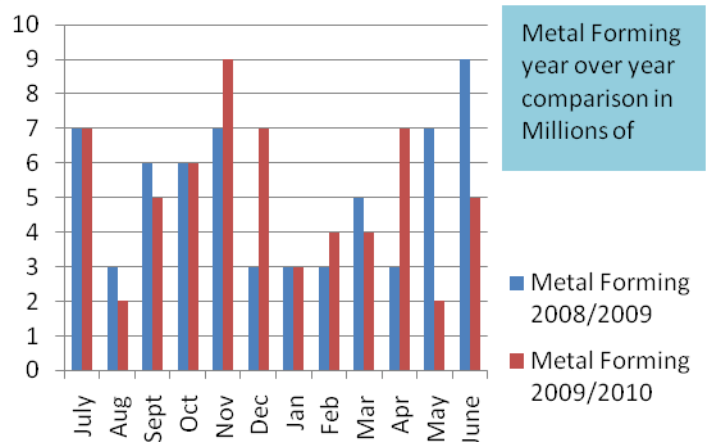
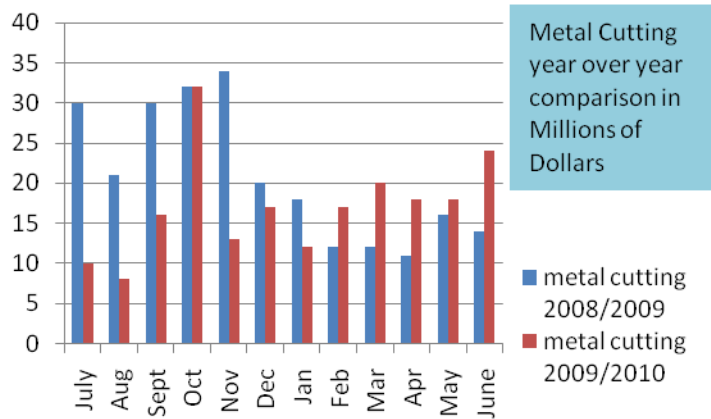
Around 80 registered guests were treated to excellent weather, a cocktail reception and a buffet dinner of roast beef, chicken and salmon along with all the fixings, wine, dessert and coffee.

Our thanks go out to Larry Bonikowsky, Mary Scianna and Steve Devonport of Canadian Metal working Magazine and Joe Thompson, Reid Kennedy, Andrew Panchyshn and Jim Gorzek of Canadian Industrial Machinery Magazine. Their ongoing sponsorship of the evening's festivities is very much appreciated.

As usual the Mariposa Belle's crew was excellent and the event went off without a hitch.

Machine Tool Orders

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CMTDA Board of Directors

President	John Manley, Machine Tool Systems Inc.
Past President	Brian Donnelly, Ferro Technique Ltd.
Director	Steve Fitz, SparQuetec Inc.
Director	Frank Haydar, Elliott-Matsuura Canada Inc.
Director	Eike Huebner, DMG Canada Inc
Director	Paul Krainer, Thomas Skinner & Son Ltd.
Director	Bill Mara, Emec Machine Tools Inc.
Director	Juergen Moeglich, Single Source Technologies
Director	James Rowgowski, Trumpf Canada Inc

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 challenges 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
- To promote advances in machine tool technologies
- To assist clients in finding distributors to supply 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 concerns and other issues relating to machine tools.
- To promote and sponsor machining skills development for youth Canada-wide.

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 118 Landry Lane, PO Box 951
Thornbury, ON. N0H 2P0. Phone 519-599-2803,
fax 519-599-5154.

CMTDA

600 Machine Tools
A.M.T. Machine Tools Ltd.
A.W. Miller Technical Sales
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Acme Saw Ltd.
Advanced Fabricating
Machinery Inc.
Akhurst Machinery Ltd.
All Fabrication Machinery
Ltd.
Barer Engineering Co.
BLUM LMT Inc.
Cahmac International
Machinery Inc.
CAMfocus Consulting Inc.
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Machine Tools
Canadian Industrial
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Capital North Corporation
Chipblaster Inc.
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Elliott Matsuura (Canada)
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