



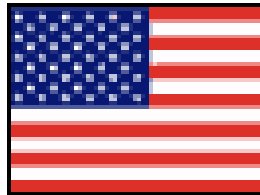
# ISTMA-AMERICAS BUSINESS CONDITIONS REPORT

For The 6-Month Period Ending  
June 30<sup>th</sup>, 2006

*Data Provided by the Members of:*



**CTMA**  
Canadian Tooling &  
Machining Association



**NTMA**  
National Tooling &  
Machining Association



**ARGENTINA**  
Comments

**CAMM**  
Canadian Association of  
Moldmakers

**MMC / CPIA**  
Moldmakers Council of  
Canadian Plastics Industry  
Association

*Results Compiled By:*  
*Canadian Tooling & Machining Association*  
*August 1<sup>st</sup>, 2006*

**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
**(For the Period Ending June 30<sup>th</sup>, 2006)**

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## **EXECUTIVE SUMMARY**

The ISTMA-Americas Business Conditions Survey Report is a bi-annual geographical snapshot of business trends and conditions in the special tooling and machining sector. This survey covering the six-month period ending June 30, 2006 was conducted in July 2006.

### **ARGENTINA:**

Although insufficient data was received to produce a graphical report, comments indicate that business conditions in Argentina are very good with employment up from the previous year. In 2005 the domestic automotive industry began new platforms which generated an increase in tooling activity but with decreasing lead times and lower profit margins.

### **CANADA:**

A total of 32 CTMA, CAMM and CPIA/MMC member companies (20% of membership) participated in the survey. Only thirty-two percent (32%) of respondents reported business conditions as good, very good or excellent, which is distinctly down from 62% in December 2005.

Only thirty-one percent (31%) project a moderate increase in business during the second half of 2006 and moderate decreases are expected in quoting, shipments, order backlogs, profits and employment.

Common concerns from respondents include increased competition, poor payment conditions continuing to shrink cash-flow; decreasing lead-times, worst business conditions in 50 years, low profit margins, automotive sector very slow, strong Canadian dollar contributing to lost business.

*Les Payne,  
Executive Director - CTMA*

### **UNITED STATES OF AMERICA:**

Business conditions continued robust for most U.S. special tooling and machining companies during the first half of 2006.

A total of 267 NTMA member companies (16% of membership) participated in the survey. Eighty-two percent (82%) of the respondents reported business conditions as good, very good, or excellent ... up slightly from 81% in December 2006 and 76% in June 2005.

Respondents also remain optimistic concerning business levels for the remainder of the year. A whopping 91% projected business levels in their companies would either remain the same or increase over the next six months. Average reported backlogs were down slightly from 14 weeks last December to 13 weeks this June.

*Tom Garcia, Director  
Global Industry Marketing & Meetings - NTMA*

**Our thanks to all of the member companies who participated in this survey.  
We value your input and comments and hope that you find the  
report to be informative.**

**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
 (6-Month Period Ending December 31st, 2005)

**CANADA**



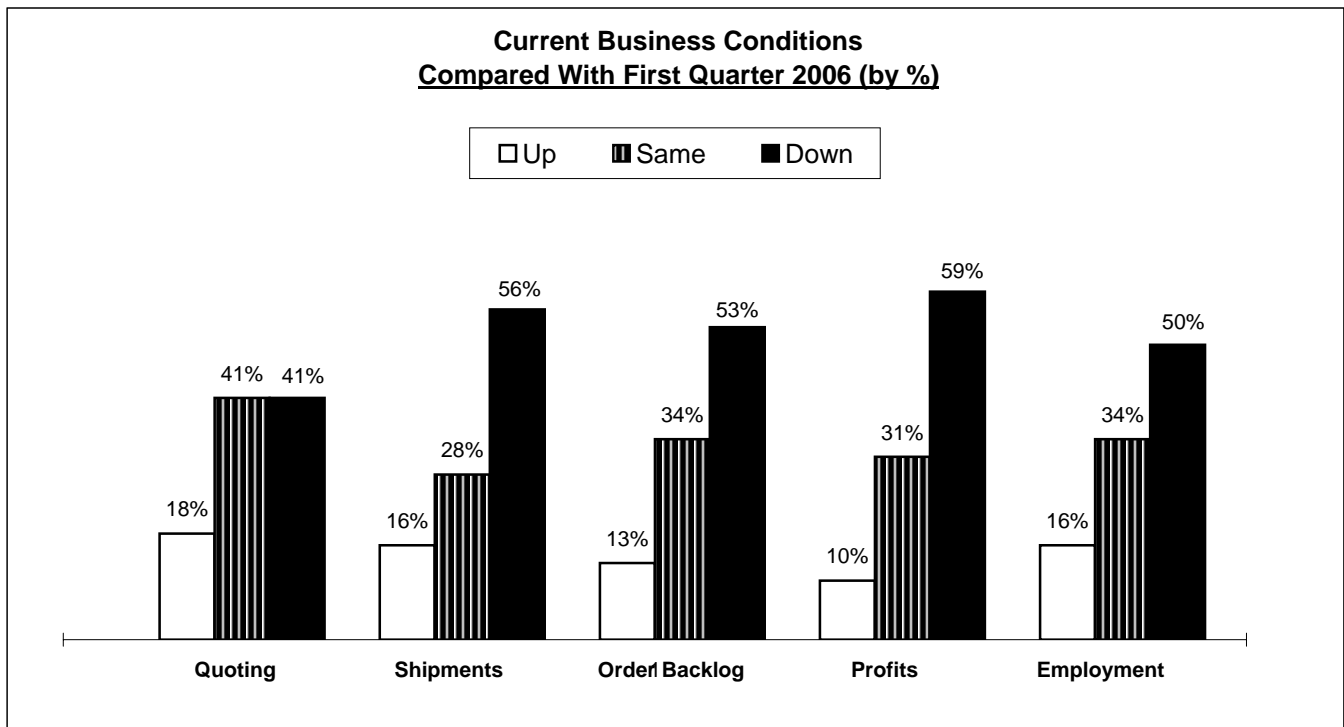
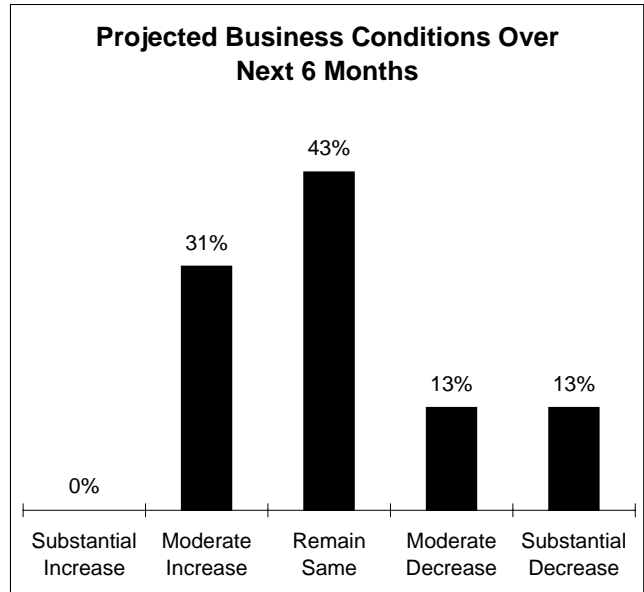
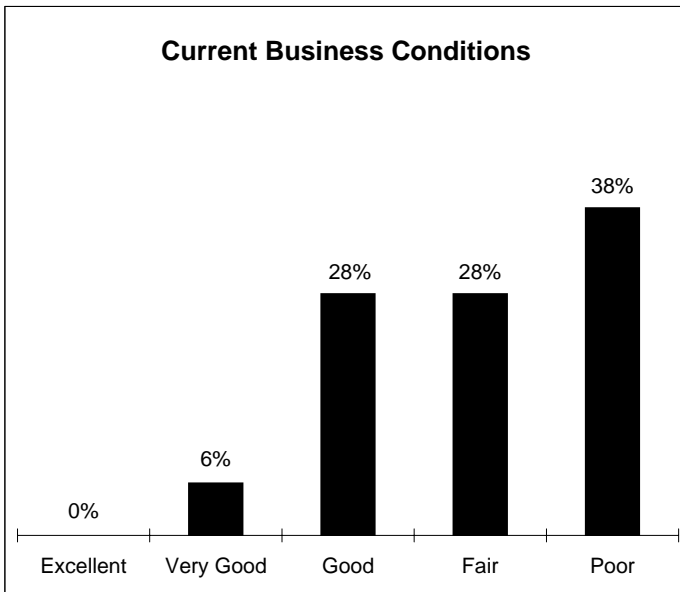
**ALL SECTORS**

(32 survey responses ... 20% of membership)

**Total Number of Skilled Employees:** 1,469 (at Dec. 31, 2005) 1,314 (at June 30, 2006)

**Current Average Work Week Per Skilled Employee:** 43.7 hours/week

**Average Future Work on Order Books:** 9.7 weeks

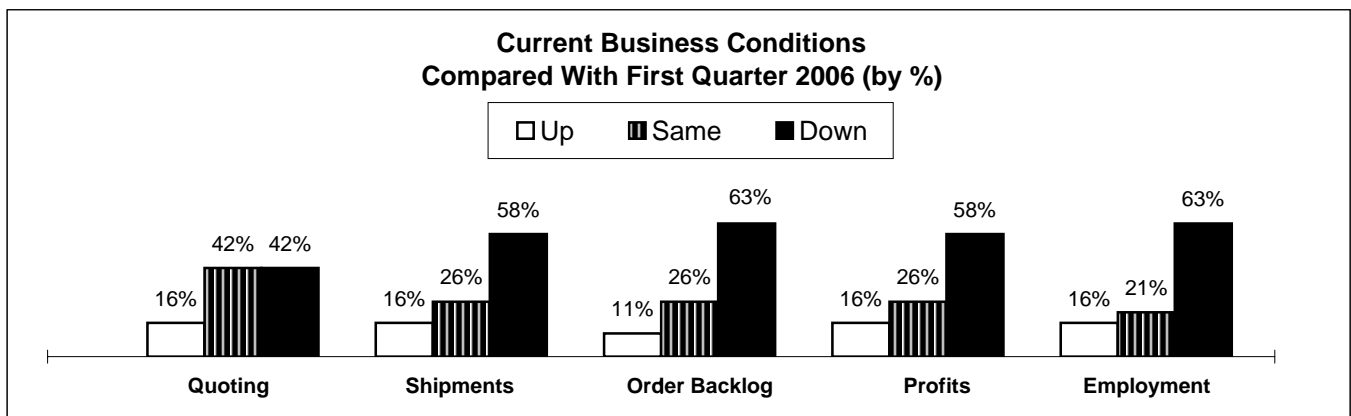
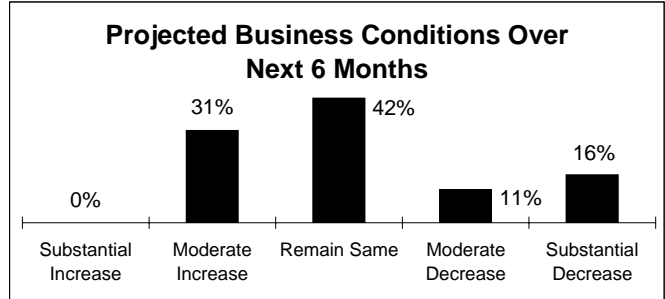
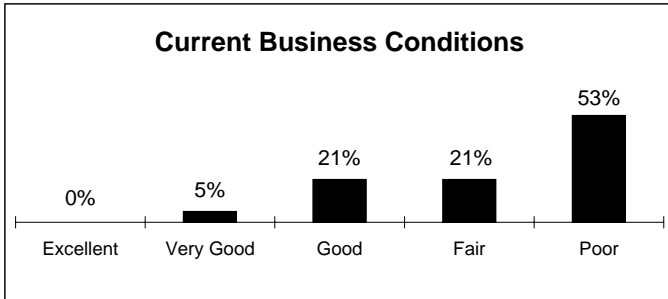


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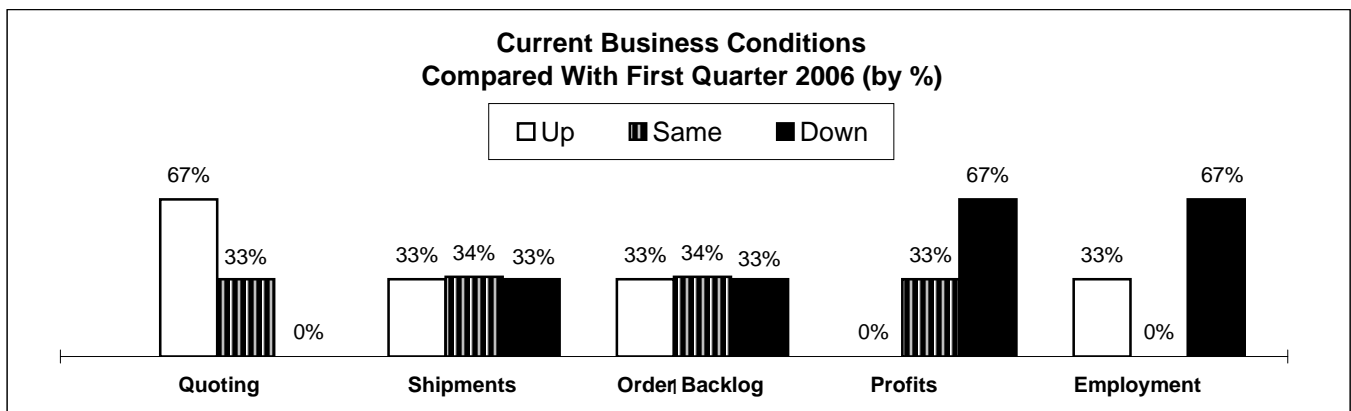
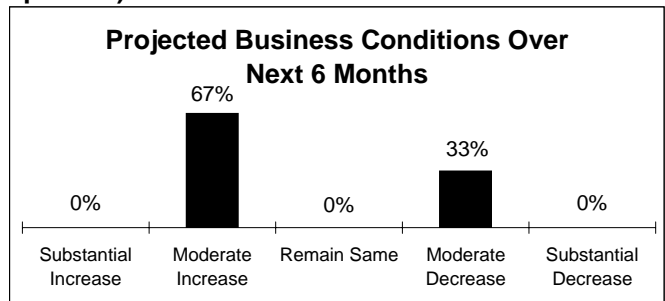
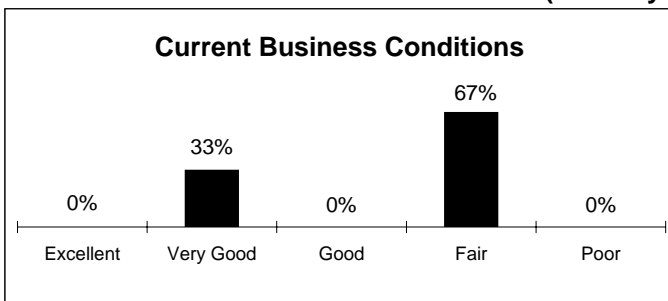
**TOOL, DIE & FIXTURE SECTOR**

(19 survey responses)



**MOULD SECTOR**

(3 survey responses)

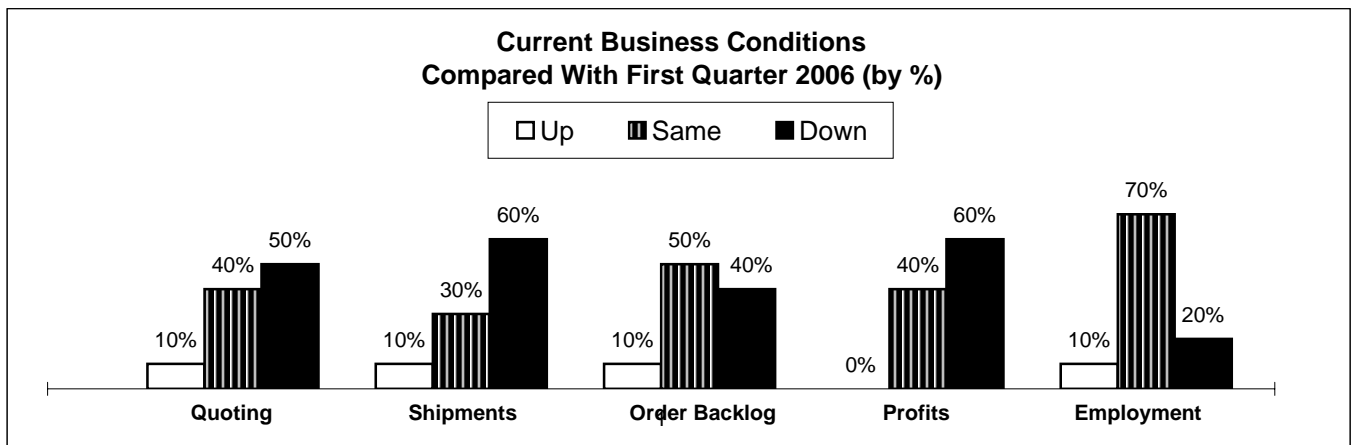
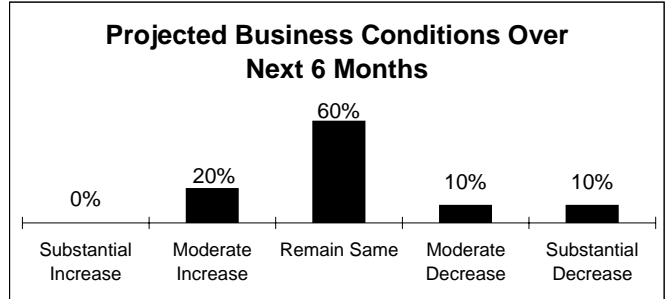
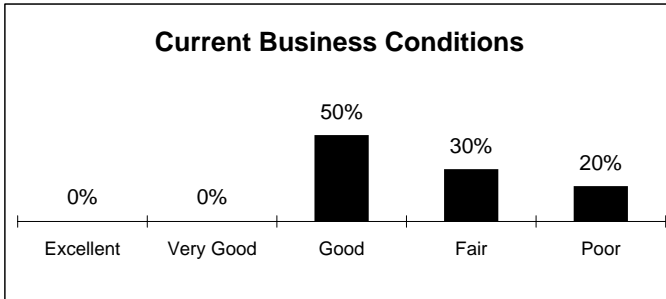


**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
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**PRECISION MACHINING SECTOR**

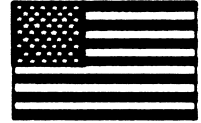
(10 survey responses)



**NOTE:** *Insufficient data to report on the Special Machines Sector and the Patternmaking Sector.*

**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
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**USA**



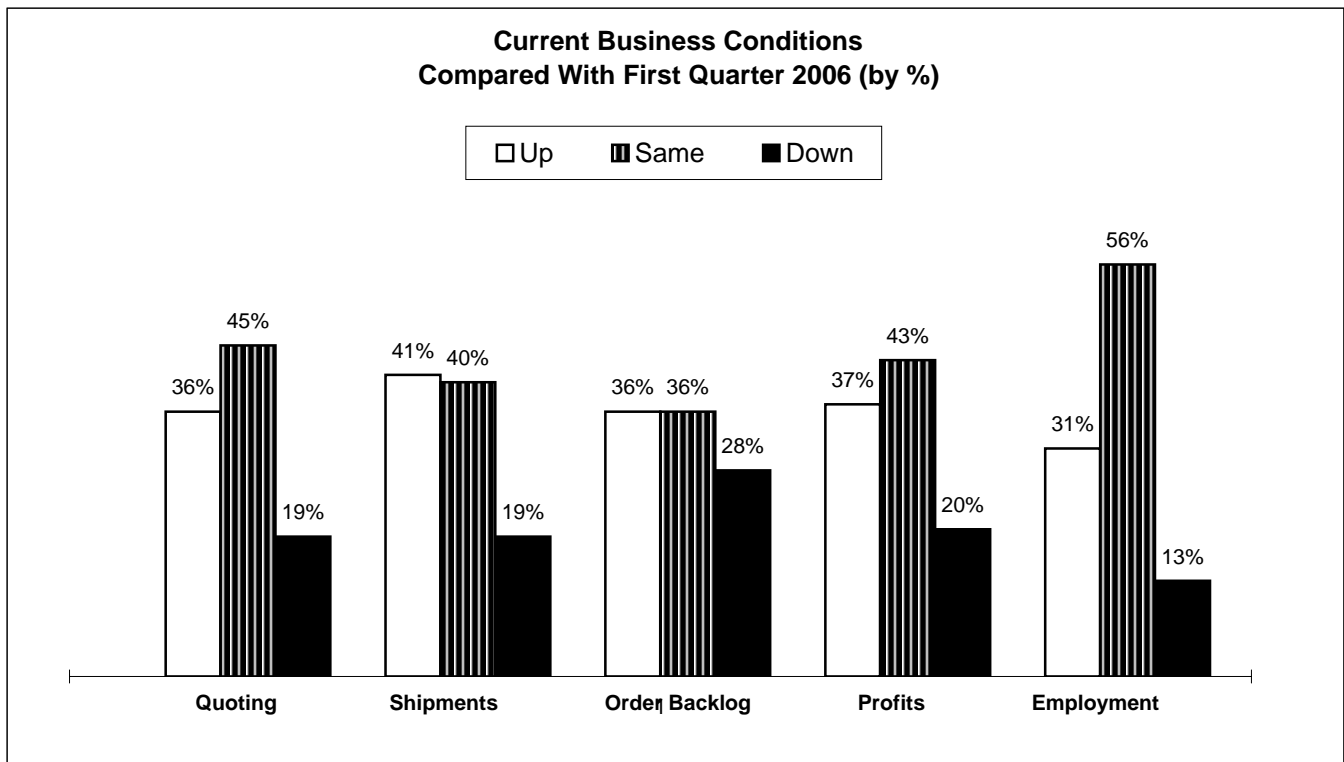
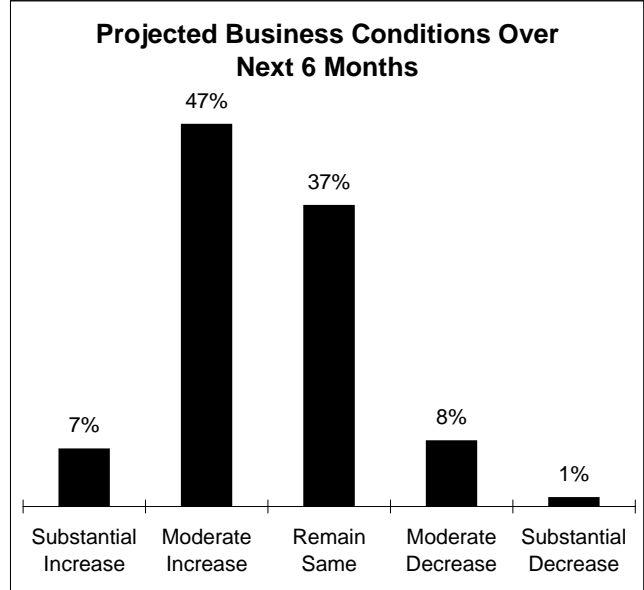
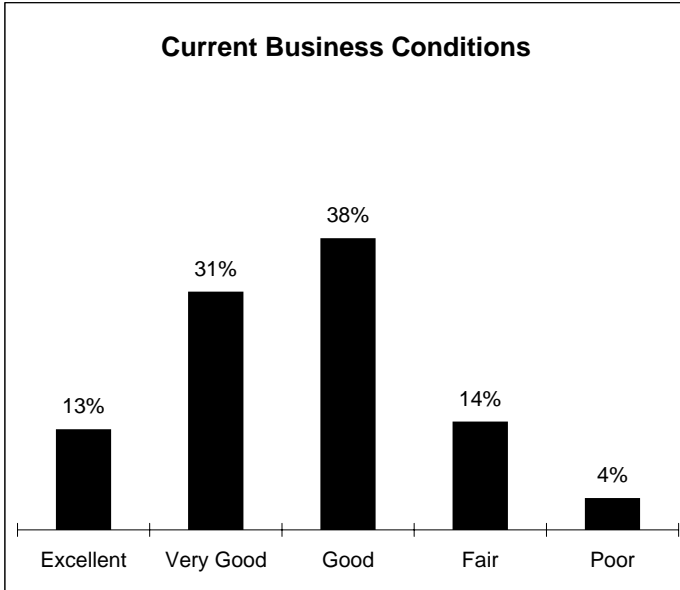
**ALL SECTORS**

(267 survey responses ... 16% of membership)

**Total Number of Skilled Employees:** 9,738 (at June 30, 2006)

**Current Average Work Week Per Skilled Employee:** 45.5 hours/week

**Average Future Work on Order Books:** 13.0 weeks



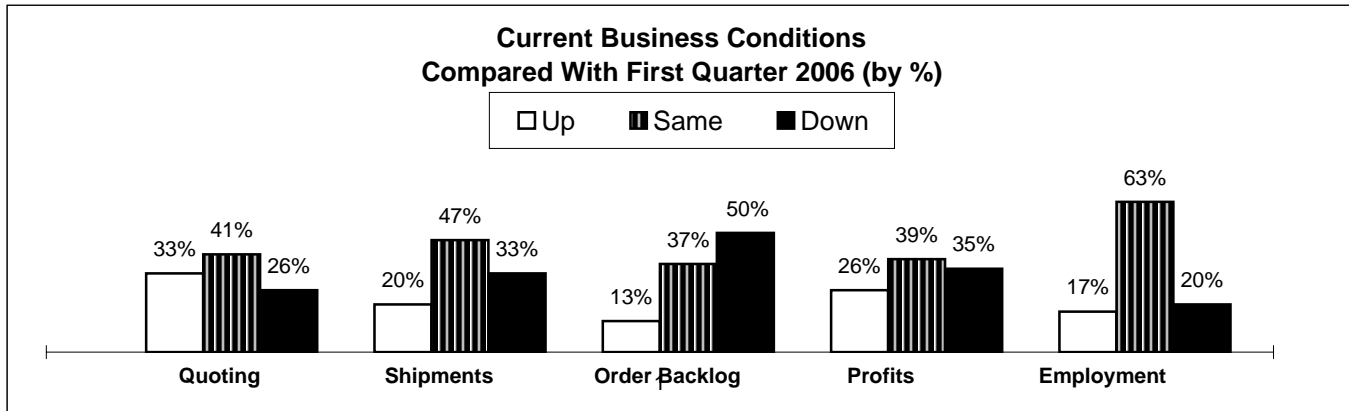
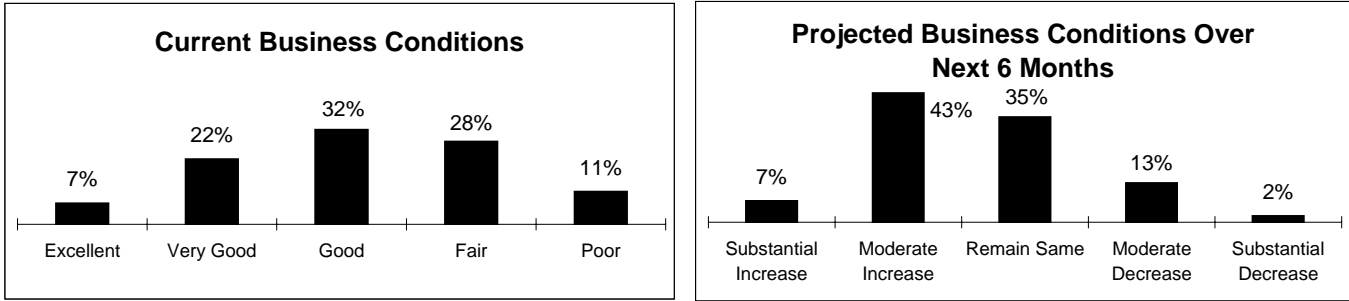
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**USA**



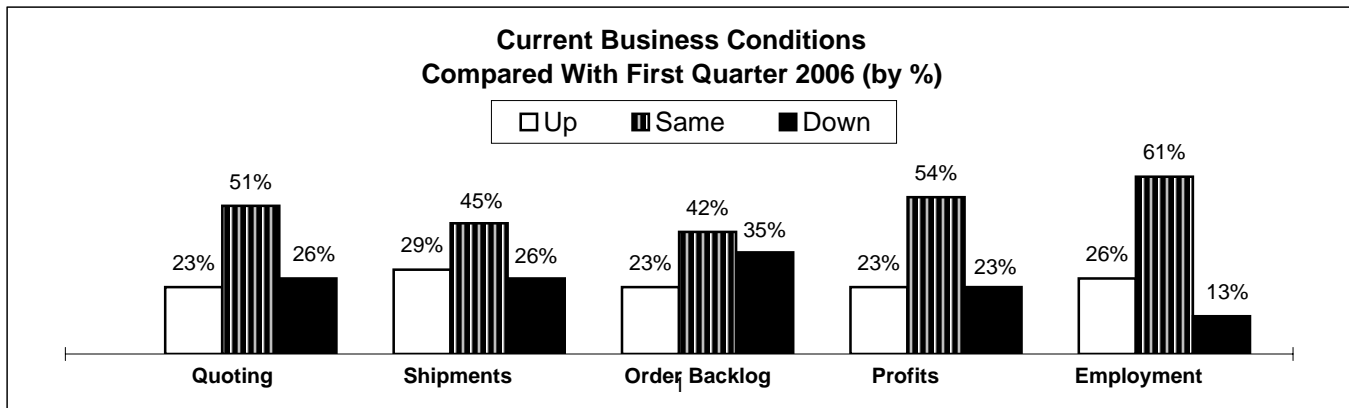
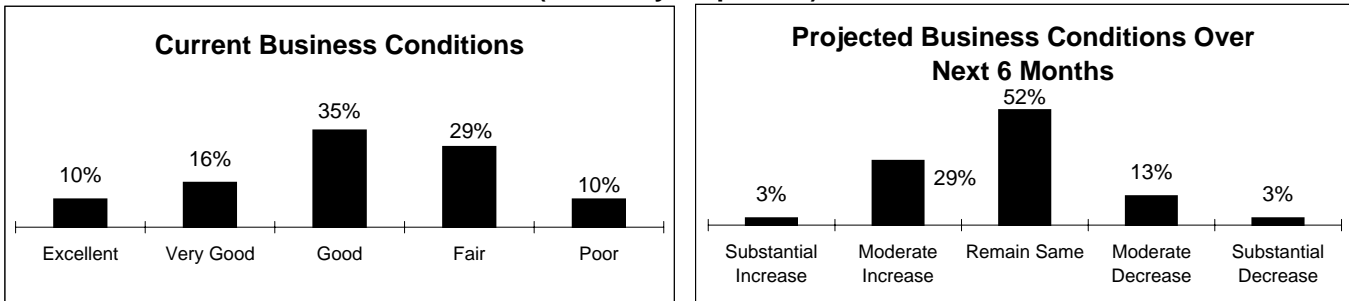
**TOOL, DIE & FIXTURE SECTOR**

(46 survey responses)



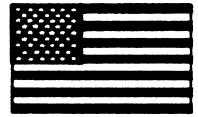
**MOLD SECTOR**

(31 survey responses)



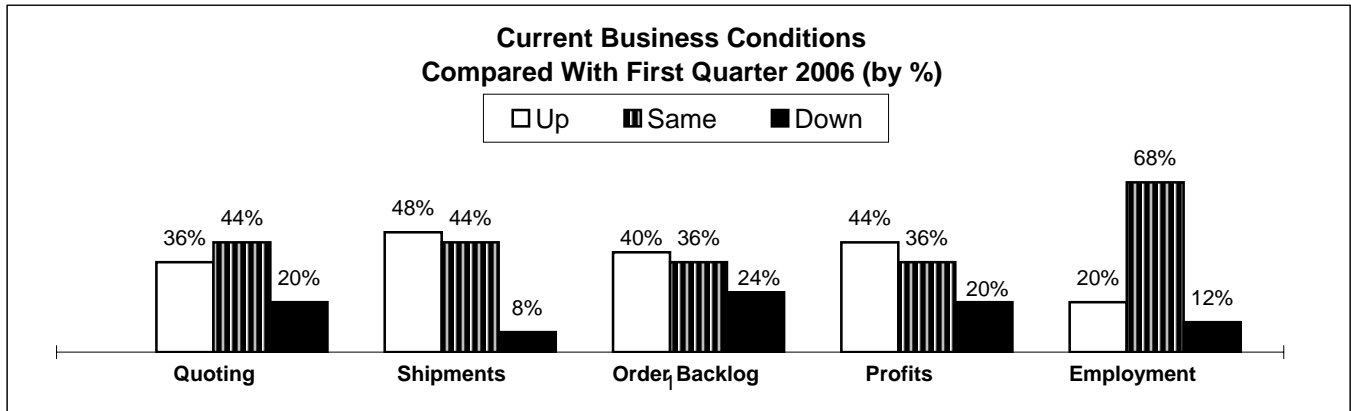
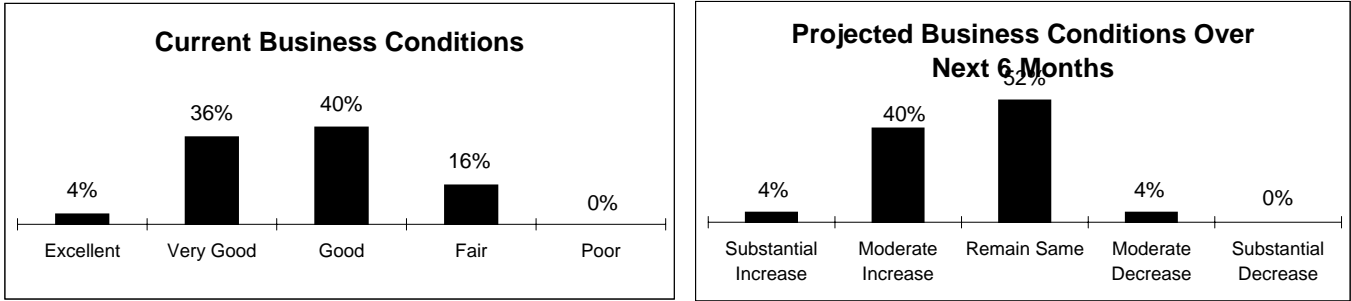
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**USA**



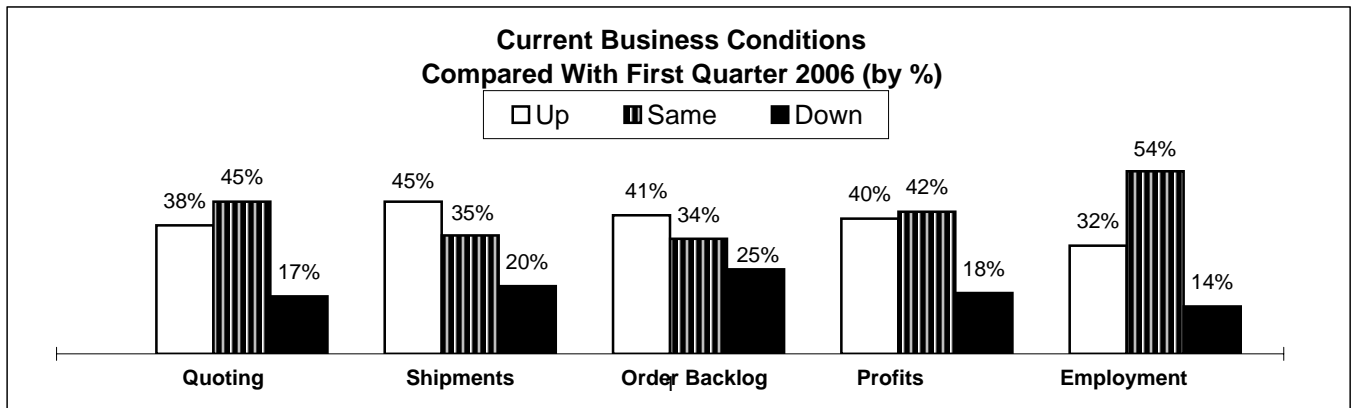
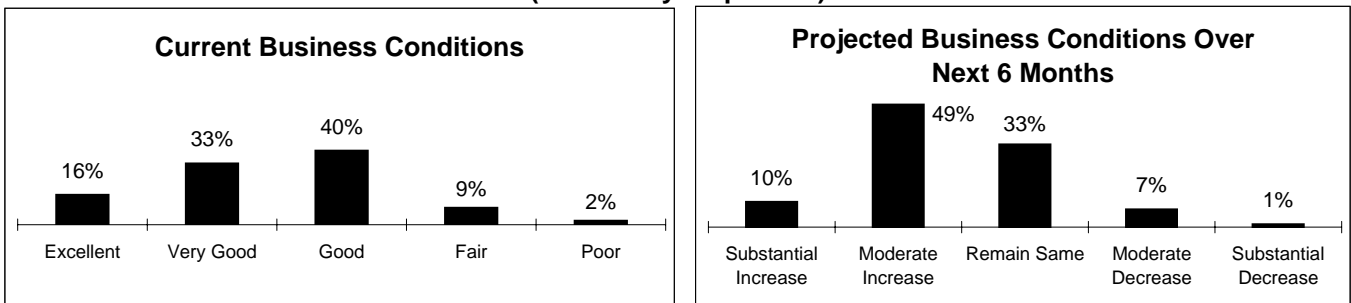
**SPECIAL MACHINES SECTOR**

(25 survey responses)



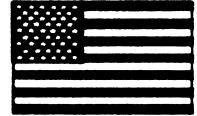
**PRECISION MACHINING SECTOR (excluding Aerospace)**

(125 survey responses)



**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
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**USA**



**AEROSPACE MACHINING & FABRICATION SECTOR**

(40 survey responses)

