

# Conveyor Equipment Manufacturers Association Semi-Annual Press Release

## Conveyor Industry Reports Favorable Mid-Year Results

October 1, 1999.

Naples, Florida, - The Conveyor Equipment Manufacturers Association (CEMA) reports that 1999 booked orders and shipments are on pace to equal the record setting results of calendar year 1998.

Led by booked order strength in both unit handling equipment and components categories, CEMA estimates industry wide totals of \$3.4 billion in new orders and \$2.8 billion in shipments for the first six months of 1999. This compares favorably with the 1998 yearly totals of \$5.6 billion of shipments, an industry record, and \$5.4 billion in new orders, according to CEMA President, James Krempa, who announced the results at the association's recently held Fall meeting in Chicago, Illinois.

The consensus of the CEMA member companies, executives who amended the fall meeting was that the trend by manufacturing firms and distribution companies to invest in capital goods that improve workflow and speed order fulfillment will continue for the second half of 1999. This would result in another banner year for the industry,

Founded in 1933, CEMA is the national trade association of leading U.S. conveyor equipment manufacturers. CEMA tracks seven classes of unit handling equipment and four classes of bulk handling equipment.

Booked sales for three of the seven unit handling classes were up from last year. Light to medium unit load handling conveyors led all classes with increased bookings of 30%.

While bulk conveyor components, last year's sales volume leader, remained unchanged, bulk system bookings dropped 42% compared to the same time last year. Screw Conveyors are down 6% in bookings and 3% in sales for the same time period. The overall decrease in the bulk handling industry is about 10% for the year compared to last year at this time. The consensus of bulk systems manufacturers at the CEMA Fall Meeting is that the reasons for the decline are that mining, in general, is depressed and commodity prices are too low. The reason for those conditions appears to be too much supply, worldwide. The abundance of supply appears to be the result of improved productivity.

For further information on CEMA or its member companies, visit our web site at <http://www.cemanet.org>

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