

Measured Optimism

Gear manufacturers are generally an optimistic bunch. At least, that's what we've found in our annual "State of the Gear Industry" survey. This year's results — based on the responses of hundreds of gear manufacturers — appear on pages 26–34.

Despite some significant challenges facing manufacturers today, the majority of gear manufacturers expect next year to be as good as or better than 2013. For example, 89% of respondents expect equal or higher sales in 2014. Not surprisingly, then, 90% of respondents expect both production and employment to be at or above 2013 levels.

But finding the right people to fill those needed jobs seems to be one of the toughest challenges facing gear manufacturers. It ranked second (just barely) behind "General Economic Climate" as the most significant challenges facing gear manufacturers today, and among the written responses, the difficulty of finding skilled labor was a consistent theme.

Fully 63% of respondents indicated that they are currently experiencing a shortage of skilled labor at their locations. "(It's) hard to find young people with interest and solid high school training like it used to be back in the day," said one industry veteran. Another indicated he could hire 30 additional employees right now, if only he could find them. "The manufacturing technology now available has surpassed the level of available skilled help," said another.

In some ways, this may be even more difficult for gear manufacturers than in other manufacturing industries, due to the complexities of the processes involved. One respondent indicated he had no trouble finding operators to run turning or milling machines, but qualified gear manufacturing operators are much more difficult to come by. Another said that the changing technology of gear manufacturing itself has further complicated matters, with gears and splines being manufactured on mill-turn machines and lathes rather than dedicated gear machinery.

But I repeat what was said at the start: the gear industry is an optimistic bunch. About 89% of respondents indicated some level of optimism regarding their companies' ability to compete over the next five years. No matter what challenges face them today, the overwhelming majority feel that there's a future for them in the gear industry. More than any other measure in our results, I'd say that's a positive sign.



Publisher & Editor-in-Chief
Michael Goldstein

There's a lot more information in the survey results, so please take a few minutes and peruse them. It's a great opportunity to see where your gear manufacturing operation fits in among the rest of the industry. But the state of the gear industry is evidenced by more than just numbers. We're constantly talking to people in the industry to get a feel for trends and expectations. As a companion piece to the survey, Senior Editor Jack McGuinn interviewed a number of people in the industry to provide flavor and insight that go beyond the raw numbers. His article begins on page 22.

In addition to the results presented in this issue, we asked a number of questions about how you use *Gear Technology* and what types of articles and subjects you'd like to read more of. As in the past, we're gratified to know that we seem to be on the right track. According to the results, the overwhelming majority of you read every issue, and 70% of you spend at least 20 minutes with each issue, while 30% spend more than 40 minutes with each issue. Most of you are making use of our website, with 76% regularly accessing our free online archive, which contains 30 years of articles.

I'd like to thank everyone who took part in the survey. Your participation is extremely valuable — not only to us — but to the industry as a whole. We appreciate all of the additional feedback you provided, including suggestions for next year. You can be assured that we're taking all your suggestions to heart and will use your comments to help plan our future issues.

Best of luck to all in the gear industry for a prosperous 2014.