

# My Glass is Half Full



**Publisher & Editor-in-Chief**  
Michael Goldstein

**When people become apprehensive about their future, the first thing they do is put their hands over their wallets.**

And between the upcoming U.S. presidential election and the mandatory tax increases and enormous government budget cuts set to go into effect at the end of this year (the so-called “fiscal cliff”), there’s plenty of apprehension to go around.

Many are hoping that between now and the end of the year, Congress will manage some kind of compromise that will allow us to avoid the fiscal cliff, or at least to soften the landing. But no matter who wins the election, there are no guarantees. Some economists have predicted that in a worst case scenario, the tax changes will cause a 2013 recession. Because nobody can predict exactly what will happen, both consumers and businesses are holding onto their cash and delaying long-term decisions in case they have to weather difficult times ahead.

But I’m an optimist, and there are reasons to believe that the current economic pause *is* just a pause.

For example, home construction has begun to grow. It’s nowhere near where it was, or where it should be, but we seem to have finally found equilibrium in that part of the economy. And growth in housing has a positive impact on the rest of the economy far beyond the money spent on the housing itself. Someone who moves into a new dwelling typically spends a lot of money on furnishings, carpeting, window treatments, appliances, etc., all of which injects money into various parts of the economy. In addition, existing home prices are rising in various sectors of the country.

But if you’re looking for something more concrete—more real—upon which to base your hopes, then you need look no further than the recently held IMTS. There, on the show floor, I saw with my own eyes that manufacturing is

still alive and well. The show attracted more than 100,000 registered attendees—more than any IMTS in more than a decade, and 21.6% more than the previous show.

And these weren’t just casual curiosity seekers. They were buyers—real manufacturers with projects in hand, needing machine tools and technology to improve and expand their operations. I talked to many exhibitors, and from them I got a sense that the quality of the attendees at this show was much higher than at previous shows—including when IMTS previously reached 100,000 visitors more than 10 years ago.

Exhibitors in our industry—both large and small—were almost universally busy at IMTS, and they’ll be busy for months more following up on the quality leads they received. The ones I’ve talked to have told me the show was extremely successful and one of the best in recent memory.

So no matter what happens—with the election and the politics surrounding the decisions that will have to be made regarding the fiscal Armageddon—I’m confident that we’ll enjoy a strong manufacturing economy for some time to come.

P.S. Congratulations to Paul McHenry of Tri-City Machine in Peoria, Illinois. He was the winner of our iPad giveaway at IMTS! Thanks to all who stopped by our booth to learn more about *Gear Technology*, *Gear Technology India* and *Power Transmission Engineering*. If you missed the show, you can still sign up or renew your FREE subscription at [www.geartechnology.com/subscribe.htm](http://www.geartechnology.com/subscribe.htm).