

**Abrupt Downturn In The Orders Of Machine Tools In The First Quarter 2020 (-11%)
Domestic Orders Fall Down (-41.3%). Negative Performance Even Abroad (-4.4%)**

Massimo Carboniero, President of UCIMU: *“Our factories are safe places and have reduced labour intensity. Therefore, we should have green light to resume our production activities right away”.*
“Health and safety come first, but we should get used to living with Coronavirus, while at the same time guaranteeing work, employment and production”.

There has been a strong fall of the index regarding the orders collected by Italian machine tool manufacturers in the first quarter 2020, in which an 11% decrease was registered in comparison with the same period of the previous year. This is reported in the last survey carried out by the Economic Studies Department & Business Culture of UCIMU-SISTEMI PER PRODURRE, the Italian machine tools, robots and automation systems manufacturers' association.

The overall outcome is affected by the collapse of the **orders collected by the manufacturers in the domestic market, down by 41.3% compared with the period January-March 2019.**

A smaller decrease was recorded in the collection of **orders overseas, dropped by 4.4% in comparison with the same period of the previous year and penalised by the significant fall registered in the month of March, after two positive months.**

According to **Massimo Carboniero**, President of UCIMU-SISTEMI PER PRODURRE: *“The abrupt fall in the collection of orders in the first quarter really worries the enterprises of our sector, also because the negative performance is however compensated by the business activities carried out by the companies in January and February, i.e. before the Coronavirus emergency. At that time, the boost of the Transition 4.0 Plan seemed to have found favour with the Italian manufacturing industry, prefiguring a year 2020 at the same level as 2019”.*

“Unfortunately, on the contrary, at the end of February and within few days, the collection of orders almost stopped, leaving the enterprises with few orders, as it had never happened before. And, as things are, the situation for Italian manufacturers can only get worse, considering that our factories have remained closed for several weeks, whereas many competitors of ours – the Germans ahead – keep on working and thus are able to positively meet the demands of the international market”.

“On the foreign front, China, always at the top among the destination countries of our export, had initially interrupted all transactions, as it was the first country hit by the emergency, actually blocking a large part of our business. Now, as it starts again, like many others of our customer countries, whose manufacturing activity goes on, China is directing its supply requests to those who are open. This is to the detriment of our enterprises that are running the risk of losing important market shares, conquered over the years thanks to continuous investments in innovation, quality and marketing”.

“This scenario, already difficult in itself, now might worsen in an irreversible way, if Italian enterprises do not have green light to resume their activities right away. All of us, the machine tool entrepreneurs, feel a double responsibility – continued the President of UCIMU-SISTEMI PER PRODURRE – that of guaranteeing health and safety to our collaborators every day and that of guaranteeing work and thus wellbeing for them and their families, also in the future”.

“We have constantly followed the directives of our Government, even if surprised and disappointed with regard to the exclusion of our sector from the Ateco Codes specified by the Government. Our sector is in the production chain of all main kinds of production, even those considered as essential”.

“Now, after more than four weeks from the lockdown, given that many enterprises are already working according to the measures defined by the Government authorities in the DPCM (Decree of the Italian Prime Minister) dated 14 March, we too, the machine tool, robot and automation manufacturers, ask to resume our activities following the same protocols. All our companies have invested resources to make workplaces safer by increasing safety standards in our factories that - it should be remembered – are certainly not labour-intensive”.

“Unfortunately, we will have the Coronavirus problem until we have a vaccine. In the meantime, we will have to get used to living with Coronavirus, while at the same time keeping on guaranteeing work, employment and production.

“After all – went on **Massimo Carboniero** – only with the concomitant reopening of manufacturing plants, the measures included in the Liquidity Decree will generate the benefits expected by the Government”.

“To have credit lines available and to be able to defer F24 payments are a first step to face the liquidity crisis of enterprises, provided that the credit lines are granted quickly and that the debt towards the State is deferred until the end of the emergency and not only until June. Moreover, it is of fundamental importance that the repayment plans are not too pressing for the enterprises that will be impacted by this unprecedented crisis for a long time. However, in any case - concluded **Massimo Carboniero** – these measures could really be not very useful, if we do not give the enterprises the possibility to resume their production activities immediately and regain the ground lost in the last period. On the contrary, the risk of seeing them disappear together with thousands of jobs would actually be very high”.

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Contact:

Claudia Mastrogiuseppe, External Relations and Press Office Manager, +390226255.299, +393482618701, press@ucimu.it

Massimo Civello, External Relations and Press Office +390226255.266, +393487812176, press2@ucimu.it

Filippo Laonigro, Technical Press Office, +390226 255.225, technical.press@ucimu.it