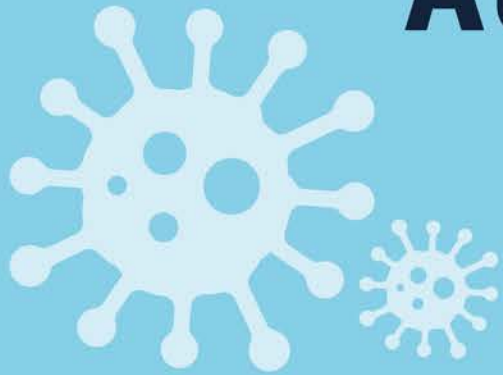


# LIVESTREAM

## The Coronavirus Series Automotive Supply Chain

April Monthly Update

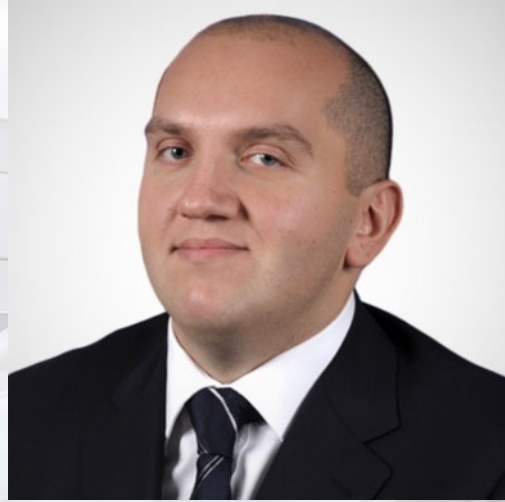


AUTOMOTIVE  
FROM ULTIMAMEDIA

ams

Automotive  
LOGISTICS

# Special guests



**Matteo Fini**  
Executive Director  
Automotive Supply Chain  
& Technology  
**IHS Markit**



**Fathi Tlatli**  
President  
Global Sector  
Auto-Mobility  
**DHL Customer  
Solutions & Innovation**



**Host:**  
**Christopher Ludwig,**  
Editor-in-Chief  
**Ultima Media**

# Running order

- **Global update – supply restarts, fits and starts**  
– Christopher Ludwig, Ultima Media
- **Tracking manufacturing & supplier disruption and regulatory impacts**  
– Matteo Fini, IHS Markit
- **Logistics impacts and resilient supply chains**  
– Fathi Tlatli, DHL
- Interactive Q&A session
- Extra reading



AUTOMOTIVE  
FROM **ULTIMAMEDIA**  
Global. Business.Intelligence.

**Automotive**  
**LOGISTICS**

**ams**



car design news

# Supply chain restarts



## China increasing the model for restart

- OEMs report increasing activity. Volkswagen Group confirms that it is back up to 70% of production, and expects to reach or surpass pre-crisis in early summer
- China template for European and future US restarts: temperature testing, mask, social distancing
- Some industries report they can still produce at close to full productivity...automotive a question mark
- China a key PPE source for restarts – VW will make masks in Tianjin, and export to Europe
- China still subject to global supply shortages, but supply chain proving robust so far.
- Alternative shipping routes – China-Europe rail increase



# Supply chain restarts



## Europe – picking up the (slow) pace

- More plants in Germany, Czech Republic, Slovakia, Romania and France have reopened, notably **VW** in Zwickau and Wolfsburg, **Mercedes** trucks in Sindelfingen and Bremen, **Renault** in Flins and **Toyota** in Valenciennes
- First plants reopening in Italy (**FCA Sevel**) and Spain (**Seat**)
- Early May: **BMW, Ford, PSA Group, Renault-Nissan, FCA.**
- **JLR** is now planned for May 18th
- Fewer shifts, reduced output, longer takt times – but new processes across supply chain
- Dealers starting to open (**70% in Germany**)
- Restart hangs on **supply availability, logistics** and **demand**
- Ports and warehouse space issues; liquidity risks

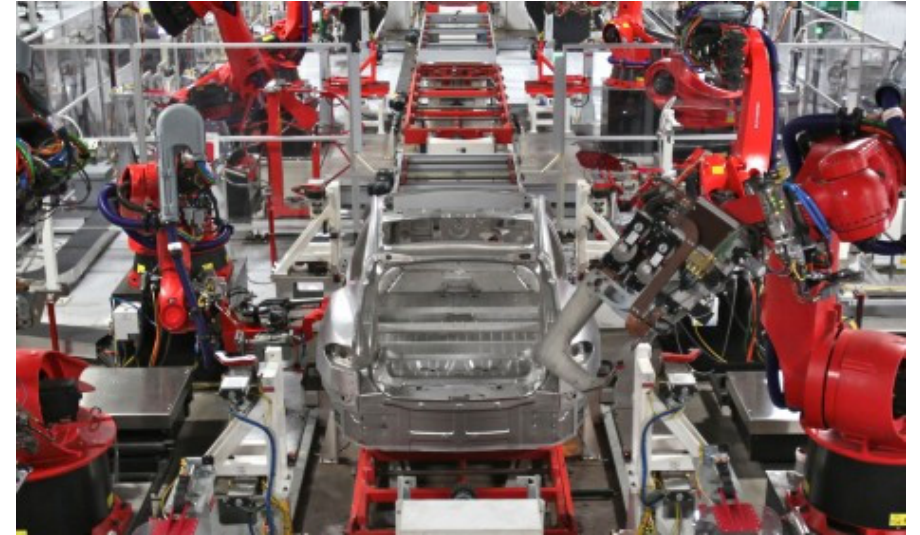


# Supply Chain restarts



## US/North America – the next phase

- Suppliers beginning restarts, with **Mercedes-Benz** in Alabama first to reopen assembly
- Early May restarts in the South: **BMW** in South Carolina, **Kia** in Georgia, **Hyundai** in Alabama, **VW** in Tennessee
- Most planned for later in May but uncertainty over union agreements in US and Canada, state rules in Michigan
- Mexico government now allowing plants to reopen – but OEMs are cautious. **VW** delayed to May 18<sup>th</sup>
- Mexico suppliers and cross-border supply
- More US dealerships can open, some increases in activity – but volume expected to remain low
- Storage issues at ports and transport network



# Supply Chain restarts

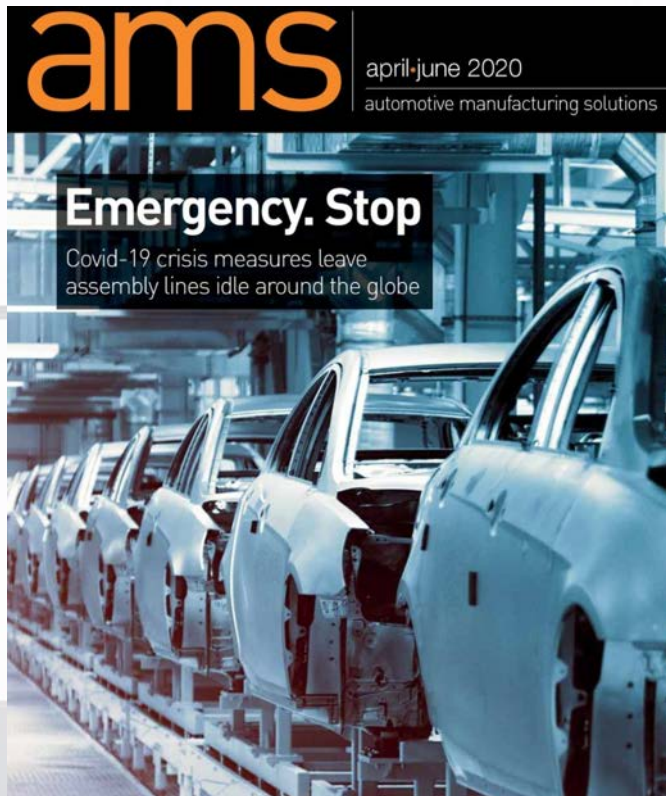


## Global snapshots – Third wave?

- **South Korea** was never under lockdown – production reduced, but Hyundai and Kia mainly stable
- **Japan** state of emergency – **Toyota, Honda, Nissan, Subaru, Suzuki** suspend most production to Mid-May
- **India** remains under lockdown until May 3<sup>rd</sup> and likely extended – significant disruption for restart
- **Brazil** plants still facing extended closures
- Reopening in **Morocco** and **South Africa** sequences after Europe – but supply chain disrupted
- Low death rates in **Africa, South-east Asia** – but rising case numbers still point to risk of a third wave in the developed world that continues to disrupt supply chain



# Our latest insights and digital editions



Polestar Precept  
[Read more here](#)



[Read here](#)



[Read here](#)



AUTOMOTIVE

# FESTIVAL *of* TRANSFORMATION

SURVIVING AND THRIVING IN 2020

**SPRING – SUMMER**

2020

**06 MAY** THE LIVESTREAM HOUR:  
TIER SUPPLIERS ON THE ROAD TO RECOVERY

**13 MAY** THE LIVESTREAM HOUR:  
MEXICAN AUTO SUPPLY CHAIN IN FOCUS

**20 MAY** THE LIVESTREAM HOUR:  
AFTERMARKET: KEEPING THE WHEELS MOVING

**27 MAY** MAIN STAGE:  
AUTOMOTIVE SUPPLY CHAIN MAY UPDATE

Get in touch if interested

Christopher Ludwig: [christopher.ludwig@ultimamedia.com](mailto:christopher.ludwig@ultimamedia.com)

Neemish Ladwa: [neemish.ladwa@ultimamedia.com](mailto:neemish.ladwa@ultimamedia.com)

AUTOMOTIVE

# FESTIVAL *of* TRANSFORMATION

SURVIVING AND THRIVING IN 2020

**SPRING – SUMMER**

2020