



European Association of Automotive Suppliers

Automotive Logistics Panel - Aftermarket -

May 20th, 2020



Driving innovation forward since 1959



CLEPA represents
over 120 global
suppliers

13 national
associations



56% of the total
turnover is
generated by 38
CLEPA Members

21 countries

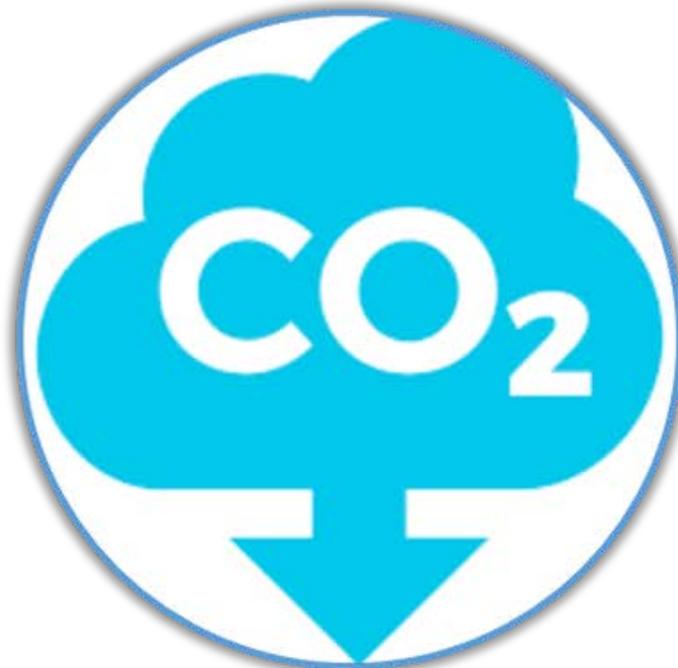


CLEPA represents more than 3,000 companies and cover all products and services within the automotive supply chain.

AUTOMOTIVE INDUSTRY - DRIVERS OF CHANGE



Major transformative trends are shaping the future of mobility and the automotive industry: **Decarbonisation** and **Digitalisation**



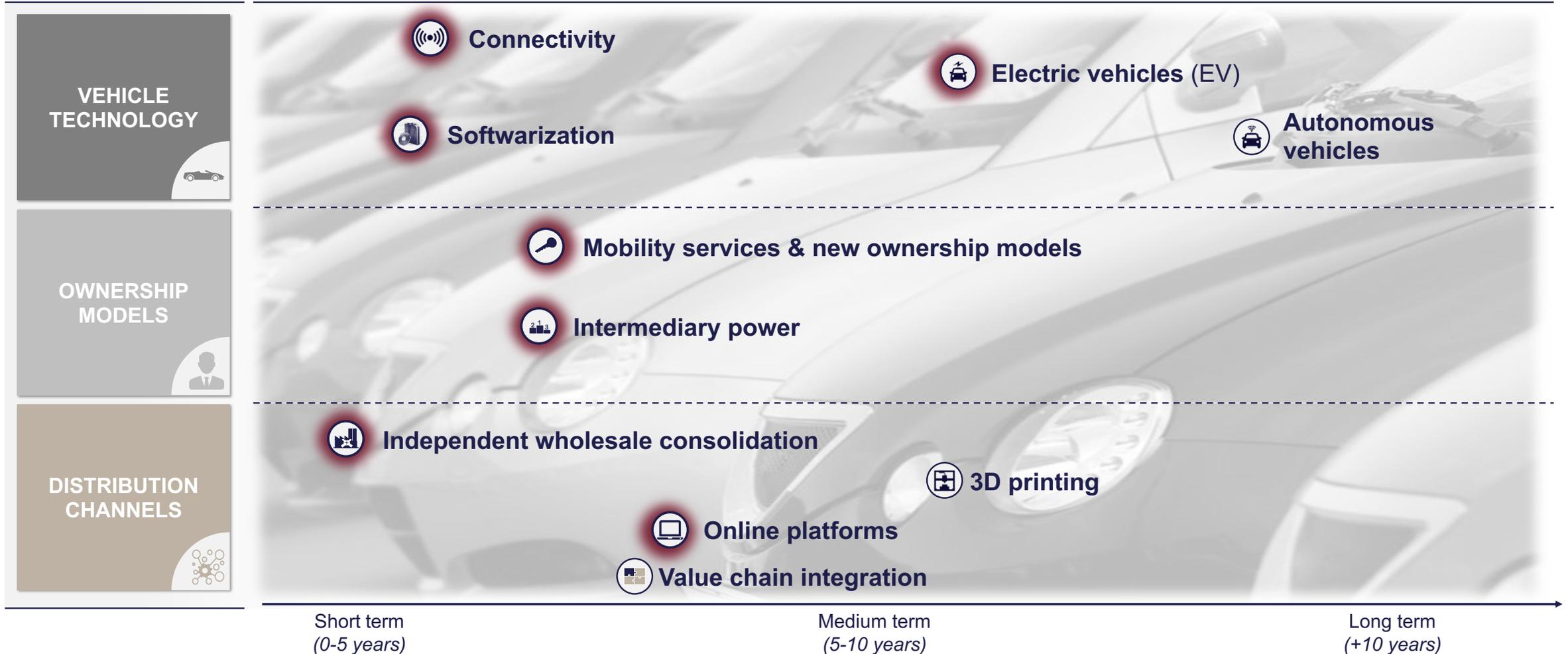
AUTOMOTIVE AFTERMARKET – DRIVERS OF CHANGE



AREAS OF CHANGE

TRENDS DRIVING CHANGE

 KEY TRENDS BEFORE 2025



Short term
(0-5 years)

Medium term
(5-10 years)

Long term
(+10 years)

AUTOMOTIVE SUPPLIER INDUSTRY



Current situation

- Automotive industry was hit by COVID in the middle of a transformation process
- Outlook since End of March regarding revenues and profits has worsened
 - 90% forecast a >20% decrease in revenues for 2020
 - 56% forecast negative profits in 2020
- Restarting plants and logistical operations has started, but facing challenges:
 - Sufficient demand in the pipeline, high volatility of demand
 - Member states at different stages in the crisis
 - Functioning internal market
- 75% of CLEPA members do not see a recovery within 12 months

- **Aftermarket volumes can help to drive demand and to reduce volatility**
- **Aftermarket will not have the deep impact as OE business**

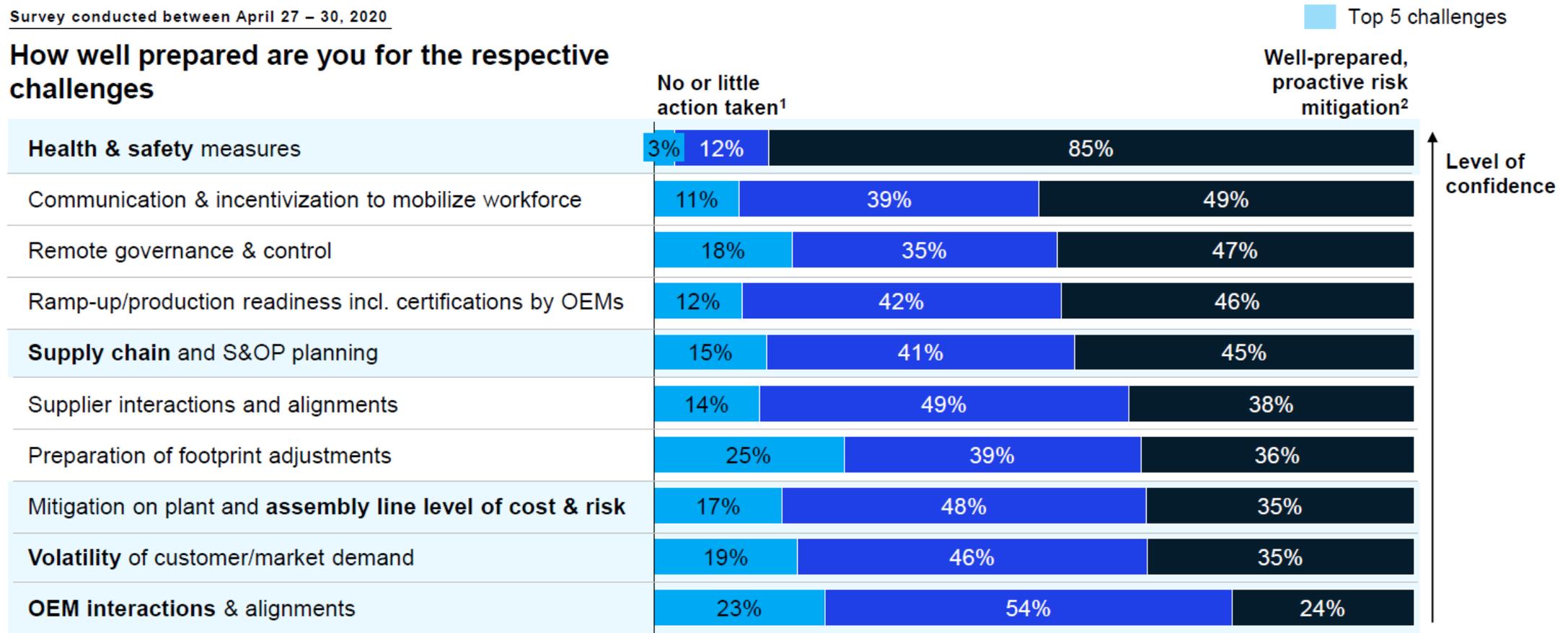
PREPARATIONS FOR THE RAMP-UP

Results from the survey in late April 2020



Survey conducted between April 27 – 30, 2020

How well prepared are you for the respective challenges



PREPARATIONS FOR THE RAMP-UP



Results from the survey in late April 2020

Survey conducted between April 27 – 30, 2020

Do you anticipate any medium-term changes (lasting longer than 2-3 months) on the shop-floor to protect health & safety of your workforce (Top 5 shown)



All respondents expect the continued use of health & safety measures on the shop-floor in the near to medium term, reducing risk by providing PPE and sufficient space among employees through layout and shift design

SUPPLIER AID TO COVID-19 RELIEF

Automotive suppliers support the production of health equipment



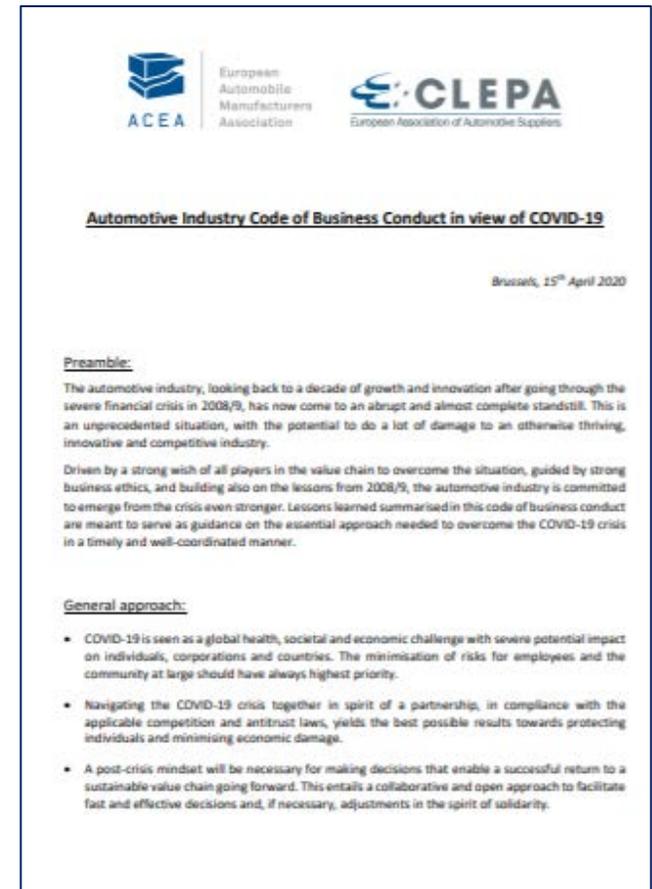
- Production of face masks
- Production of respirators and ventilators
- Production of face shields
- Production of filter material for masks (FFP2 and FFP3)
- Providing 3D Printing capacities
- Donations on clinical and pharma research
- COVID test equipment
- Donation of spare parts for ambulances
- ...

COVID-19 CODE OF CONDUCT



The Code of Conduct is about ethical guidelines, not binding rules. It contains chapters on **health and safety in the workplace**, **timely communication**, **contractual requirements** and **coordination of the restart**.

- **Coordinate the shutdown** (i.e. transparency, planning, timely information, list of available contacts, synchronization upstream as well as downstream)
- **Timely inform on delay** horizons and subsequent deviations from (i.e. credible info, don't put orders in orderbooks if realistically they could be expected to be cancelled shortly after again)
- **Avoid unnecessary burning of cash** (i.e. support limiting overhead, including R&D/engineering projects)
- **Maintain high business ethics** i.e. stick to agreed payment terms, pay for already delivered goods, force majeure clauses
- **Apply a post-crisis mindset** to all decisions, considering the need for a sustainable value chain; support a failure culture and open mindset to allow fast decisions and corrections in the spirit of partnership
- **Plan and coordinate the ramp-up** early and well (see above)





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A wireframe model of a car, rendered in a glowing blue and cyan color, is the central focus of the image. The car is shown from a side profile, facing left. The background is a dynamic, abstract composition of blue and red light trails, suggesting motion and technology. In the upper left, a city skyline is visible through a semi-transparent layer. The overall aesthetic is futuristic and high-tech.

Thank you very much for your attention