

HDMA PULSE WEBINAR

with FTR

Richard Anderson
Senior Director, Market Research & Analysis | HDMA

NOTES

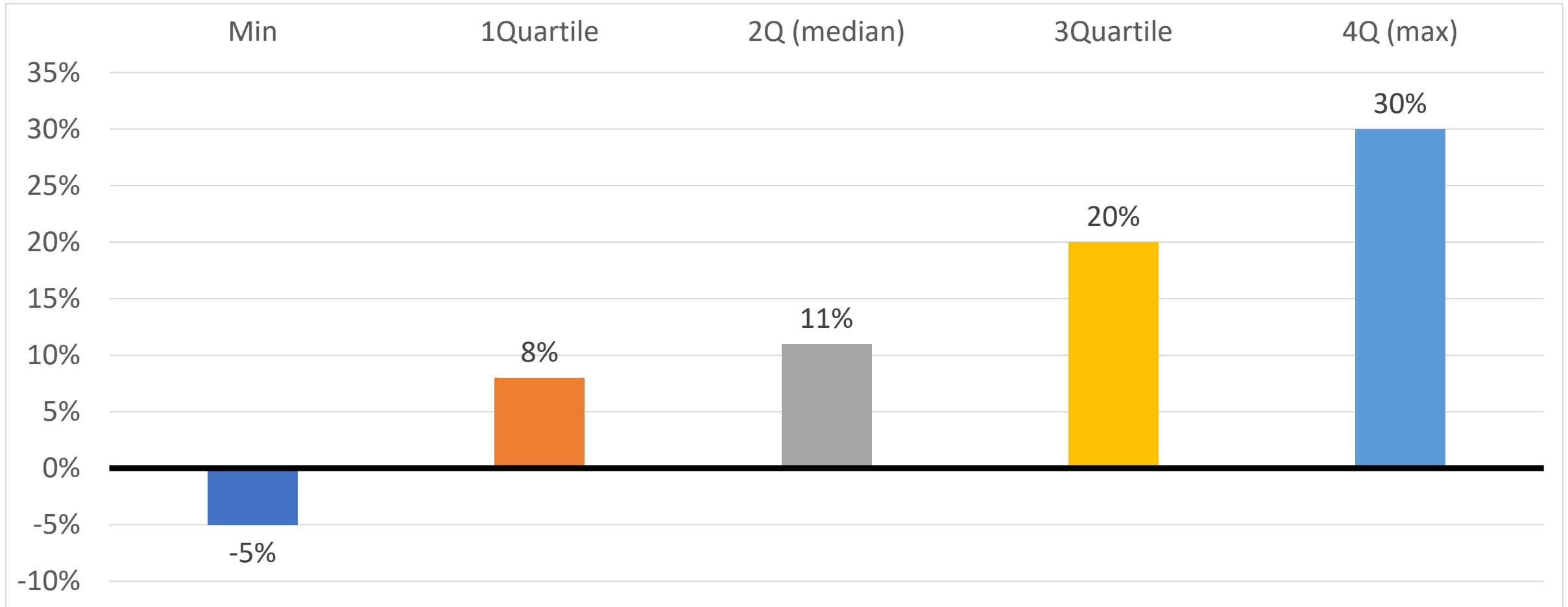
- Data is from our HDMA Pulse Survey May 2022
 - 32 completions
- Total commercial vehicle supply market
 - Classes 4-8, plus trailer
 - Off-highway 50hp+
 - Independent aftermarket & OES

FINDINGS

1. While respondents indicates strong demand, on going supply chain disruptions continue to hamper the ability of suppliers to meet full demand.
2. Concern for inflation continues to rise, and HDMA members report it is the most important factor in their current capacity planning decisions.
3. The global economy is viewed as a consistent risk, while the US trucking sector is seen a potential strength.

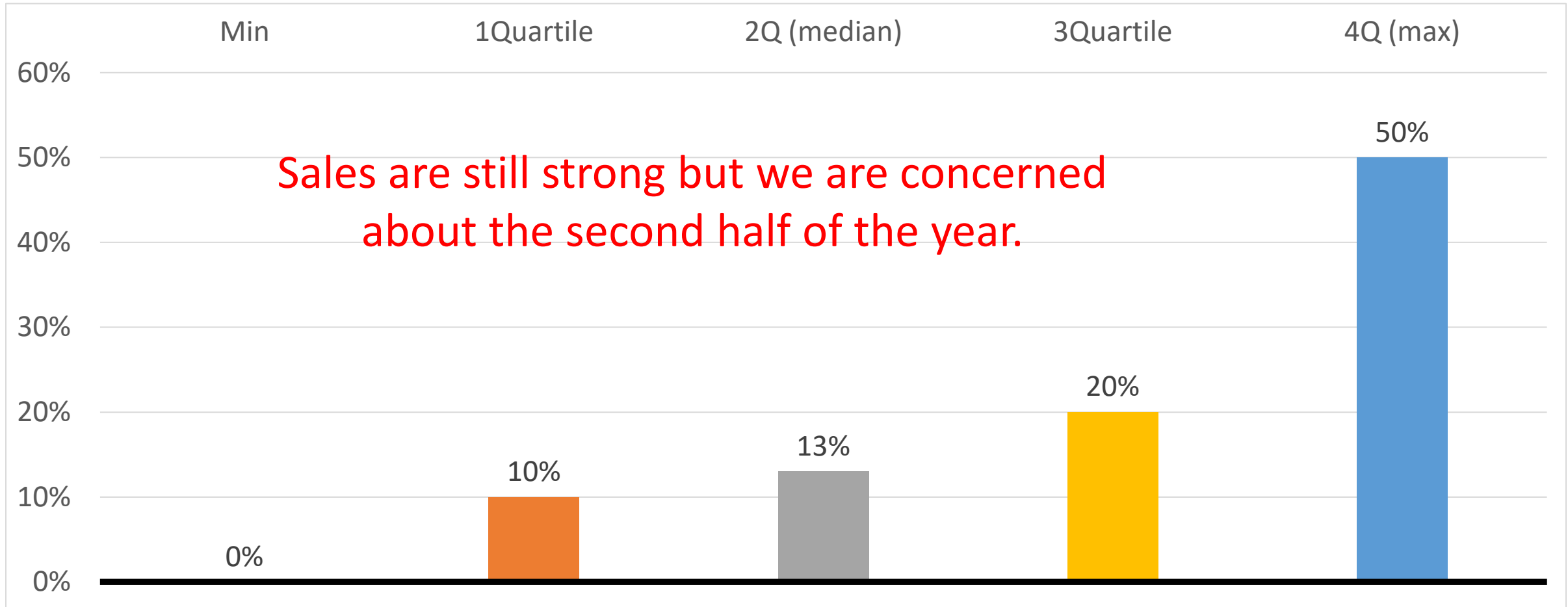
SUPPLIER BUSINESS PLAN – QUARTER

What is your current North America Q2-2022 commercial vehicle business plan compared to Q2-2021?



SUPPLIER BUSINESS PLAN – ANNUAL

What is your current North America 2022 commercial vehicle business plan compared to 2021?



Average: 16%

April: 17%

March: 12%

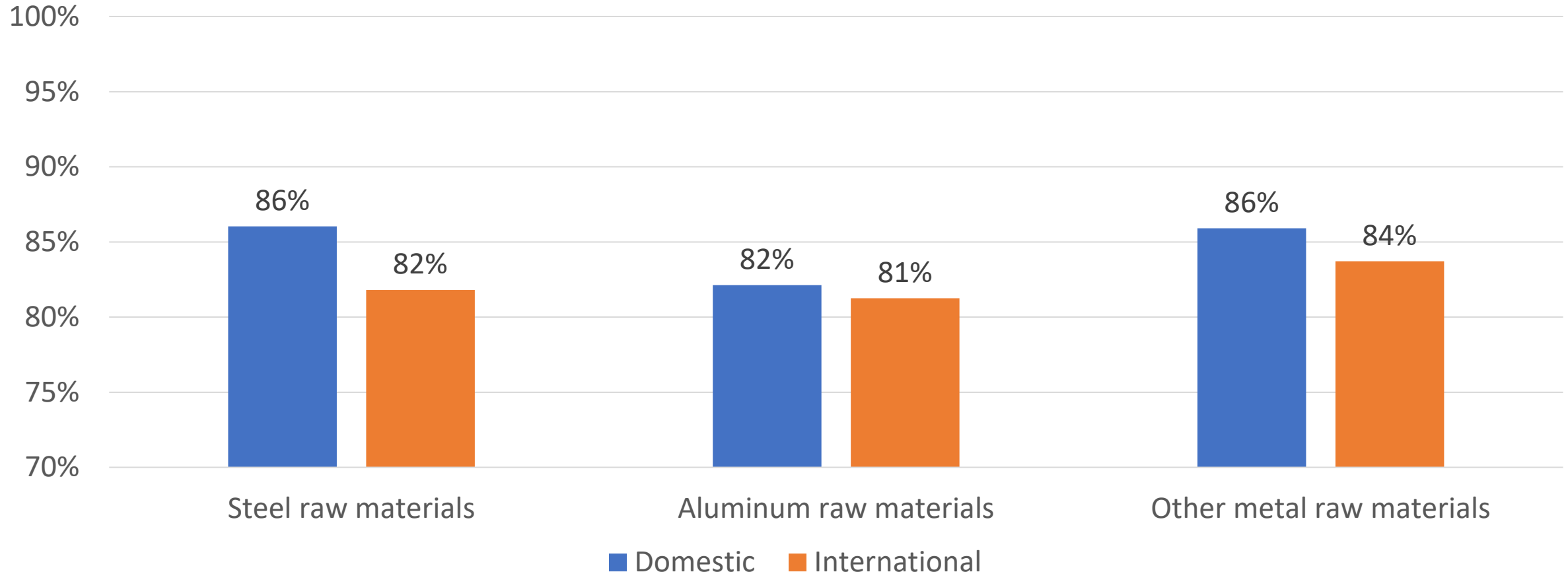
February: 10%

Given the current inflationary environment and other business pressures, what is your current level of confidence in achieving your business plan for the balance of 2022?

- Highest confidence (90%+) – 0%
- High confidence ($\approx 75\%$) – 36%
- Moderate confidence ($\approx 50\%$) – 46%
- Low confidence (worse than 50/50) – 18%

SUPPLY CHAIN – METALS

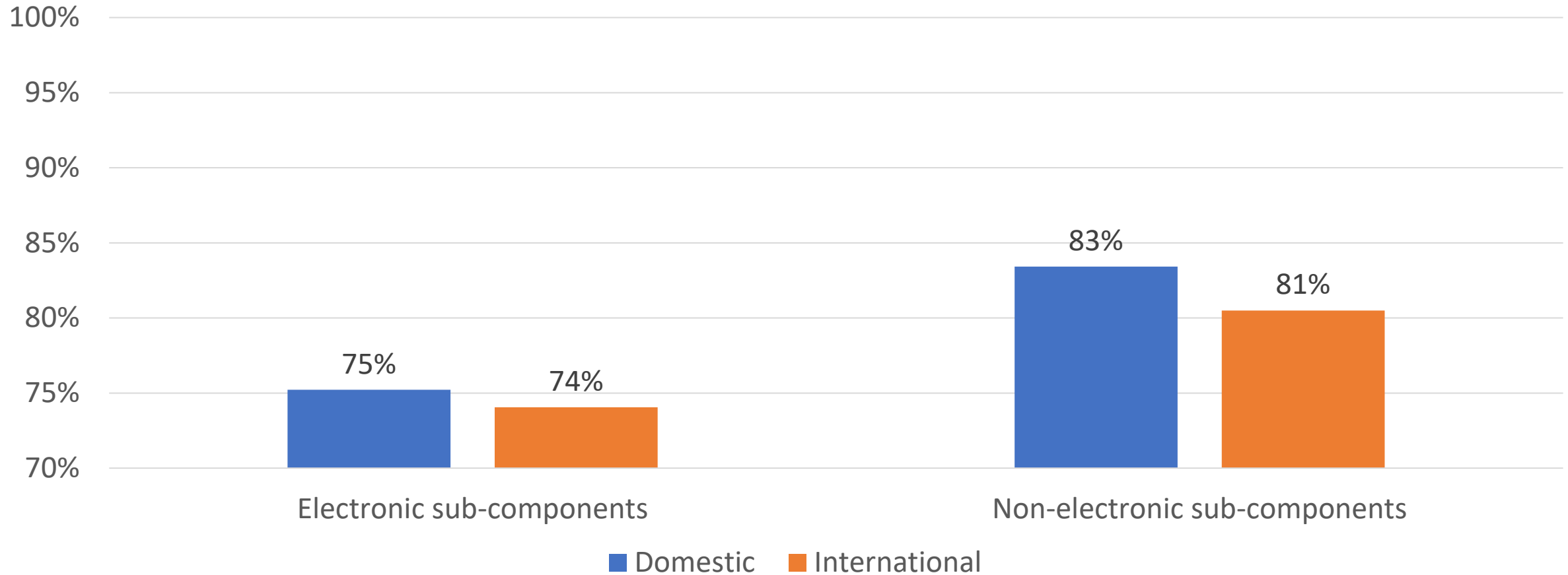
Please rate the overall condition of your company's supply chain by category compared to current demand levels.



Average of response midpoints

SUPPLY CHAIN – SUB-COMPONENTS

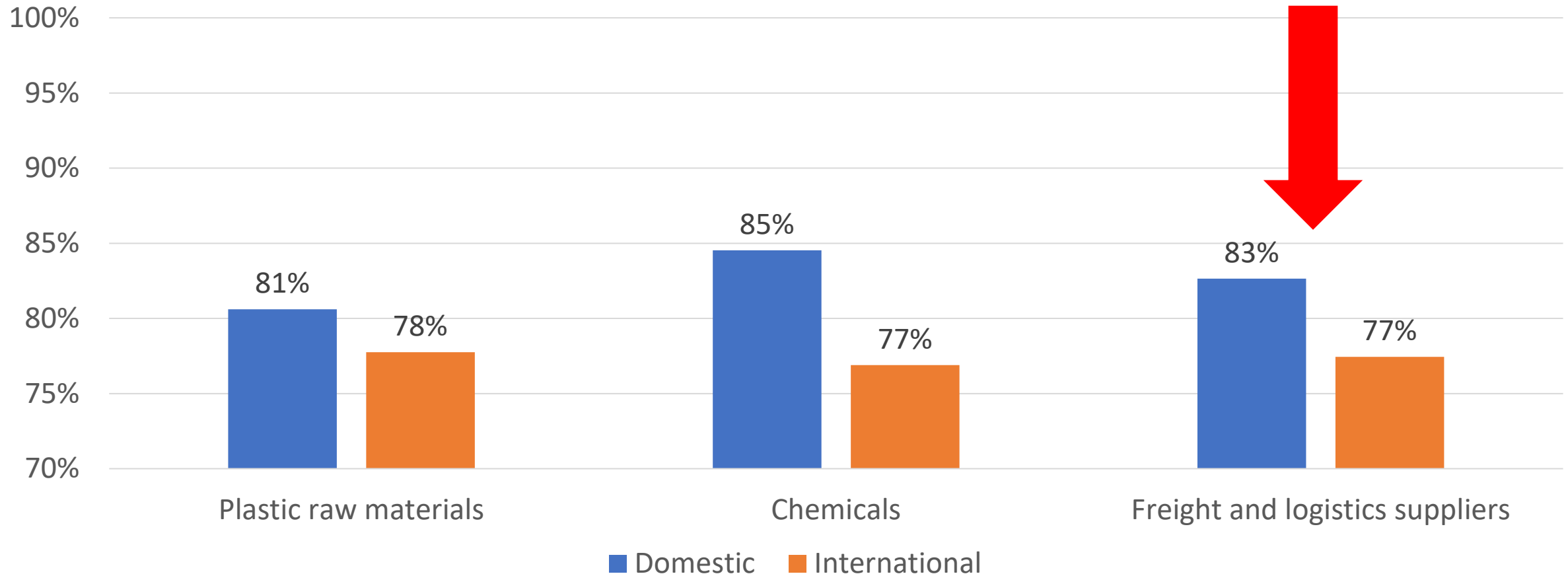
Please rate the overall condition of your company's supply chain by category compared to current demand levels.



Average of response midpoints

SUPPLY CHAIN – OTHER

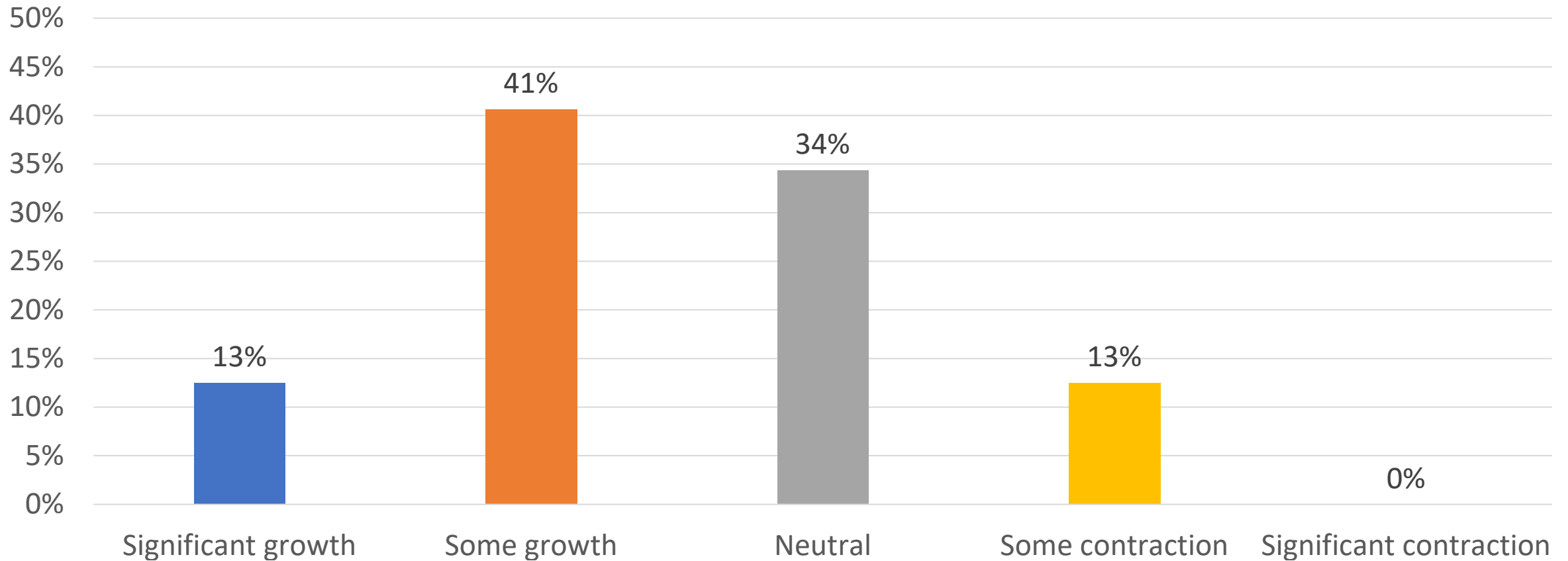
Please rate the overall condition of your company's supply chain by category compared to current demand levels.



Average of response midpoints

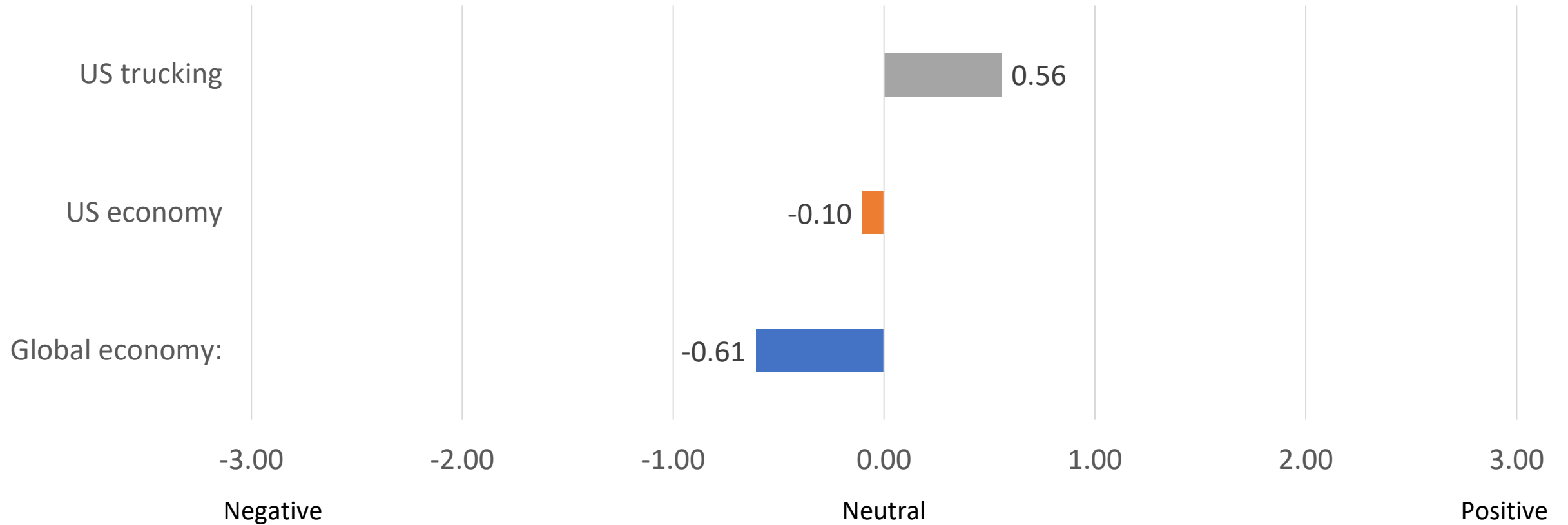
2022 DEMAND PLANNING

What is the direction of your demand planning for the balance of 2022?



2022 DEMAND PLANNING

In regards to your demand planning, please rate the influence of each of the following factors during the balance of 2022:

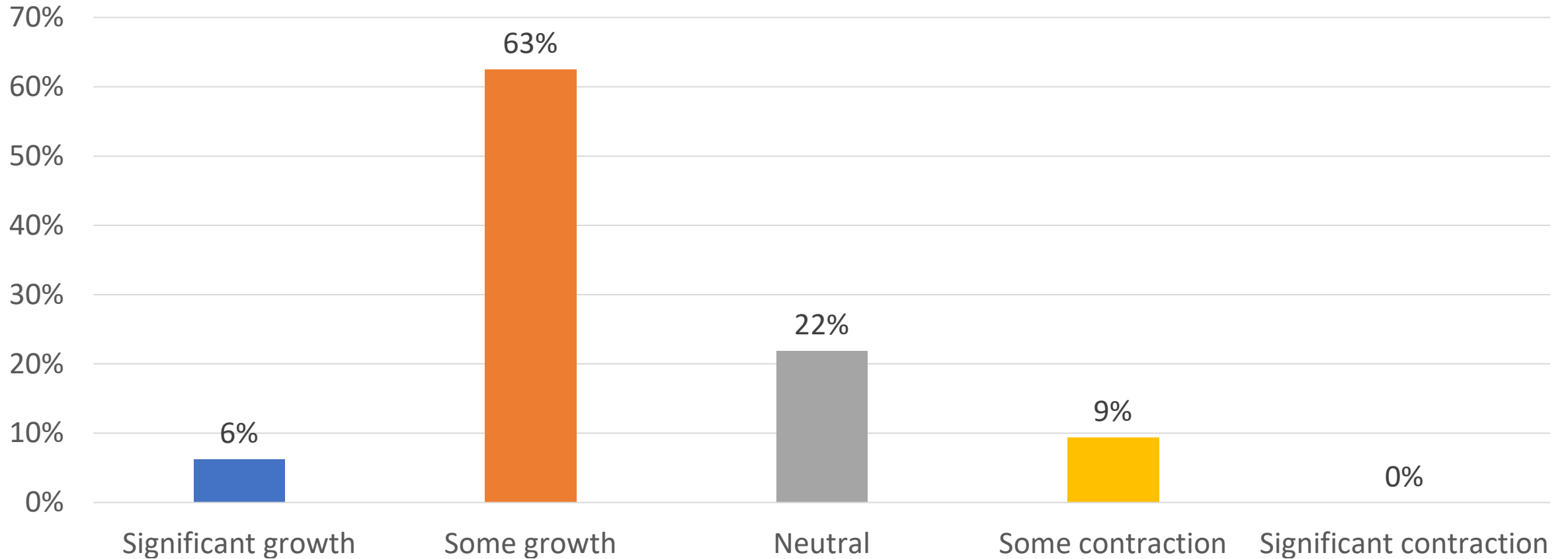


Which risk to the US economy has the greatest potential to disrupt your business before the end of year?

- Inflation causing a drop in consumer spending – 28%
- Inflation causing a drop in business investment – 12%
- Vulnerability of supply chain to small disruptions – 56%
- 4th quarter COVID risks and potential impacts – 4%

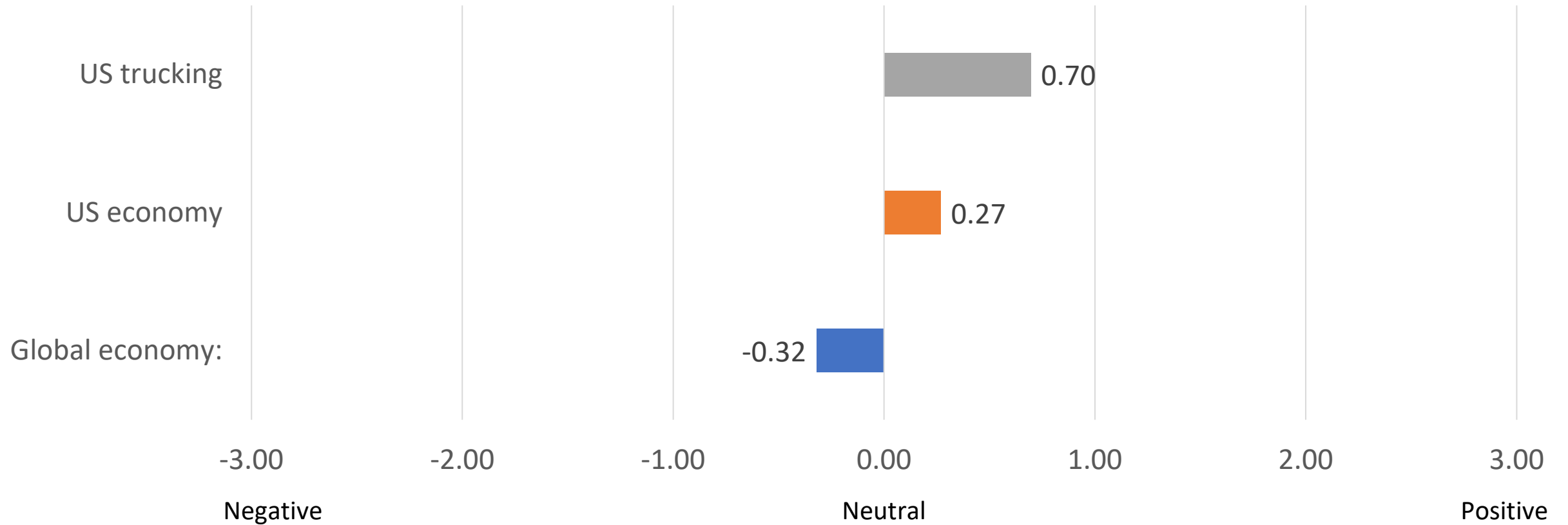
2023 CAPACITY PLANNING

What is the overall direction of your capacity plan for 2023 at this time?



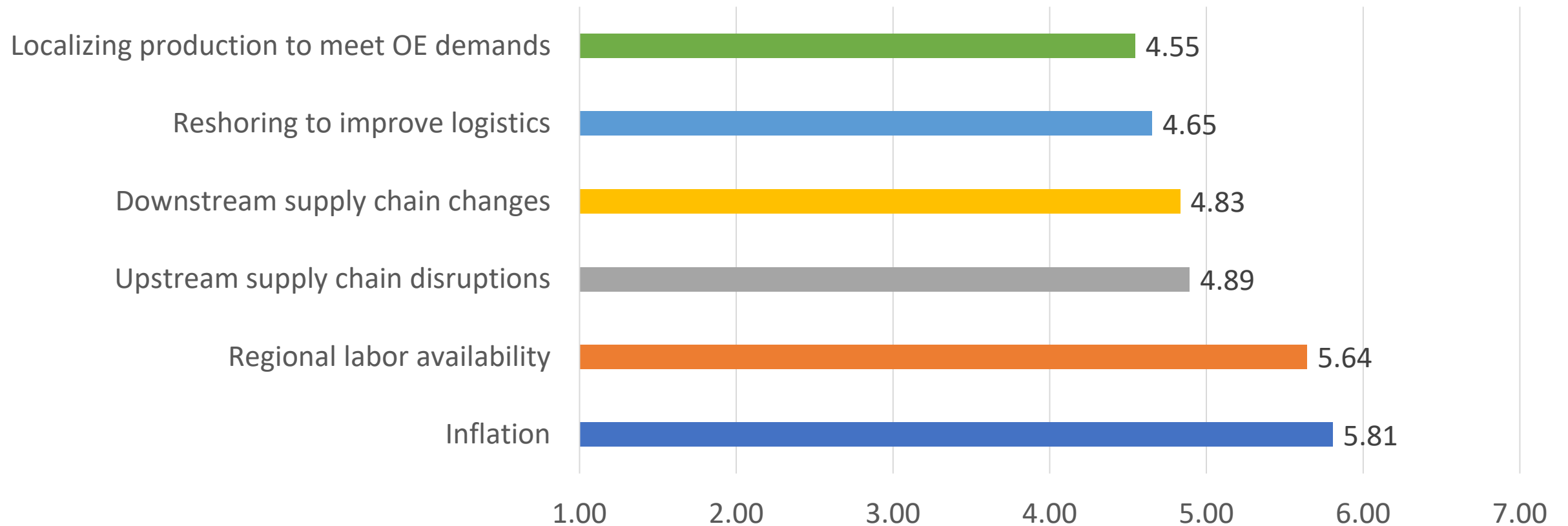
2023 CAPACITY PLANNING

Please rate the influence of each of the following factors on your capacity planning for 2023



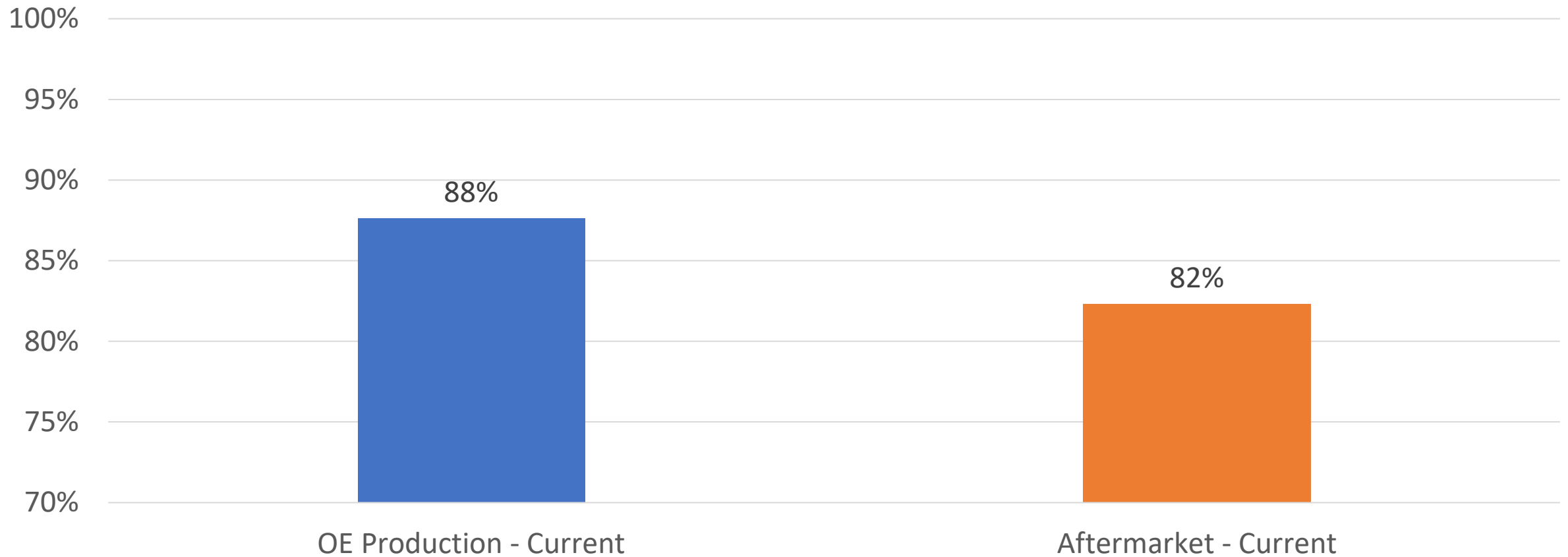
CAPACITY PLANNING

Please rate the influence each of the following factors is having on your capacity decision making.



SUPPLY CHAIN – SUPPLIER STATUS

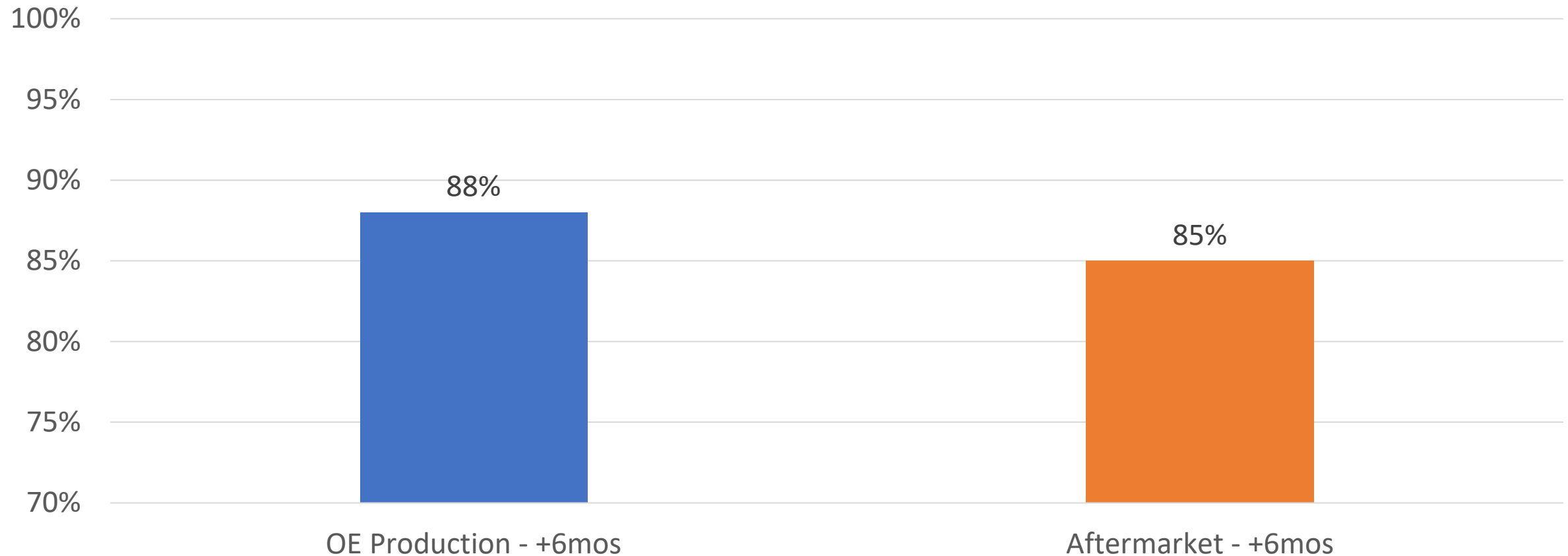
Given your supply chain constraints and any additional internal constraints such as staffing and capacity, please rate your own company's ability to fulfill orders over the course of this month:



Average of response midpoints

SUPPLY CHAIN – SUPPLIER OUTLOOK

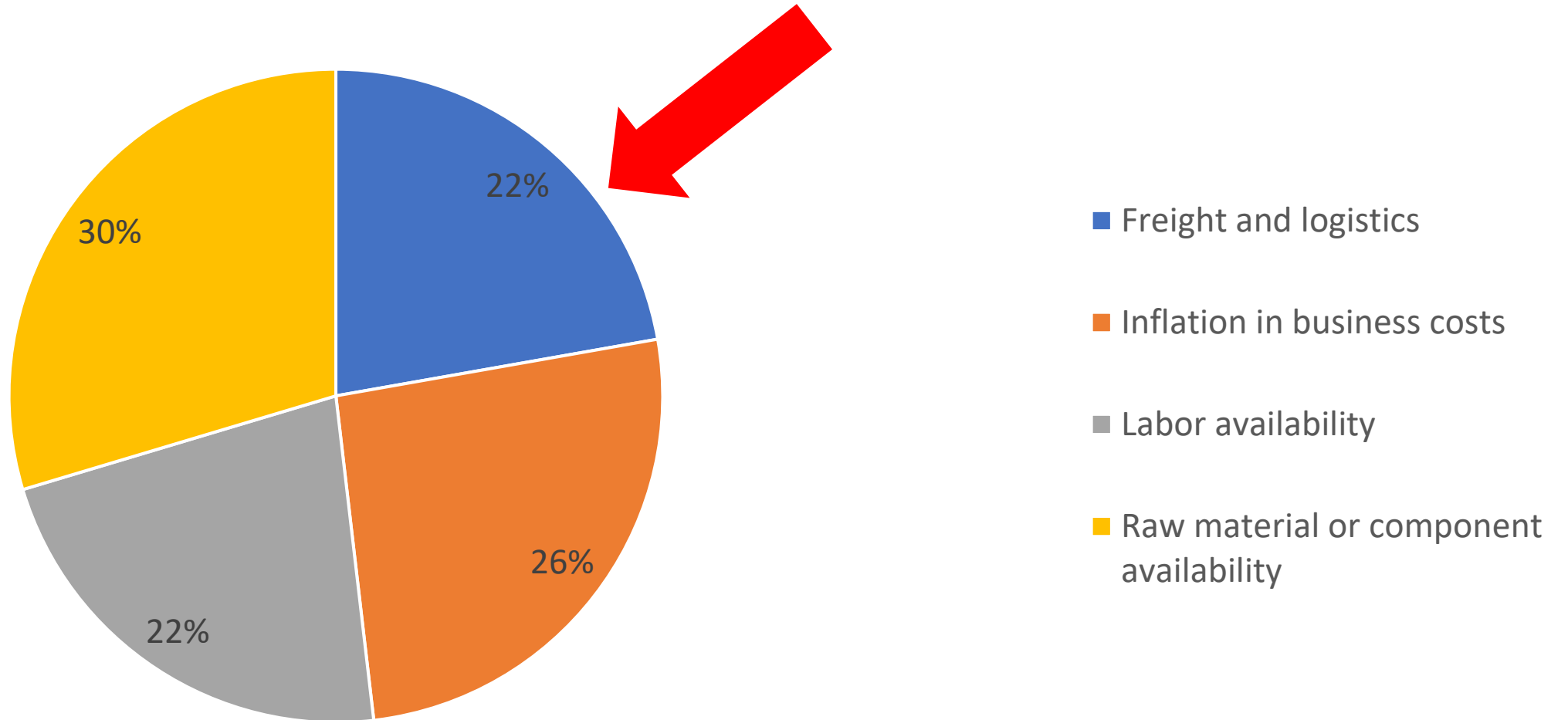
Additionally, given those same constraints, please project your own company's ability to fulfill orders over the course of the next six months:



Average of response midpoints

SUPPLIER CONCERNS

What is currently representing the greatest challenge for your business in 2022? (please select one)



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