



# HDMA Pulse Report September 2020 Pt.2

## Global Update

Richard Anderson

Director, Market Research, HDMA



*This report is the property of the Heavy Duty Manufacturers Association (HDMA) and subject to the protection of copyright, trademark and other intellectual property laws. No portion of this presentation may be reproduced or distributed (including by email) without the prior written consent of HDMA.*

# Notes

- Survey conducted with HDMA members September 15 through September 24, 2020
  - 40 survey completions
  - 36 unique corporate entities
- Report contains historical comparison data using the following sources:
  - HDMA Pulse September 2020 – Q3 Status Update – Listed as 2 weeks ago
    - Published September 11, data collected September 3-10, 30 responses
  - HDMA Pulse August 2020 – Q3 Status – Listed as 2 weeks ago
    - Published August 28, data collected August 24-27, 43 responses
  - HDMA Pulse July 2020 – COVID-19 Q3 Update – Listed as 7 weeks ago
    - Published July 17, data collected July 13-16, 45 responses
  - HDMA Pulse June 2020 – COVID-19 Status Update – Listed as 10 weeks ago
    - Published June 24, data collected June 15-23, 50 responses
  - HDMA Pulse June 2020 – COVID-19 Employment Changes and Return to Work – Listed as 12 weeks ago
    - Published June 5, data collected June 1-4, 40 responses



# Findings

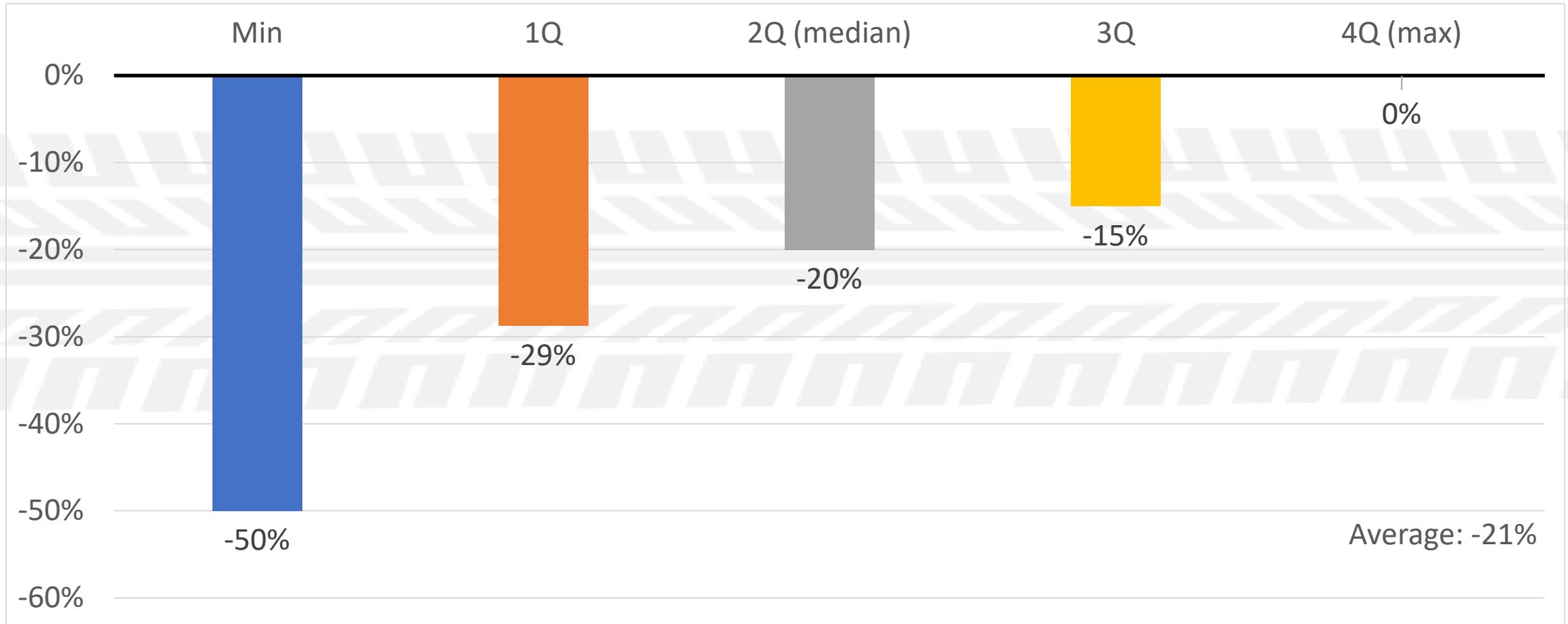
- For USA & Canada suppliers, Q4 business plans follow the upward trajectory set over the course of Q2 and the overall outlook for 2020 has settled at -27%.
- The USA & Canada forecast is 10% down over 2019 (per-COVID-19) levels, but suppliers remain concerned by forecast inaccuracy and an unclear underlying demand situation for the foreseeable future.
- The level of anticipated business loss for 2021 broadly follows the course of the pandemic itself, with those areas impacted first having an improved outlook. Volume losses are expected to impact all regions except China.
- Global operational levels remain down between 14% and 34% compared to 2019 levels.

What is your commercial vehicle business plan compared to 2019?							
	USA and Canada	Mexico & Cent. Am.	South America	Europe	China	India	Other Asia
2020	-27%	-29%	-27%	-23%	-14%	-36%	-22%
2021	-10%	-13%	-6%	-6%	0%	-15%	-9%



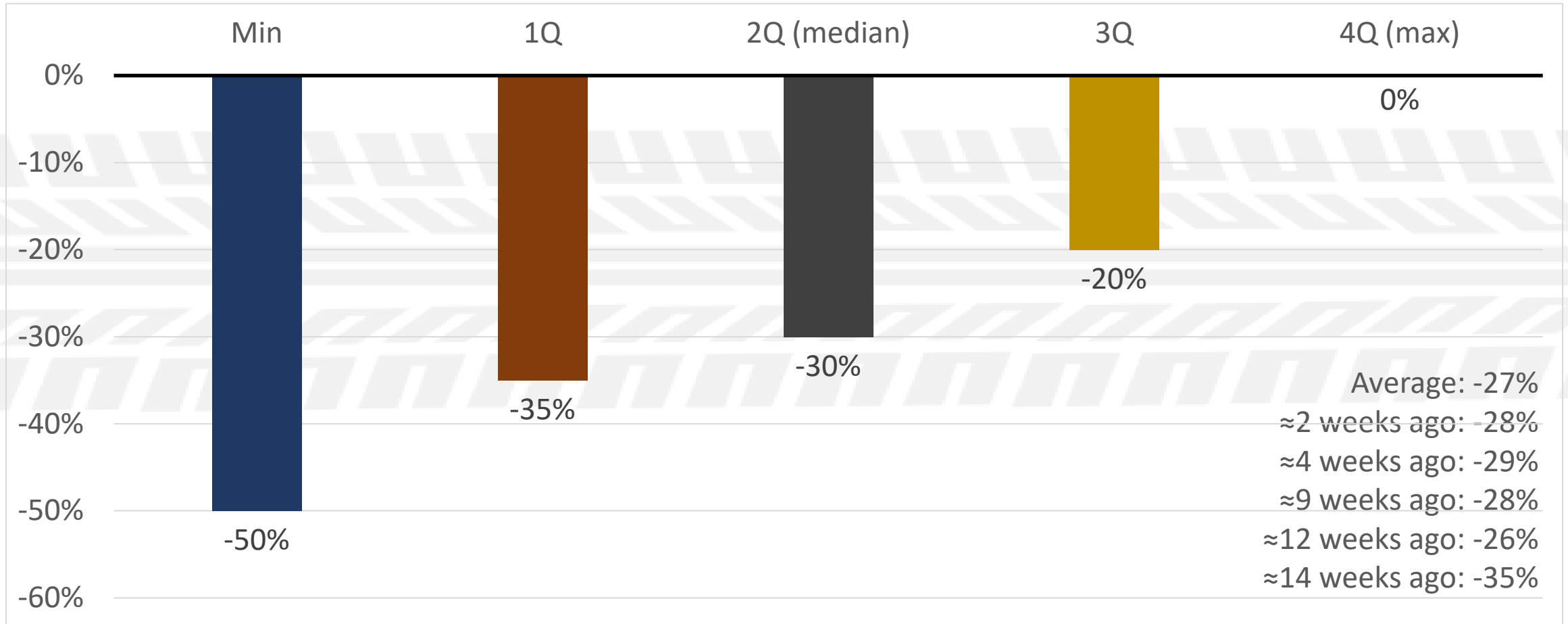
# Short Term Outlook

What is your current USA & Canada Q4-2020 commercial vehicle business plan compared to Q4-2019?



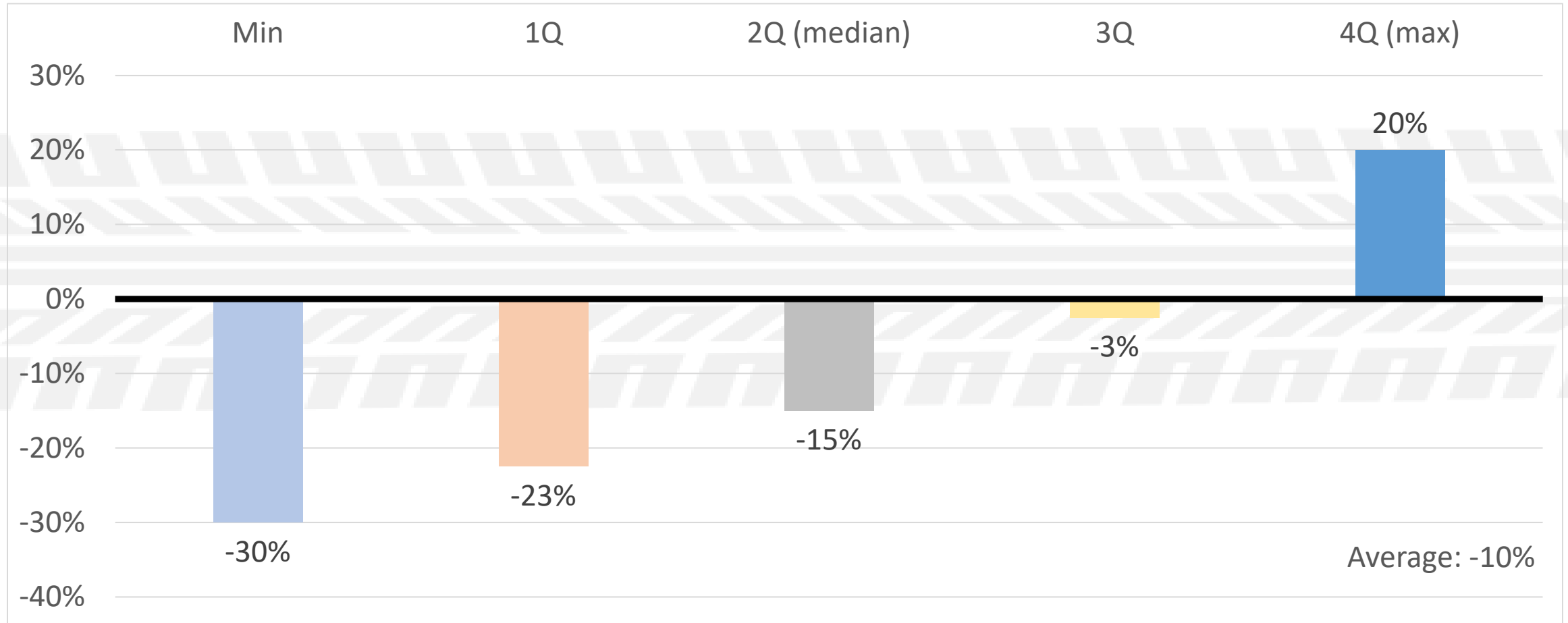
# 2020 Outlook

What is your USA & Canada current 2020 commercial vehicle business plan compared to 2019?



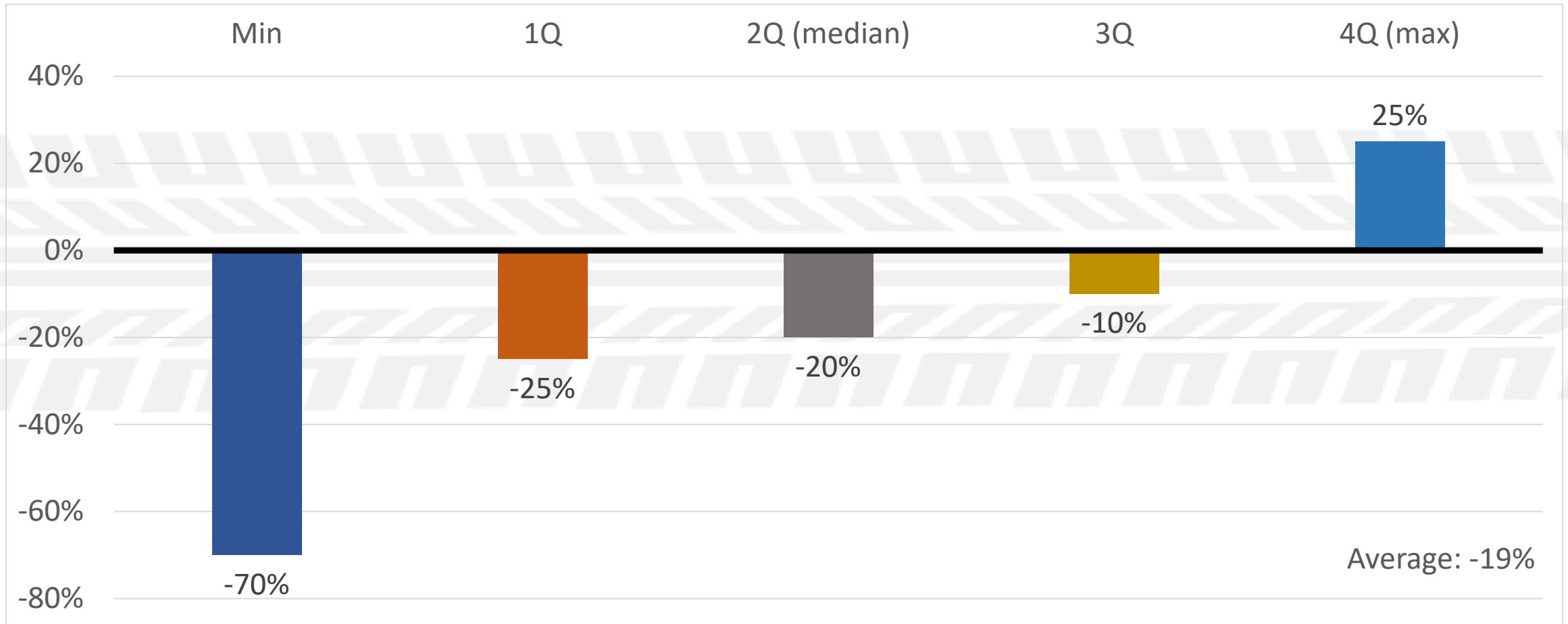
# 2021 Outlook

What is your USA & Canada current **2021** commercial vehicle business plan compared to **2019**?



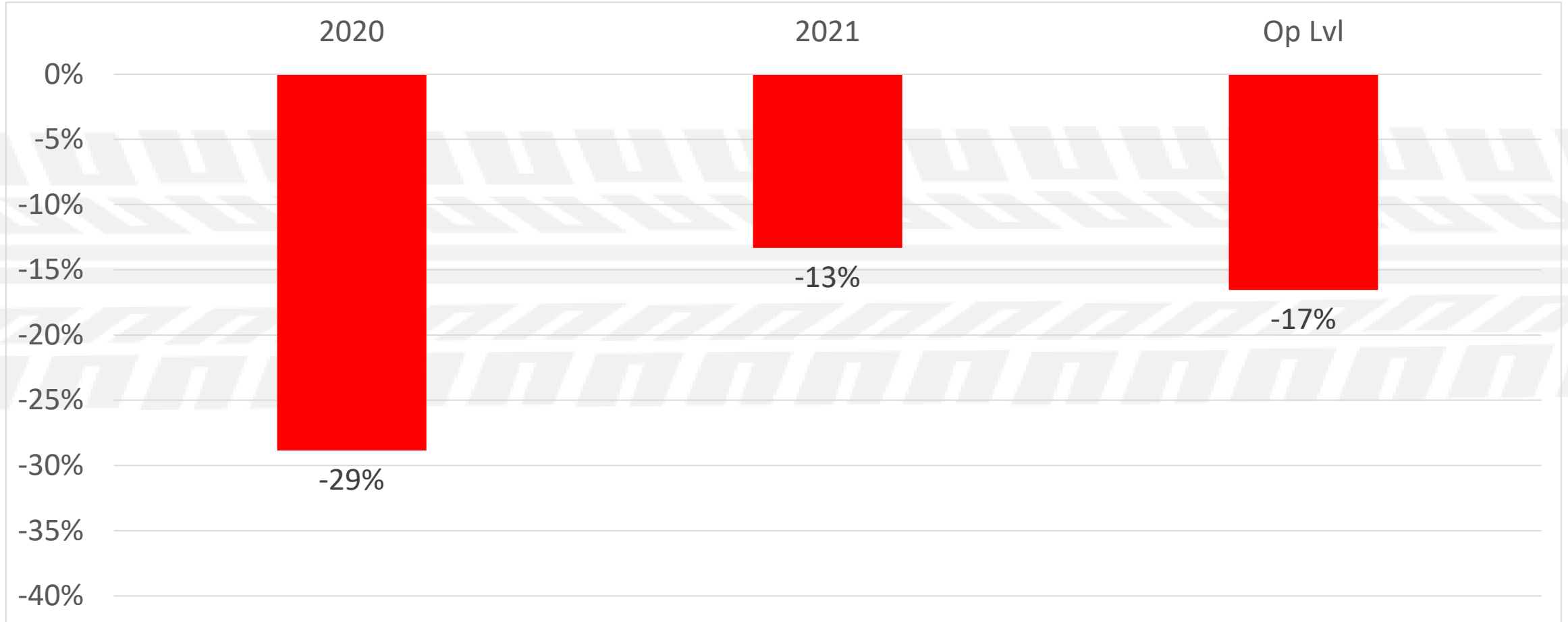
# Operational Level

What is your USA & Canada approximate operational level compared to start of year (pre-COVID)?



# Mexico & Central America

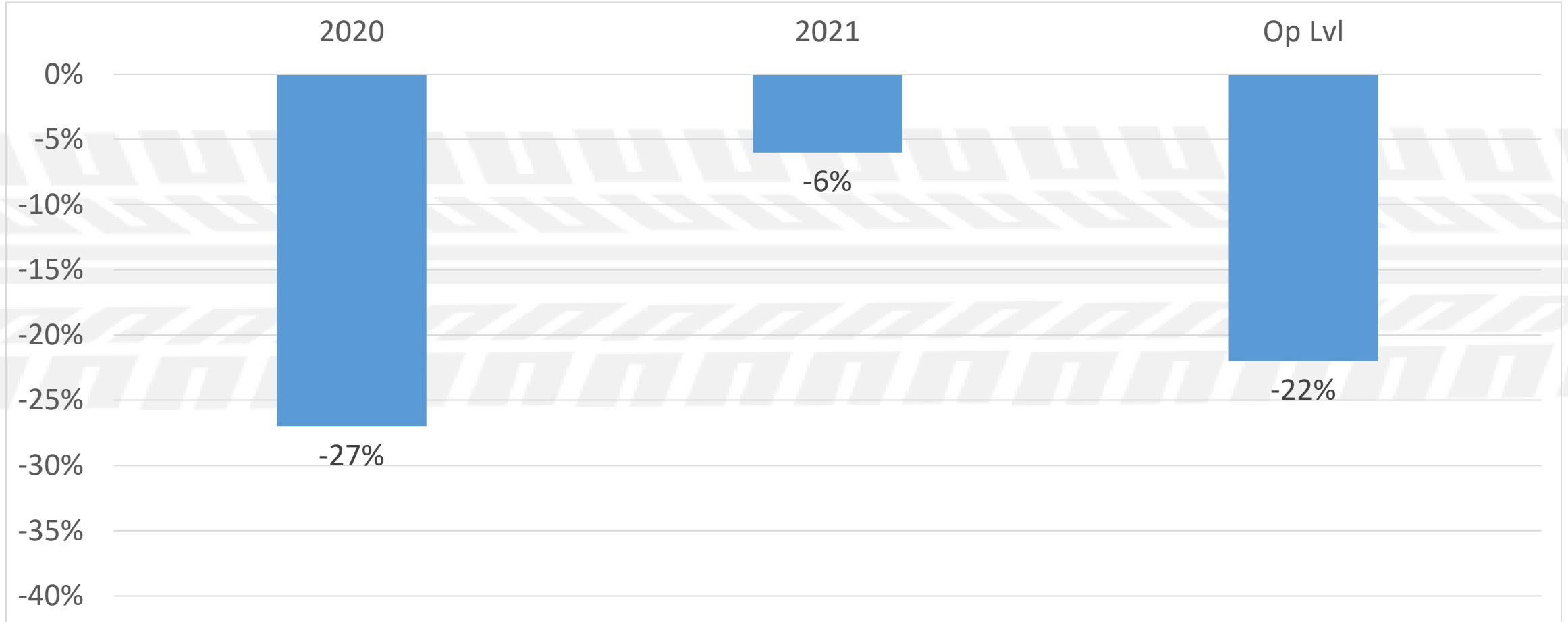
2020 and 2021 business plan compared to 2019 and current operational level





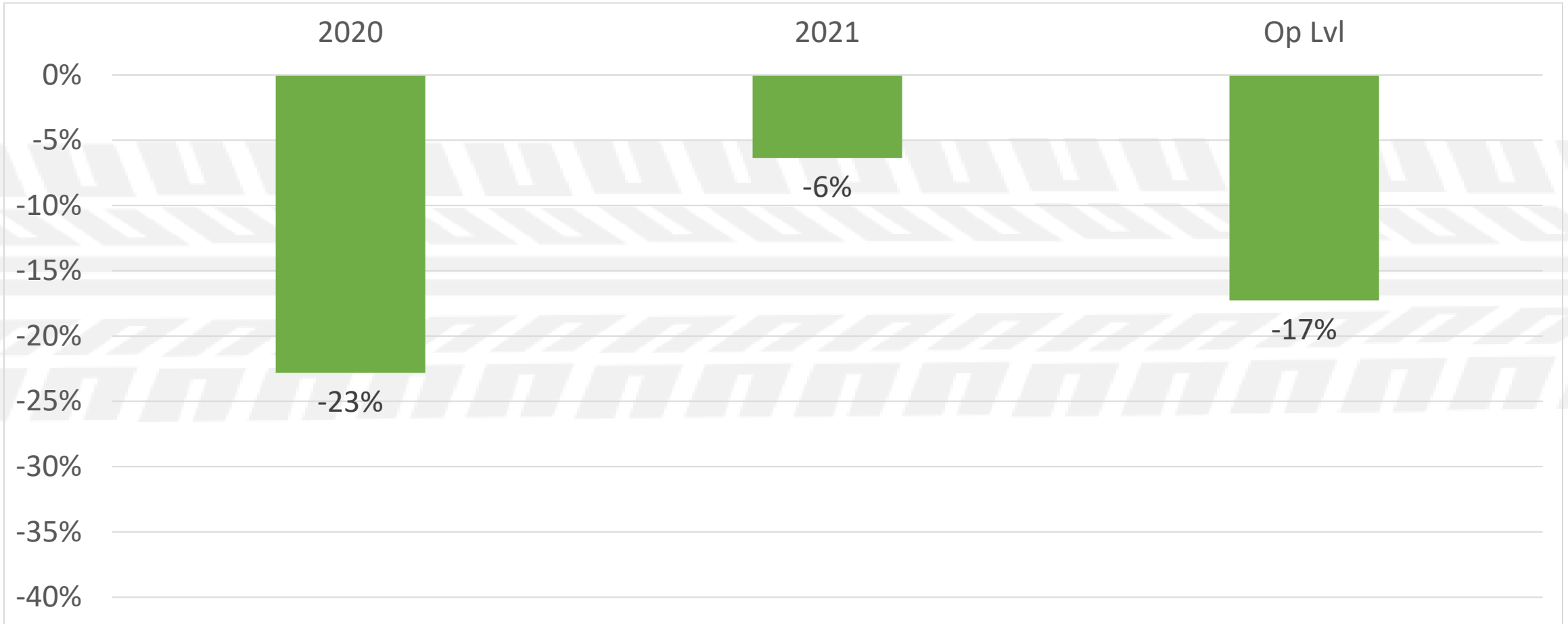
# South America

2020 and 2021 business plan compared to **2019** and current operational level



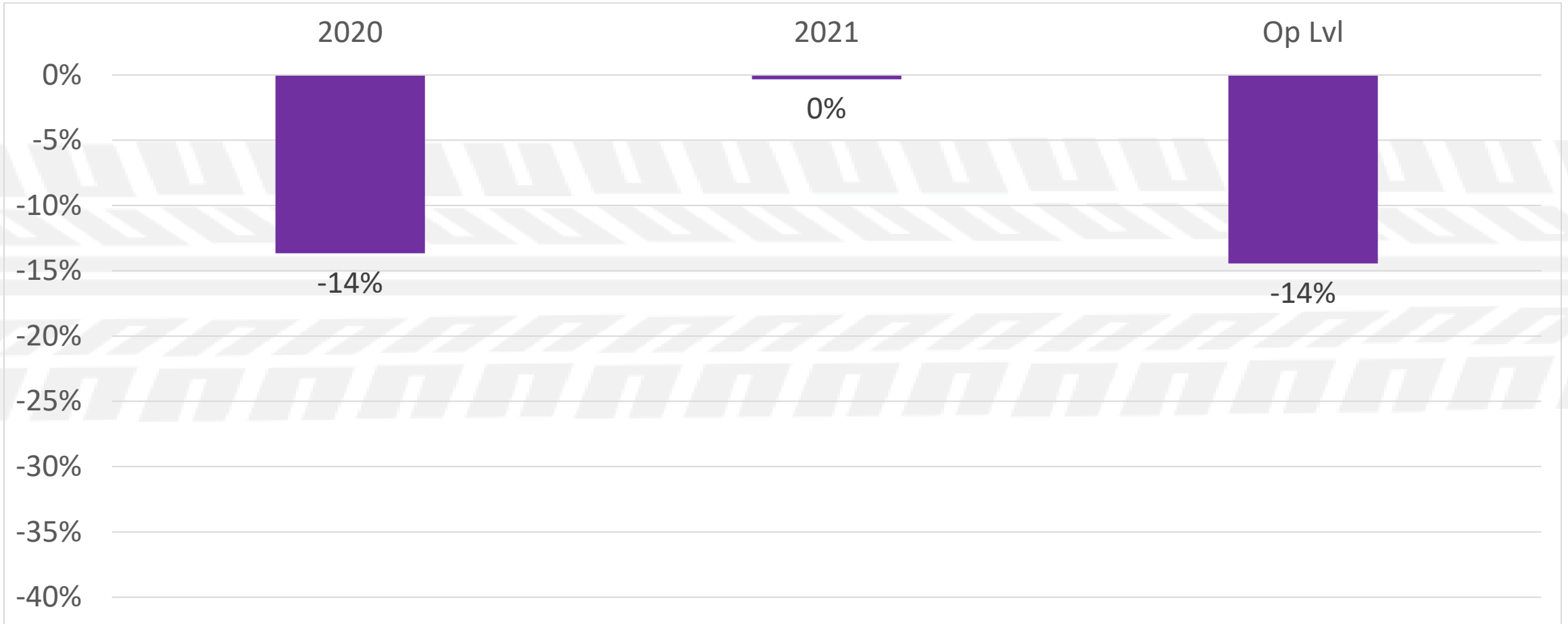
# Europe

2020 and 2021 business plan compared to **2019** and current operational level



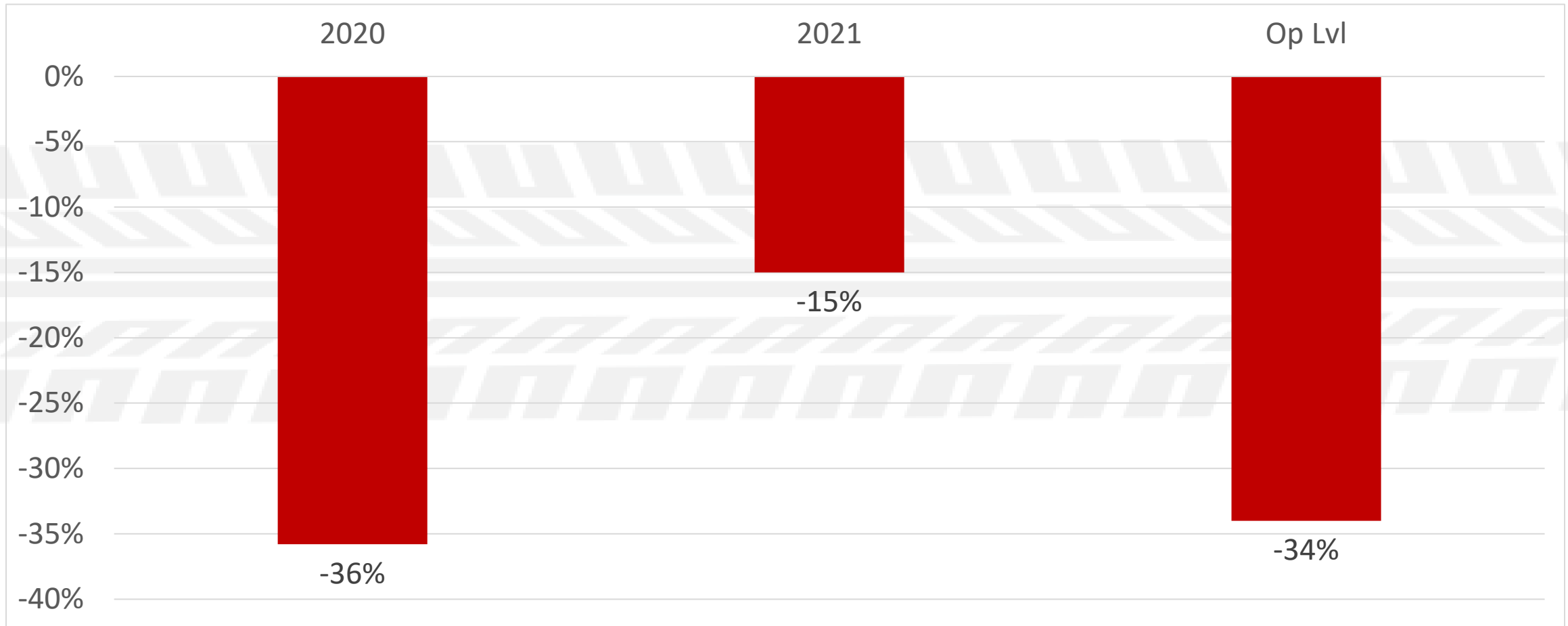
# China

2020 and 2021 business plan compared to **2019** and current operational level



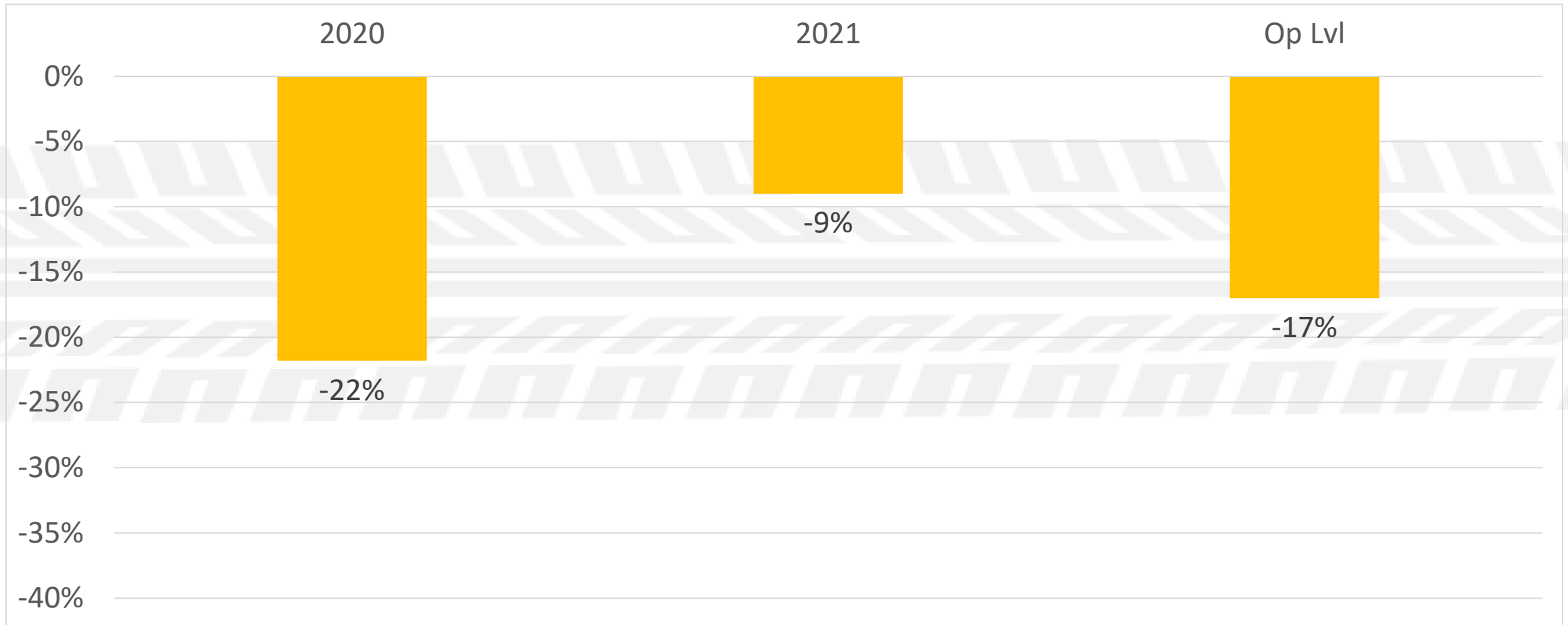
# India

2020 and 2021 business plan compared to **2019** and current operational level



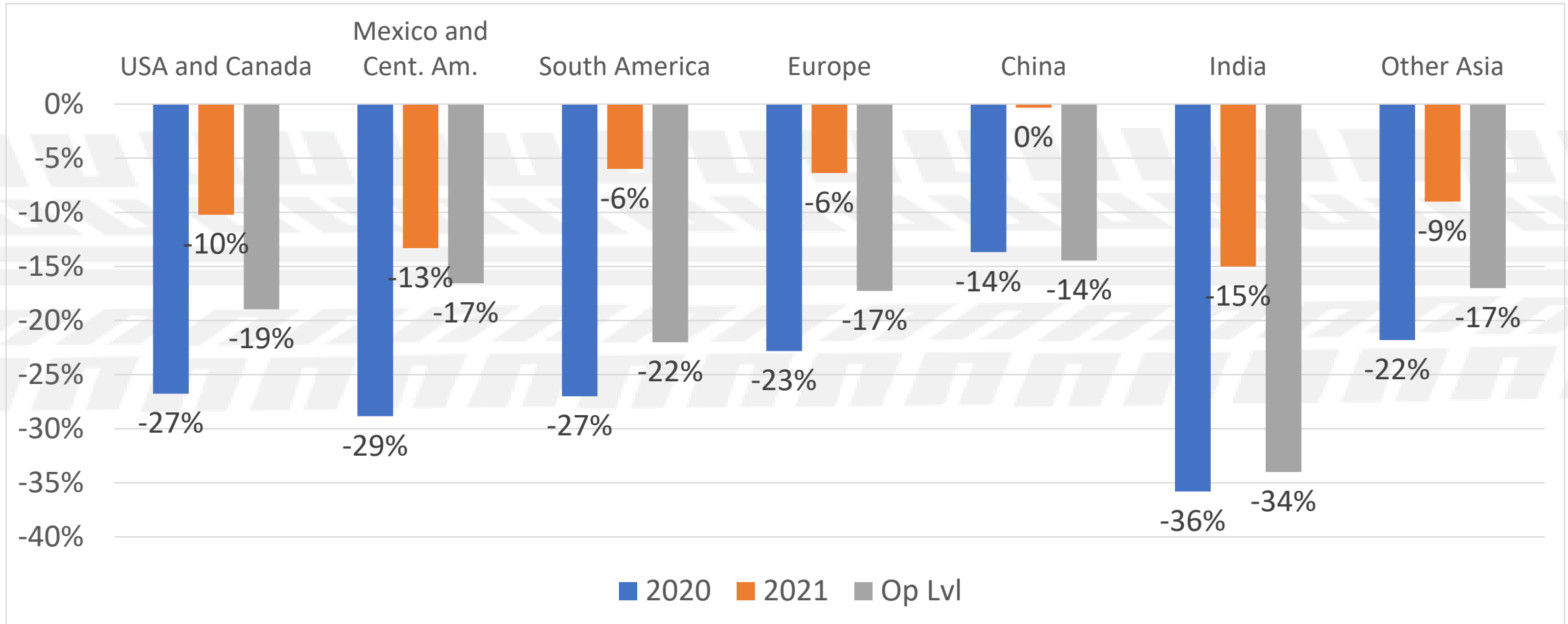
# Other Asia

2020 and 2021 business plan compared to **2019** and current operational level



# Global Summary

2020 and 2021 business plan compared to 2019 and current operational level



# Supplier Risks – USA & Canada

**What is the greatest challenge faced by your USA & Canada business?**

- “Lack of consistent demand and volume”
  - 10 similar comments related to forecasting
- “Finding plant employees to meet demand”
  - 4 similar comments related to hiring
- “Steel supply to meet production requirements”
  - 4 similar comments related to supply chain constraints
- “Accurate forecasts to support lead times”
  - 3 similar comments related to forecasting



# Supplier Risks – Global

## What is the greatest challenge faced by your [region] business?

- USA & Canada
  - The short- and long-term demand picture, forecasting, staffing, and supply chain disruptions
- Mexico and Central America
  - Poor political and economic environment, and supply chain challenges
- South America
  - Lack of information on business and health situation
- Europe
  - Concerns over OEM restarts
- China
  - Tariffs, rising international trade tensions, and continued supply chain disruptions
- India
  - The extent of COVID infections and the economic damage
- Other Asia
  - Lack of forecasts and reliable demand indicators





# Supplier Risks – Overall

**What is the greatest risk faced by your business related to COVID-19?**

- “Still forecasting!”
  - 5 similar comments related to forecasting
- “Employee safety and security to keep operations flowing”
  - 4 similar comments related to worker health and safety
- “A second lock down and stalling the economy”
  - 4 similar comments related to concerns of a second wave and its consequences
- “Losing that customer interaction and relationships”
  - 3 similar comments related to business communication



# HDMA Staff Contacts

## HDMA Staff

Timothy Kraus  
President & COO  
Office: (919) 406-8835  
Mobile: (919) 724-1735  
[tkraus@hdma.org](mailto:tkraus@hdma.org)  
[LinkedIn](#)

Beth Barkovich  
Executive Director, Membership Development  
Office: (919) 406-8831  
Mobile: (919) 599-8772  
[bbarkovich@hdma.org](mailto:bbarkovich@hdma.org)  
[LinkedIn](#)

Katelyn Litalien  
Director, Marketing & Member Services  
(919) 406-8848  
[klitalien@hdma.org](mailto:klitalien@hdma.org)

Ashley McLeod  
Manager, Meetings & Member Services  
(919) 406-8803  
[amcleod@hdma.org](mailto:amcleod@hdma.org)

Caterina Pontoriero  
Manager, Marketing Communications &  
Member Engagement  
(919) 406-8828  
[cpontoriero@hdma.org](mailto:cpontoriero@hdma.org)

Richard Anderson  
Director, Market Research  
(919) 406-8875  
[randerson@hdma.org](mailto:randerson@hdma.org)

## MEMA Staff

Bill Long  
President & CEO  
[blong@mema.org](mailto:blong@mema.org)

Ann Wilson  
Senior Vice President, Government Affairs  
[awilson@mema.org](mailto:awilson@mema.org)

Catherine Boland  
Vice President, Legislative Affairs  
[cboland@mema.org](mailto:cboland@mema.org)

Leigh Merino – RAC  
Executive Director, Regulatory Affairs  
[lmerino@mema.org](mailto:lmerino@mema.org)

Laurie Holmes  
Senior Director, Environmental Policy  
[lholmes@mema.org](mailto:lholmes@mema.org)

Brian Daugherty  
CTO, MEMA (for HDMA and OESA)  
[bdaugherty@mema.org](mailto:bdaugherty@mema.org)

