



Navigating through CUSMA for Automotive industry executives

Prepared for Automotive Parts Manufacturing
Association (APMA) Members
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Agenda



**Introductions &
opening remarks**
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**Realities today:
CUSMA factors**



**Strategies to
handle CUSMA
changes**



Q&A

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Realities of business today

2020 as introduced numerous business challenges

The pace of change

Quick implementation of CUSMA, US Tax Reform, US Election, COVID-19, Boards are expecting management to have a more controlling handle on trade and supply chains because of the potential negative impact if off side

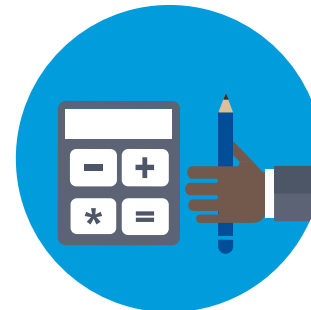


Shortage of talent and labour stresses

COVID-19, CUSMA Labour Value Content; trade is more complex yet few companies have in-house talent in this area

Increased World Trade Organization cases

Possible US Section 232 tariffs on Canadian steel and aluminum

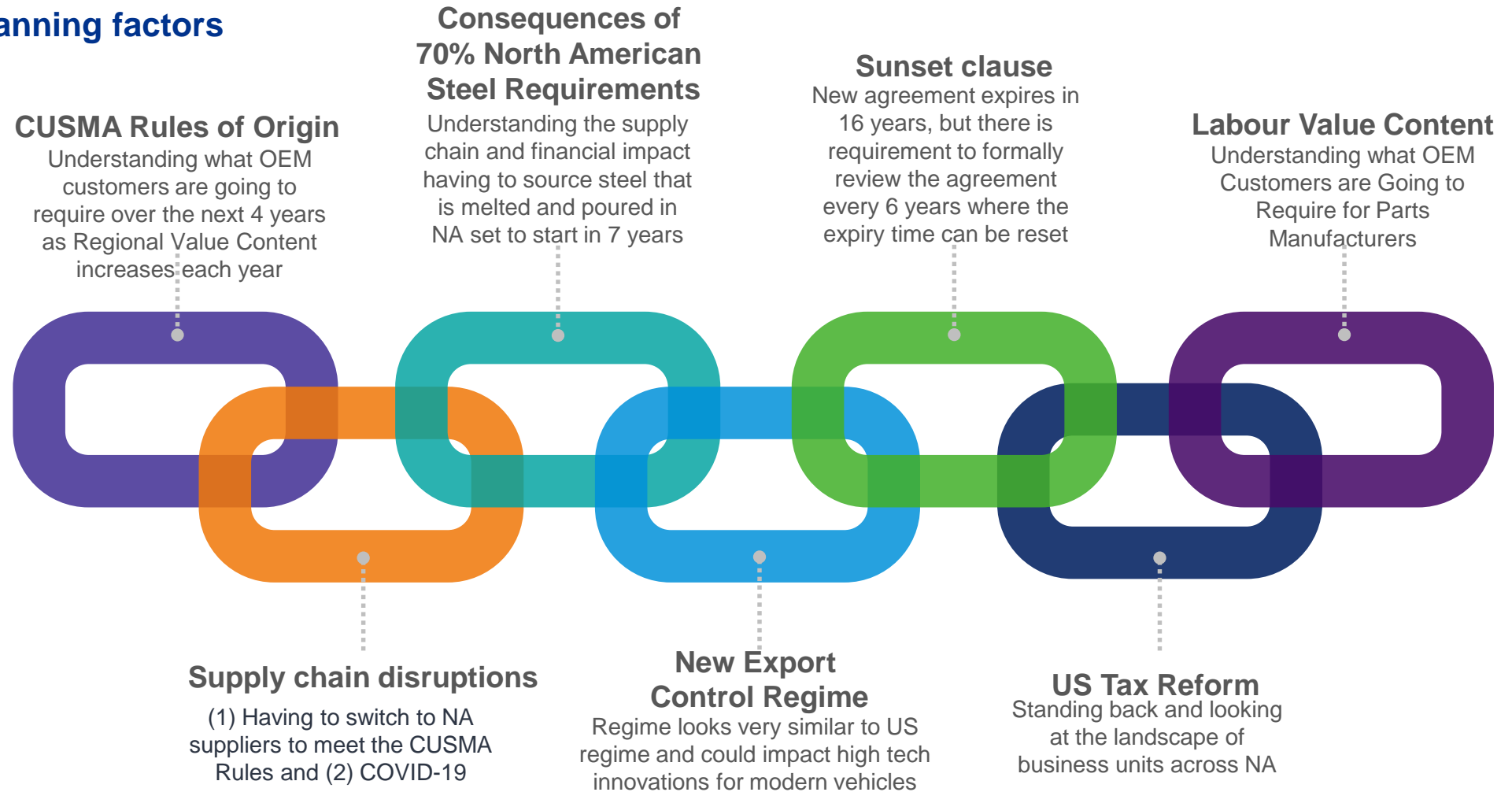


Impact of CUSMA on NA automotive industry

Increasing requirements for NA sourcing over the next 4 years in order to qualify for CUSMA, new Labour Value Content requirements for the first time.

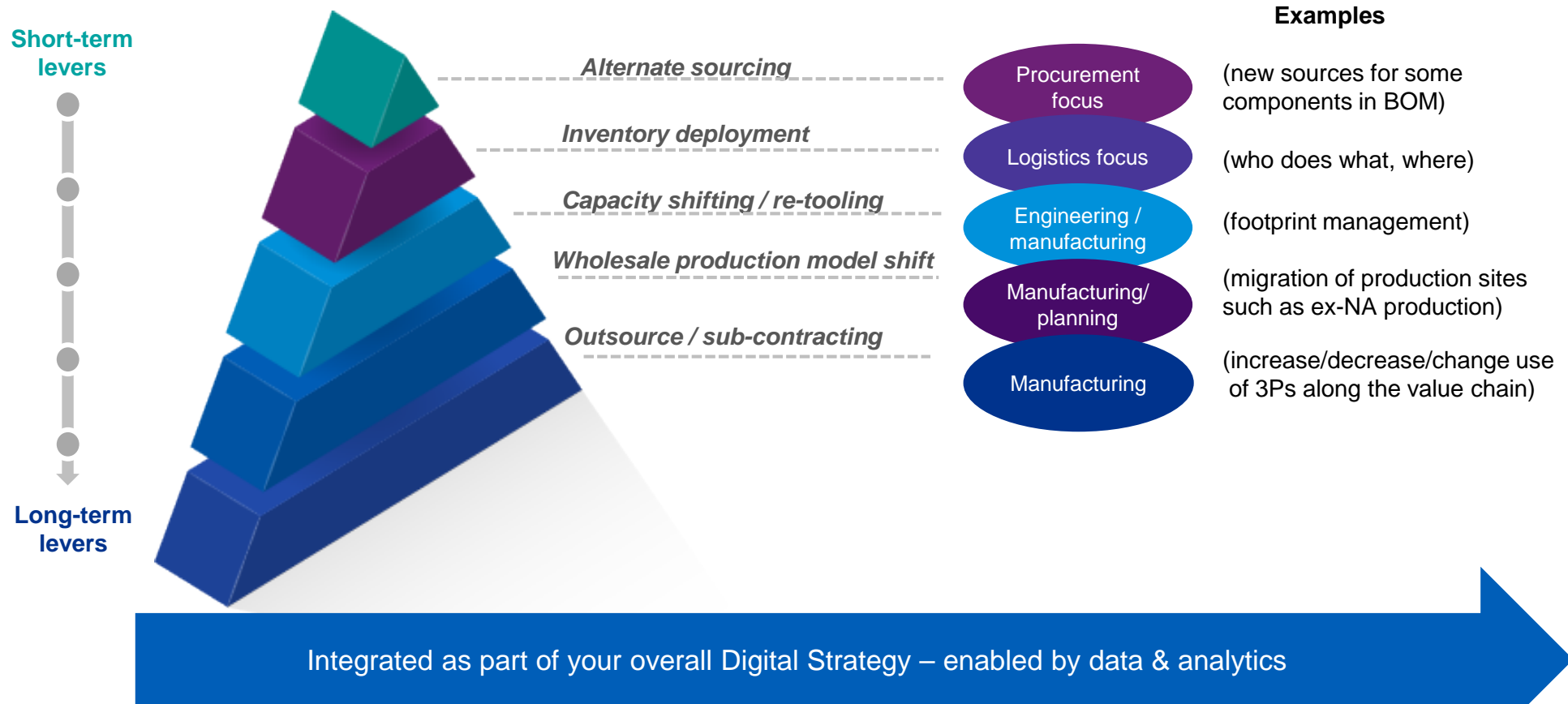
Key CUSMA planning factors

Scenario planning factors



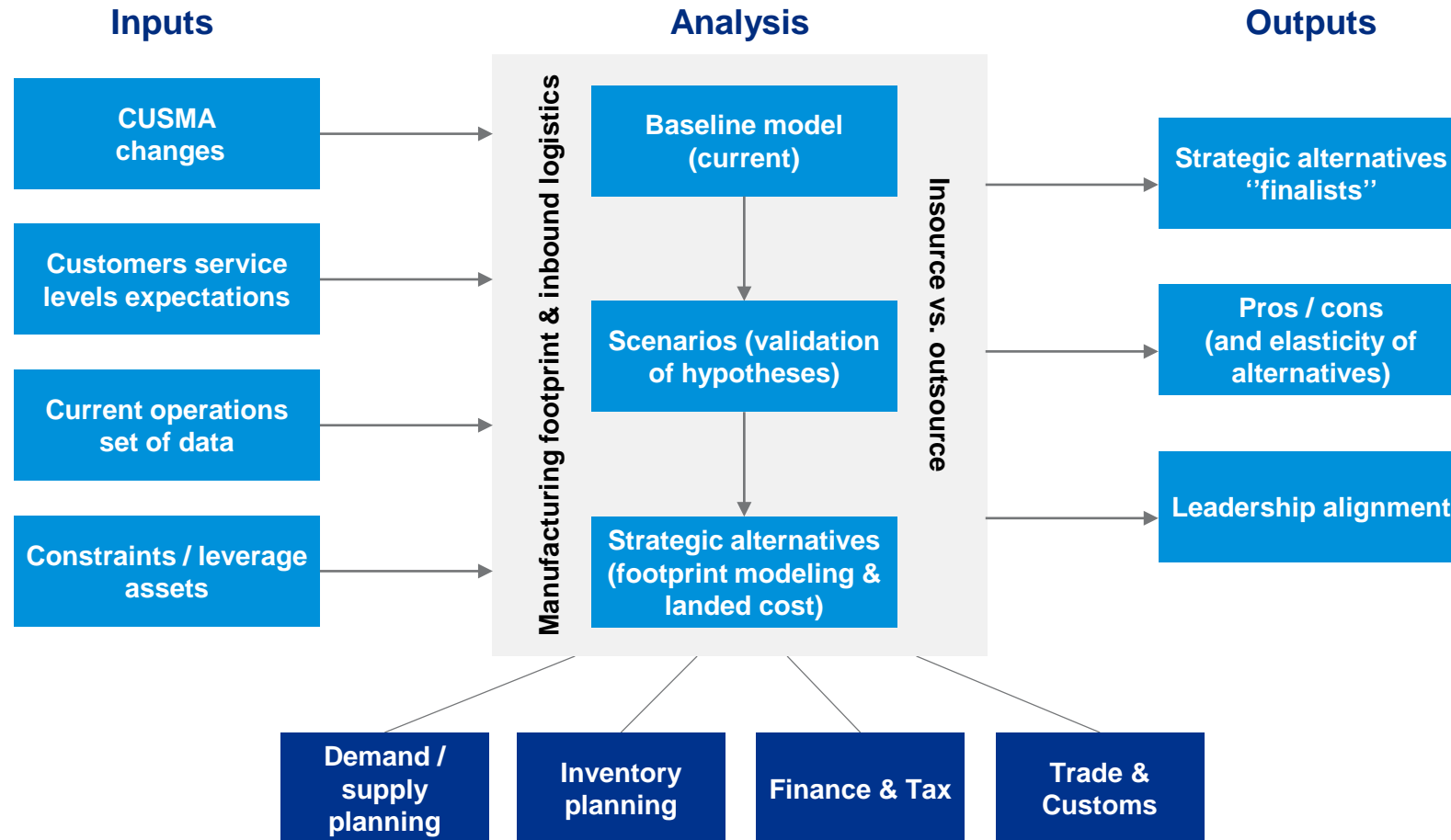
Various strategies to handle CUMSA changes

Various strategies may be employed to handle business model disruptions from changes in CUSMA



Comparing current model with alternatives

Impacts on production, inventory, distribution, duty and taxes





Thank you

Let's do this.





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