



Redefining ASAP

Logistics Ingenuity

...staying professional, resilient and creative in times of complexity.

Mauricio Alcocer - Mexico Sales Manager

Main Objectives

1

Addressing
the immediate
challenge.

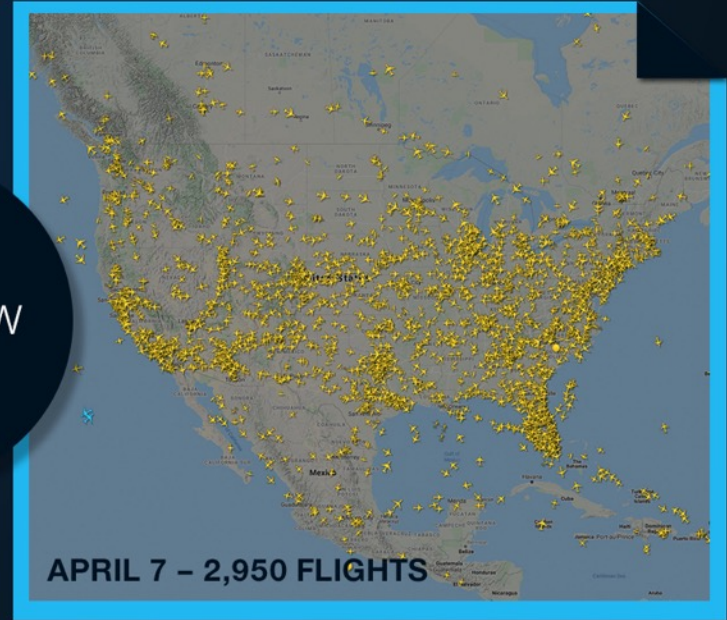
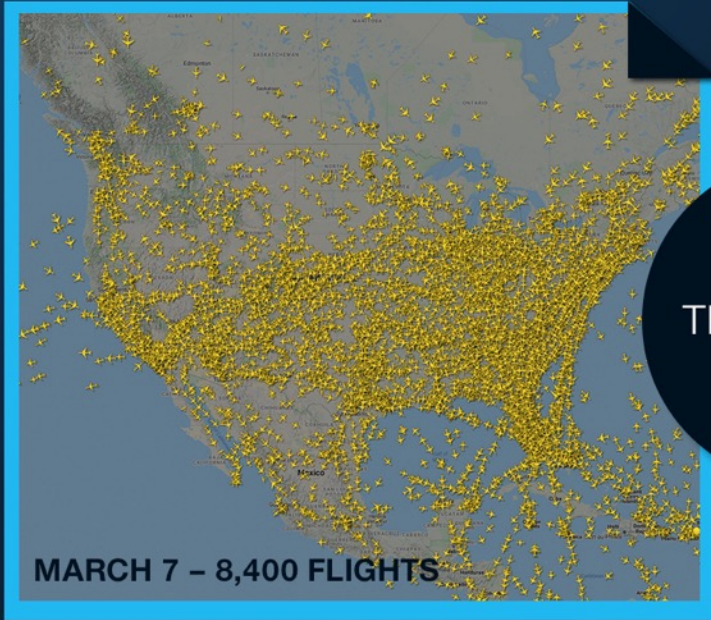
2

New supply chain
model for USMCA.

3

Reviewing CNW's
proposal.

Air traffic across North America



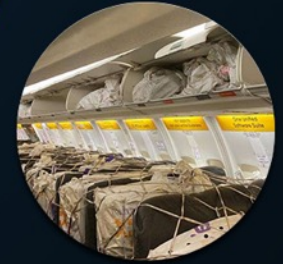
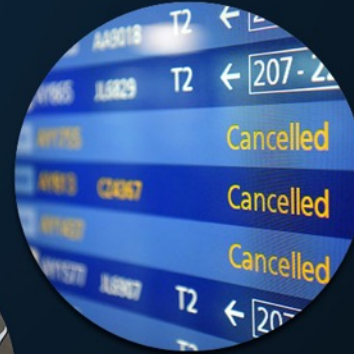
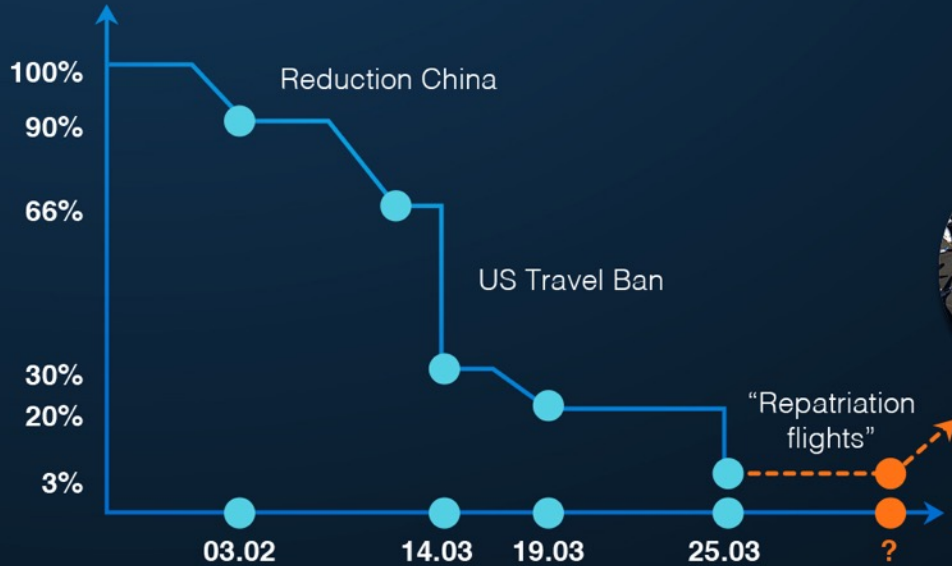
A VISUAL SNAPSHOT
AIR TRAFFIC **ACROSS NORTH AMERICA** IS CURRENTLY WEATHERING THE CRISIS.

The United States will temporarily limit inbound land border crossings from Canada and Mexico to "essential travel".

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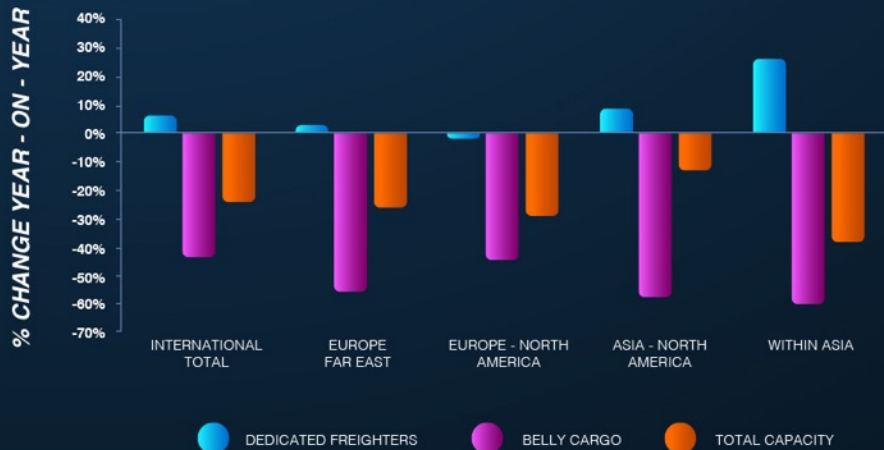
Air Cargo operations vital to keep supply chains running



Sever Air Cargo Capacity Crunch due to COVID -19

MARCH 2020

CAPACITY IN AIR CARGO, AVAILABLE CARGO TONNE KILOMETERS



Global demand: - **15.2%**

Global capacity: - **22.7%**

Belly capacity for international air cargo: - **43.7%**

Belly capacity decreased by **97%**

Source: IATA

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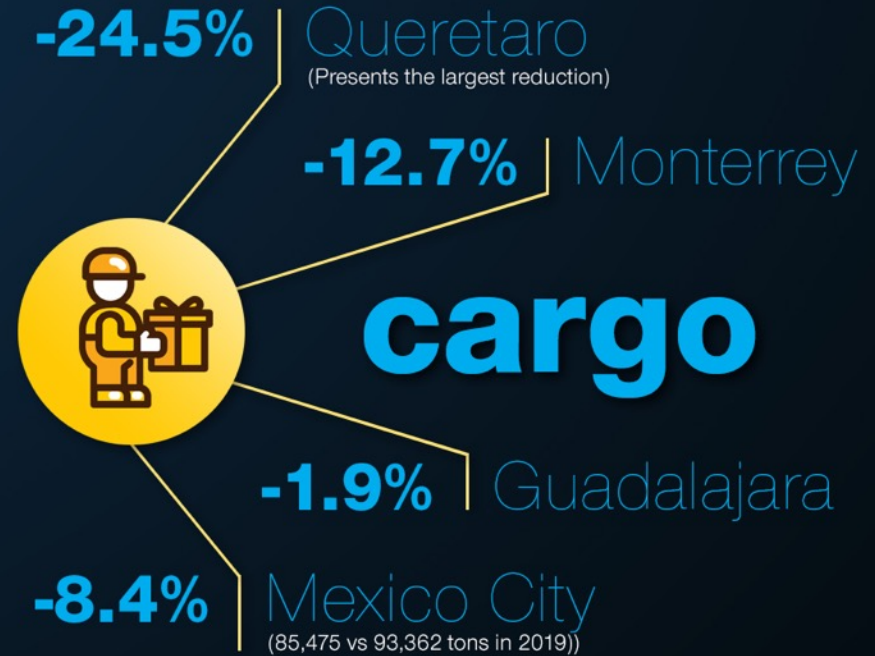
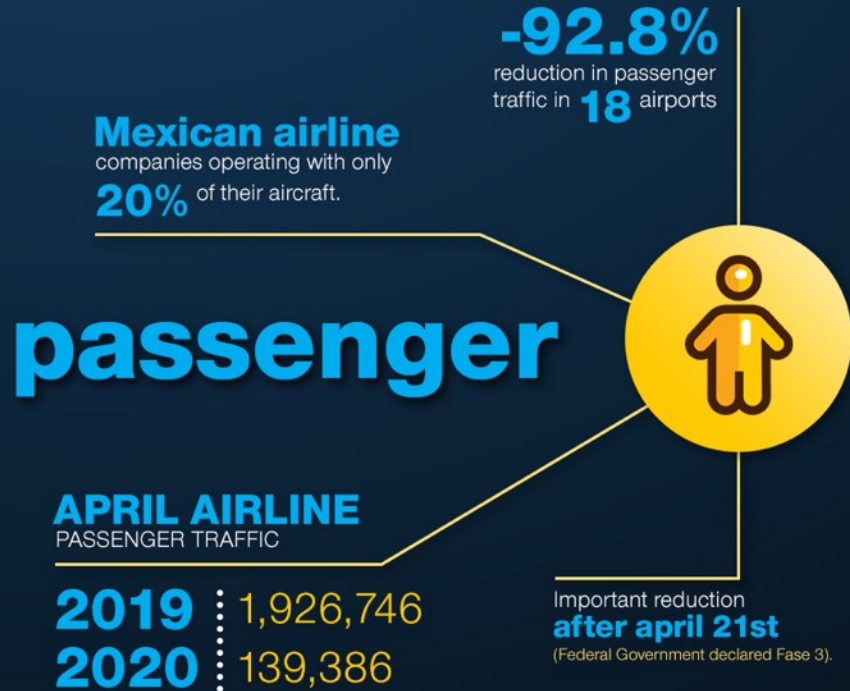
Airline behavior



* Source: IATA

Impact on Mexico's Air Traffic

* Source: IATA (Q1 - 2020)



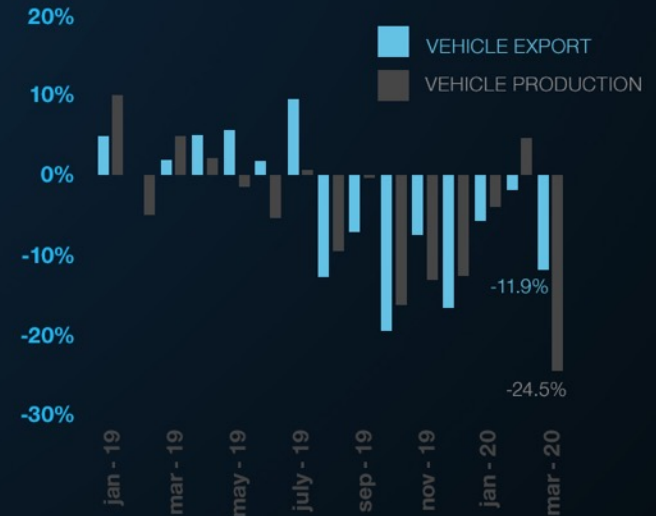
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Mexico's Automotive Industry – TODAY.



AUTOMOTIVE SECTION ANNUAL PERCENT VARIATION

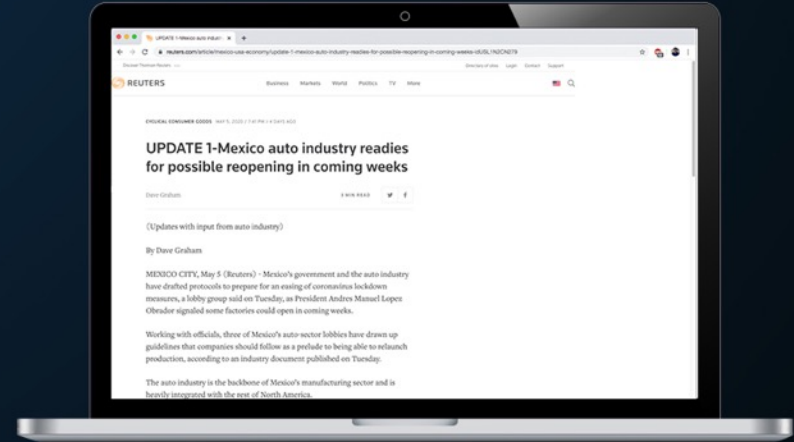
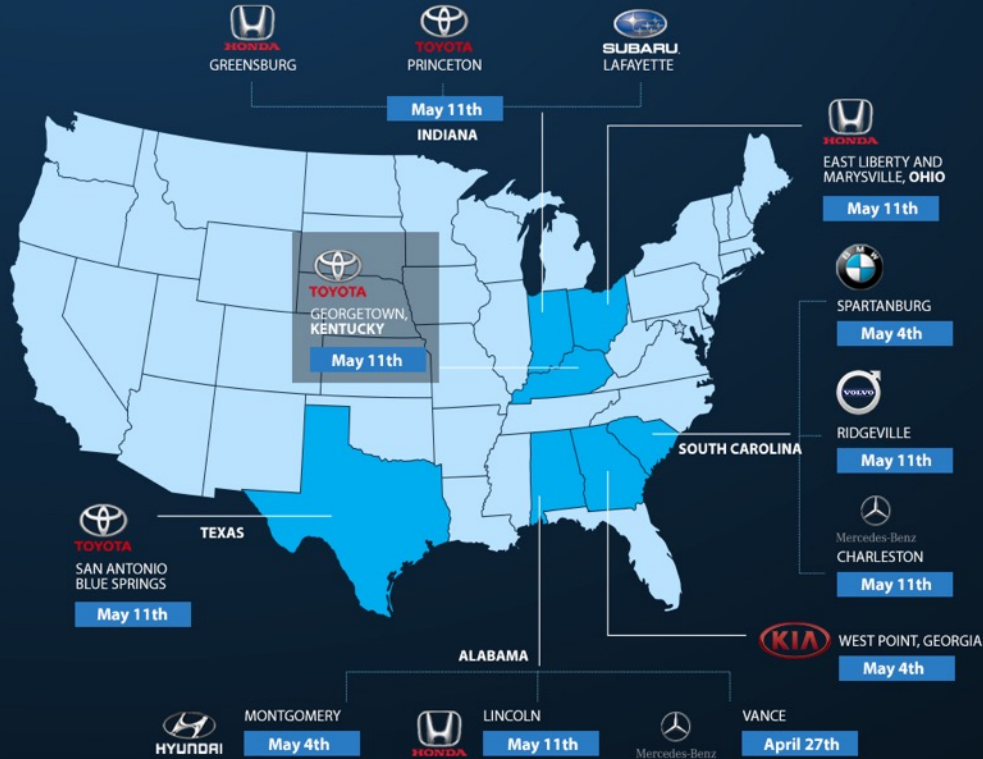


* SOURCE: MEXICAN AUTO INDUSTRY ASSOCIATION (AMIA).

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Reopening



Source: Empresas Automotrices / El Economista

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Reopening in Mexico



Source: Politico.mx, Gobierno de México y Secretaría de Salud

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USMCA - What has changed?

FIVE FACTS

UNITED STATES-MEXICO-CANADA AGREEMENT (**USMCA**).



MEXICO

US PRIMARY TRADING PARTNER, ACCORDING TO QUARTZ. IN THE FIRST HALF OF 2019, \$309 BILLION WORTH OF GOODS CROSSED THE BORDER IN BOTH DIRECTIONS.



USMCA

WILL HAVE A PROFOUND IMPACT ON THE AUTO INDUSTRY; THE AGREEMENT CALLS FOR AN INTEGRATED SUPPLY CHAIN, WITH INCENTIVES TO USE NORTH AMERICAN PARTS FOR CARS.



UNLIKE

THE ORIGINAL NAFTA, USMCA ACKNOWLEDGE THE ROLE THE INTERNET HAS ON SOCIETY AND ATTEMPTS TO REGULATE DIGITAL COMMERCE BETWEEN THE THREE COUNTRIES.



CONCESSIONS

NEEDED TO BE MADE, ENSURING FACTORIES IN MEXICO WILL BE INSPECTED AND SUPPORTING AGREEMENTS ON NEW LABOR LAWS IN MEXICO.



THE AGREEMENT

IS SCHEDULED TO COME INTO EFFECT ON JULY 1, 2020

USMCA - What has changed?



Average hourly wages, auto industry

Source / Center for Automotive Research, "Review of current NAFTA proposals and potential impacts on the North American automotive industry,"

April 2018. George Petras / USA TODAY

Instead of the **62.5 percent North American content hurdle in NAFTA**, the USMCA sets forth a Regional Value Content (RVC), now of 75%, threshold for vehicles and three categories of automotive parts: core, principal, and complementary.

There is a **new RVC for North American steel and aluminum content and a new labor value content (LVC)** rule that states that 40 percent of a passenger vehicle and 45 percent of a pickup or cargo vehicle must be made by **hourly workers who earn a wage of USD 16/hour or more**. Automakers can earn up to 10 percent credit toward the LVC from R&D and information technology work done in the region where the production takes place, and a 5 percent credit toward the LVC for assembling the vehicle in a high-wage region in North America.

Automotive Industry Development

- ✔ Experts in Automotive Supply Chain Logistics.
- ✔ **NFO, OBC and Charter Services.**
- ✔ Critical parts delivered within Hours.
- ✔ Serving Tier 1 and OEMs.
- ✔ Understand the time sensitive nature of **production demands.**



Our team

- **24/7** Availability to fully operate for you.
- **Worldwide** team specialized on the automotive spot market.
- **Fast response** time - price and solution within 30 min.
- **Tailor made solutions**, customer service and tracking.
- **Fastest transport** at competitive prices.
- **“Out of the box”** solutions.



QUALITY & ASSURANCE



PARTNER
AUDITING



24/7 AIRLINE
RELATIONS TEAM



QUALITY ASSURANCE
MANAGERS



POST MORTEM &
CORRECTIVE ACTION
PROCEDURES



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Global Coverage



● **24/7** Control Towers

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CNW's Answer



Even if flight is canceled, ***we will find you an alternative route***, no matter the time or day.



We provide time critical forwarding.

We will look for the fastest solution no matter the circumstances.



24/7/365 + 34 years of experience.

We are always available for you with outstanding customer support.



Hand Carry / On Board Courier has stopped operating during Covid-19.

Concentrating efforts on **NFO solutions.**



Although prices have increased dramatically, we are committed to find the **best solution in the market.**

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Brief

Assume **strong business leadership**
to face **new world** demands.

Be **flexible.**

Be **committed.**

Be **innovative.**

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Thank you

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