August 14, 2020

**Rebound underway: Teamwork key to success**

(Windsor, Ontario). Diversification plans are on the agenda as many manufacturers rebound from the initial shock of the COVID-19 pandemic.

Exploring opportunities in new industry sectors, like medical equipment, other segments of the automotive industry, aerospace & food & beverage, was listed as a priority, along with new export markets, like Mexico and South America, from the latest survey of Canadian Association of Moldmakers (CAMM) and Automate Canada.

“We know our industry is resilient,” says CAMM Board Chair Mike Bilton. “We were hit hard but, we were ready with a strong team on our board, with Automate Canada and with our local economic development organization. Many of our members are still struggling, some are rebounding, and some are thriving. We now are looking ahead to ensure we get back on track even stronger, by applying what we’ve learned to date.”

In our recent survey, the top concerns for manufacturing are border restrictions and a return to profitability given pressures from a weakening economy. A recent webinar held in partnership with the Windsor Essex Economic Development Corporation, attracted over 100 attendees from the industrial automation and moldmaking, sectors, providing valuable information on border issues from representatives of the Canada Border Services Agency (CBSA).

“By working with community and industry partners we’ve pulled together some amazing webinars, information sharing sessions, and will now look ahead to how best to advocate for our members”, says Bilton.

In the monthly survey of moldmakers & industrial automation companies by Automate Canada and CAMM, 80% of manufacturers have begun planning for a predicted “second wave” of COVID-19 and are focusing on improving profitability.

“Our survey program has allowed us to be the voice for our industries, reporting concerns and needs to all levels of government,” notes Shelley Fellows, Chair of Automate Canada. “The information provided to us has been invaluable in shaping our responses to this crisis”.

Providing essential services for the Canadian economy, manufacturers initial halted or slowed operations and laid off large numbers of employees, using government programs like the Canada Emergency Wage Subsidy (CEWS) to preserve employee numbers and protect cash flow.

Six months in to this crisis, manufacturers have resumed operations, returned employees to the workplace and have focused on planning for doing business in a greatly altered landscape, with access to their most important export market – the United States – hampered due to border closures.

A milestone was achieved in the August survey results with 100% of companies reporting that they had resumed operations. The number of employees on temporary layoff also dropped to a six-month low and the number of employees on furlough dropped precipitously from an average of 400 each month to under 20.

CAMM and Automate Canada leadership continue to meet regularly including meeting twice weekly as part of the Windsor Essex Regional Economic Task force.

Automate Canada and (CAMM) conducted surveys of the mold, tool, die & industrial automation sectors in Canada weekly in March, April & May, and will continue monthly surveys throughout the remainder of this year. They are connecting with essential businesses vital to restarting Canada’s economic engine.

**The results, attached, are from the August 7th week of surveys from the Canadian Association of Moldmakers (CAMM) & Automate Canada.**

CAMM and Automate Canada have been assisted in the distribution of each week’s survey by the Canadian Tooling & Machining Association (CTMA).

FACT SHEET

Responses this week were primarily from the Southwestern Ontario region, which has a significant manufacturing, moldmaking and industrial automation cluster.

Key Points:

* Our respondents reported having 70 employees on temporary layoff, a big decrease from what we saw in July.
* We saw a big drop in the number of employees on furlough this month - from 329 in July to 19 in August.
* The US recently announced tariffs on Canadian aluminum imports, so we wanted to know if this was going to affect our manufacturers.  This is a very recent announcement, so almost one third said they didn’t know what the impact will be yet.  However, 12% said that the tariffs will have “significant negative impact” on their business.
* This is the first month that no respondents reported being completely shut down.
* Most manufacturers are looking to new market sectors for diversification, as opposed to new export markets.  Mexico is the most popular of the export markets, while diversifying to other areas of the automotive industry and medical equipment/device manufacturing were the most popular types of manufacturing.
* There are predictions of a second wave of COVID-19 infections later this year.  We wanted to know how much planning has been done to prepare for this possibility.  80% of respondents have a plan in place.

***CAMM is a not-for-profit industry driven association focusing on the Canadian mold making sector of Canada. Automate Canada is a not-for-profit industry driven association focusing on the industrial automation and advanced manufacturing technology sectors of Canada. Both are based in Windsor, Ontario and are affiliated with the Auto Parts Manufacturers Association (APMA) in Canada and Automation Alley in Michigan, USA.***

***Automate Canada and CAMM are proud to support Rapid Response Platform (RRP), an instant visibility matching platform that connects supply and demand of COVID-19 related supplies, such as input materials and end products for PPE. Find out more about this initiative which has received broad Canadian industry support, and participate by posting your needs or supplies at***[***http://rrpcanada.org***](http://rrpcanada.org/)

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