

The Source

A weekly newsletter for members of the
Electronic Components Industry Association.



Wednesday, June 5, 2019

Upcoming Events

Women in Electronics Chapter Meetings

San Diego

June 5

New England

June 7

Orange County

June 17

Women in Electronics Annual Leadership Conference

September 10-12

San Diego, CA

Executive Conference

October 20-22

Rosemont, IL

Weekly Economic Trends National Association of Manufacturers

Chief economist Chad Moutray provides weekly analysis of key U.S. government economic data and manufacturing industry trends in the **06/03** Monday Economic Report.

Key Links

www.ecianow.org

www.ECIAauthorized.com



Analysis of the US / China Escalating Trade War and Its Impact on the Electronics Components Supply Chain



Dale Ford
Chief Analyst

Immediate Impact Seen in the First Nine Months

The relatively stable global trade environment of the last two decades has been upended over the last 18 months as the US has engaged in aggressive actions that the Trump administration feels are necessary to address major trade imbalances and inequities. Every sector of the US economy has been

impacted by the US / China trade conflict with tariffs imposed or to be imposed by the US on over 10,600 products imported from China representing \$550 billion in value.

The US electronics and electronics components industries were some of the first to be impacted by this trade war. The first two tariff lists enacted in July and August 2018 resulted in tariffs on \$50 billion in Chinese products. Out of the list of products from China with new tariffs, total electronics components represented \$9.4 billion, 19 percent of the total value of products with new tariffs. Virtually all electronics components were included in the first two lists with only a relative handful of electronics products added in the next two lists that will result in tariffs on all Chinese imports.

The full ECIA Executive Analysis provides figures and tables detailing the imports of electronics components from China to the US along with analysis of the varying impact on different component families. The monthly shipments and change in value are presented and the dramatic change from the start of the imposition of tariffs can be seen. The recent US action against Huawei Technology is also analyzed. Finally, recommendations are presented to provide guidance to participants in the electronics components supply chain as they manage the challenges presented by the US / China trade conflict.

To see the full ECIA Executive Analysis, members should login to "My ECIA" and go to the Knowledge Center, [Industry Market Trends](#).

Mexico



In his April report, Dale looked at geopolitical issues that became a major risk factor with direct impact on the electronics and electronics components supply chain. From tariffs imposed on goods from China to closing the Mexican border, the electronic components industry is impacted in a variety of ways.

As a close trading partner, Mexico has developed a strong synergy with the US in the electronics industry. Threats to this partnership need to be understood and quantified as executives across the electronics industry manage their supply chain risks.



The U.S. and Mexico are major trading partners in electronics components. Supply chain concerns need to address the flow of products in both directions across the border. Dale provides an analysis of the value of those goods. Of particular interest is the effect of trade policies on the automotive industry - these imports to the US from Mexico have been identified as significant pain points in border negotiations.

Market Data Reports Updated



Members may access the following reports and Executive Summaries, updated last week. In most cases, only participants may access the full reports.

DTAM, European Distribution Trade Statistics - IDEA Statistics Q1 2019 and AFDEC Statistics April 2019

Login to My ECIA and look in the Knowledge Center, Global Sales and Bookings Reports.

ECIA's GIPC Adds Another Member To The Committee



ECIA's Global Industry Practices Committee (GIPC) is pleased to welcome Russ Dzielak of Phoenix Contact. Russ has been involved with ECIA committee work for a number of years. We are excited to have him on board and appreciate the industry acumen he brings to the program.

Russ currently holds the position Director of Channel & Key Accounts at Phoenix Contact. Based in Harrisburg PA, he is responsible for managing the North

American electronic component channel team as well as the global key account and EMS account management teams within the electronics business area known as Device Connectors.

Russ has split his twenty-two year career between TE Connectivity and Phoenix Contact, holding multiple sales, marketing, product management and leadership roles. This diverse working background coupled with experience in managing and working with international teams has given Russ unique insight into the needs and capabilities of today's global electronic component manufacturers, distributors, and customer base.

The Global Industry Practices Committee ([GIPC](#)) provides a forum to develop and discuss processes in the authorized channel that drive best practices within our industry.

Did You Know?

ECIA's Executive Conference Sponsorships Available to Members



Sponsor support of this premiere industry conference ensures that attendees receive an exceptional opportunity to connect with peers while learning from thought leaders on topics of importance to their business. Thank you to these generous sponsors for their support!

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[Click here](#) for complete details or contact [Debbie Conyers](#).



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