



Electronic Components Industry Association

CONTACT: Jennifer Read
678-393-9990
jread@ecianow.org

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ECIA Issues Position Paper on Automotive Semiconductor Shortage

Atlanta – The ECIA has posted a document titled, “The Automotive Semiconductor Shortage – an Accident Waiting to Happen?” which sheds light on some of the reasons for the disruptions in automobile manufacturing globally that have been widely reported recently. ECIA’s President and CEO David Loftus, author of the paper, explained, “For the past several decades, the automotive manufacturing industry has driven one of the leanest and most demanding supply chains in the world, especially for electronics. Just-in-time manufacturing works great in a steady state environment. Unfortunately, with long lead-time items like semiconductors, when demand is volatile, as it has been in the past 12 months, the accompanying supply chain cannot react instantaneously.”

Fortunately, there are solutions that should become more essential once the current crisis has abated. “Products that have longer lead-times and large production lot sizes, like semiconductors, need distribution for efficient buffering between the manufacturers and end customers. Clearly, the answer from the electronics industry for high-mix low-volume customers like those in the automotive industry is the Authorized Channel for electronics distribution,” Loftus continued. “Supplier-authorized distributors are logistics experts that can aggregate volumes over many customers, efficiently holding and shipping inventory as needed to the broad electronics customer base.”

The entire document can be accessed [on the ECIA website](#).

About ECIA

The Electronic Components Industry Association (ECIA) is made up of the leading electronic component manufacturers, their manufacturer representatives and authorized distributors. ECIA members share a common goal of promoting and improving the business environment for the authorized sale of electronic components. Comprised of a broad array of leaders and professionals representing all phases of the electronics components supply chain, ECIA is where business optimization, product authentication and industry advocacy come together. ECIA members develop industry guidelines and technical standards, as well as generate critical business intelligence. For more information, visit www.ecianow.org or call 678-393-9990.