SURVEY SYNOPSIS

March 2020

Coronavirus Survey – Update 2

Results of Manufacturer & Distributor Survey Ended Mar 6, 2020

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Introduction

As the impact of the Coronavirus continues to grow in China and around the world there is a need to provide visibility on how this crisis is impacting the electronics components industry and the supply chain. (See Figure 1) In order to provide important visibility, ECIA has been conducting surveys of member manufacturing and distributor companies to gain an understanding of this fluid situation. ECIA published the results of the first survey which ended February 7, 2020 in a report released on February 11th. ECIA conducted a second survey which concluded February 21, 2020 and was published February 24, 2020.

This most recent survey was conducted between Monday, March 2nd and Friday, March 6th. To this point, it appears that the largest number of companies with visibility on the supply chain expect the impact of the crisis to be moderate and the disruption to last somewhere between the end of April and the end of May. However, it appears that lead times are expected to increase on average between 2 to 3 weeks for electronics components. The results for this third survey are presented in this report update.

The data presented here is based on the aggregated results of the survey. It was necessary to combine the results from the distributor and manufacturer surveys to capture enough data to provide valid results.

At this time, the virus continues to spread around the world and the growth of new cases beyond China is accelerating, especially in South Korea, Italy and Iran. However, the spread of the virus is truly global at this point and the impact has pushed financial markets into dramatic declines and volatility. Reports indicate that factories in China are returning to normal levels and workers are returning. Unfortunately, the spread of the virus has triggered panic on many levels around the world and this has exacerbated the crisis. Therefore, ECIA plans to conduct a fourth survey at an appropriate time depending on continued developments. ECIA members are encouraged to support this survey in order to enhance industry understanding of impact of the Coronavirus on the electronics components supply chain.

Detailed data by component type is provided for the major categories of:

- Electro-Mechanical
- Passives
- Semiconductors

A top-level average of each of these categories is provided in the overview at the beginning of the report.

Figure 1 – Wuhan Coronavirus (2019-nCoV) Global Cases

The following link provides access to this application that provides live updates on the spread of the Coronavirus - [“Wuhan Coronavirus (2019-nCoV) Global Cases”]

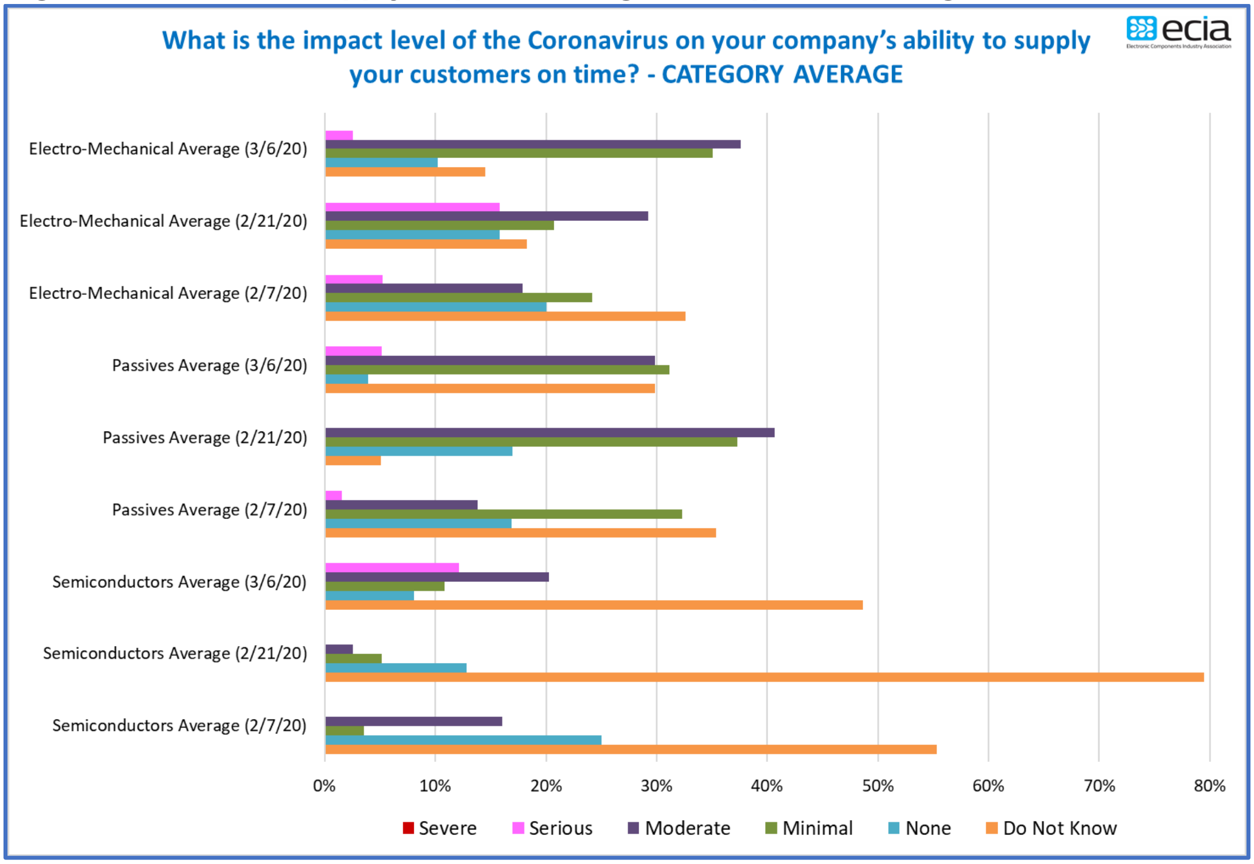
Top Level Averages

Even though the industry has previous experience with the disruptive SARS epidemic, the regional distribution of electronics production and structure of supply chains has changed significantly in the intervening years. In this most recent survey, more respondents were able to share that they were gaining visibility on the impact of this crisis on their supply chains. Encouragingly, in the Electro-Mechanical and Passive segments the anticipated impact continues to be moderate in most cases. However, the impact is expected to add 2 to 3 weeks lead time to component supplies.

The semiconductor industry continues to struggle with the poorest visibility.

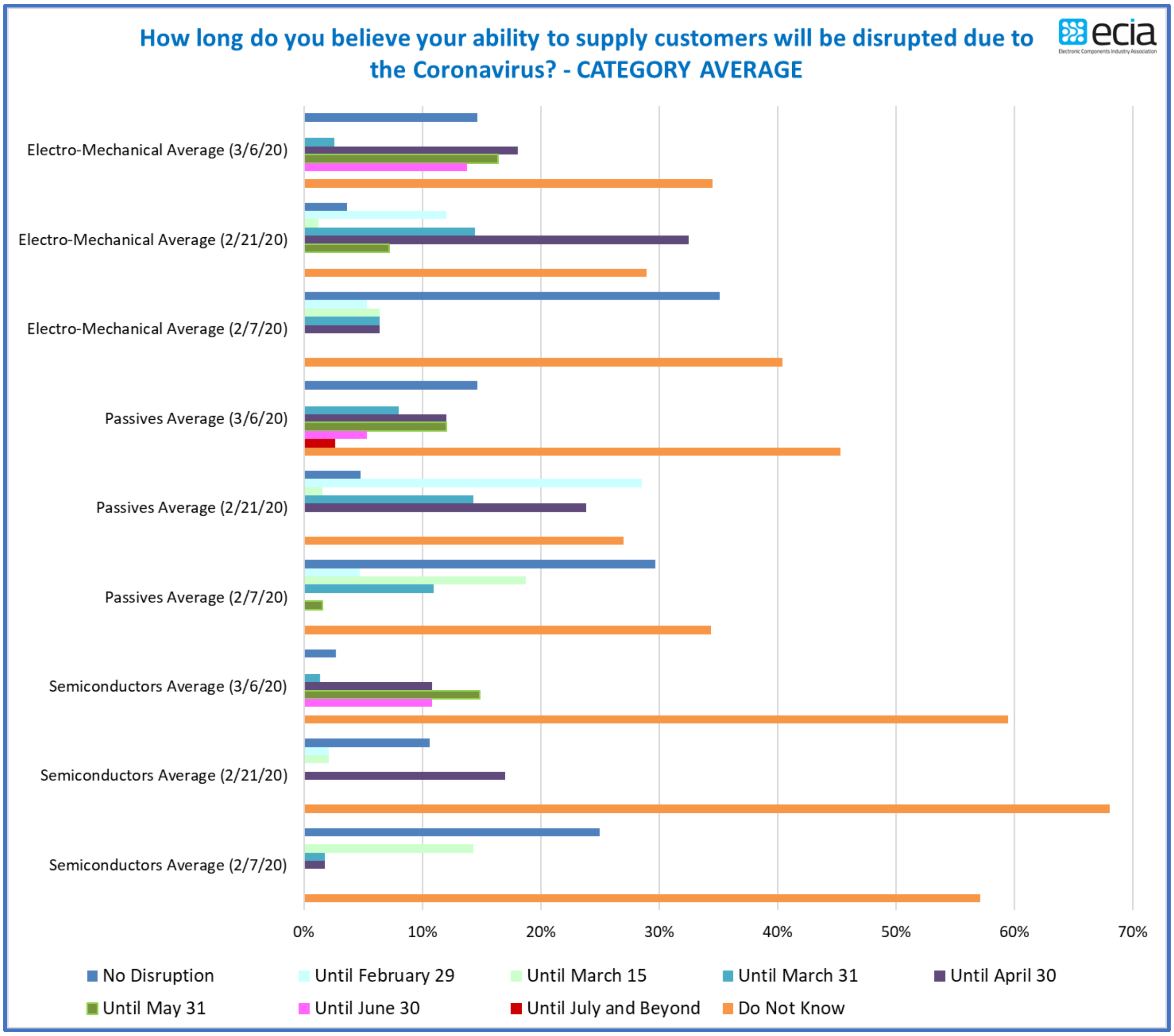
Analysis of the survey results points to the need for continued research as companies continue to improve their understanding of how the Coronavirus is/will impact their supply chains.

Figure 2 – On Time Supply Impact Average on Top Level Categories



Source: ECIA

Figure 3 – Supply Disruption Recovery Average on Top Level Categories



Source: ECIA