

Canadian Association of Mould Makers

2000 Talbot Road West, Box #16
Windsor Ontario, N9A 6SA



Dear, Board of Directors, Advisors and Members,

Subject: Executive Summary for the First Quarter of 2018

Date: 29/03/2018

The last three months for mould makers have been strong but some signs of softening and coming off strong 5 quarters. Our expectations are still a strong 2018 based on continued strength in the US economy and Automotive sector. The US shops are spotty busy and slow, and we are getting reports that our European counter parts are also starting get busy and sustained strength. The auto industry experts are predicting strength into 2018, although a divergence between optimistic auto analysis and Tier 1 pessimists. We are holding to our predictions that growth for 2018 but a slower and reduced expectations for 2019, 2020 for the mould industry. This is driven primarily by the auto industry cutting back investment in certain programs, and signs of slowing auto industry and mould makers are seeing declines in the next two year based on these forecasts. Auto Industry will have pull backs starting production years 2020 and declining numbers continuing into 2022

Influences that are still in play for the Mould Making industry:

-Skilled trade shortage still a factor and still worse in the Toronto area. The Windsor area unemployment is at record lows still at The Toronto area is looking to adopt some of the ideas that have helped in the skilled labour shortage in the Windsor/Essex and had their First Skilled trade summit. The event was held March 27th at Athena Moulding and development centre. The event was a great success. Thank Kim for your ongoing support and for organizing the first Skilled trades summit. St Anne's High school, St Joseph's and Kingsville High school are reopening the tech schools and CAMM is actively working with all the school boards to start Tech academies to promote the skilled trades.

-Labour reform in Ontario, which includes two new bills and the increase in min. wage is causing serious fall out among all sectors. Although the skilled trades have a certain amount of room to shelter the us from effects no sectors are entirely un effected. From our estimation these change regarding increasing min. wage employment have increased costs reduced entry level positions. The other changes are hitting the SME's in particular and is strongly opposed.

-FX analysts are predicting US exchange for the next 2-year outlook to be stable at current rates at around .75 to .81. The rate is actually going more in our favor recently and not showing any sign of changing in the near term.

-Foreign and domestic Policy in regard to trade agreements is the topic on everyone's lips in Canadian Manufacturing. CETA is place, TPP is signed but not ratified, MERCOSUR and NAFTA is in negotiations. NAFTA has a deadline of May 1st and Canada is opening trade talks with the Chinese. US Corporate tax rate reduction was passed in Dec and is giving the US a boost and a competitive advantage. CPTPP 11, has been reviewed and our preliminary outlook is that it will not directly affect the mould making industry but will indirectly have effects on the entire manufacturing sector in Canada.

We continue to make progress on our core objectives for 2018.

-We continue to grow our membership, 3 new members which we need to approve but we need to focus on corporate sponsors.

-The CAMM video is getting well used and is very popular.

-The RED program was officially announced at Crest this past month and 7 companies are picked with 50% funding and opportunity for an additional 8 companies.

-IBGP application is in and under review. The Government has been actively contacting CAMM to answer questions regarding the details of the application.

-GOA is approved.

-APMA Conference is in the planning stage. The date for the next conference is June 6th. (Amerimold starts June 14th)

- AMPA renewal is underway and we are planning to set up meetings with the strategic sub committee.
 - The supercluster for advanced manufacturing has been approved and we are actively participating in the early stages.
 - The College has secured funding for a project in partnership with CAMM we will work with the mould making industry to focus on research opportunities around Industry 4.0
 - We are working with WEEDC to combine the 2018 AGM with the Emerging Technologies Conference. April 18th is the next CAMM dinner event and we will discuss TPP and NAFTA, Supercluster and Ind 4.0.
 - Rotary Project is still on going into the manufacturing phase.
 - Recent increased activity at CAMM is stretching available resources. Strategic Committee will provide a report to plan for future growth. A budget may need to be allocated to accommodate emergency travel expenses. CAMM is being called by government more regularly.
- Since our last meeting our association has been very. Government meetings with Minister Ramsey, Del Duca, the PMO Office and Minister Champaign.

Thank you,

Jonathon Azzopardi

Mike Bilton

Diane Deslippe

CAMM Chairman

CAMM Co-Chair

Executive Director