



COLLABORATION IN ACTION
LUPC & SUPC CONFERENCE 2021

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Chipageddon: the Causes and Impact of the IT
Component Supply Chain Crisis and the Prospects
for the Remainder of 2021

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LUPC



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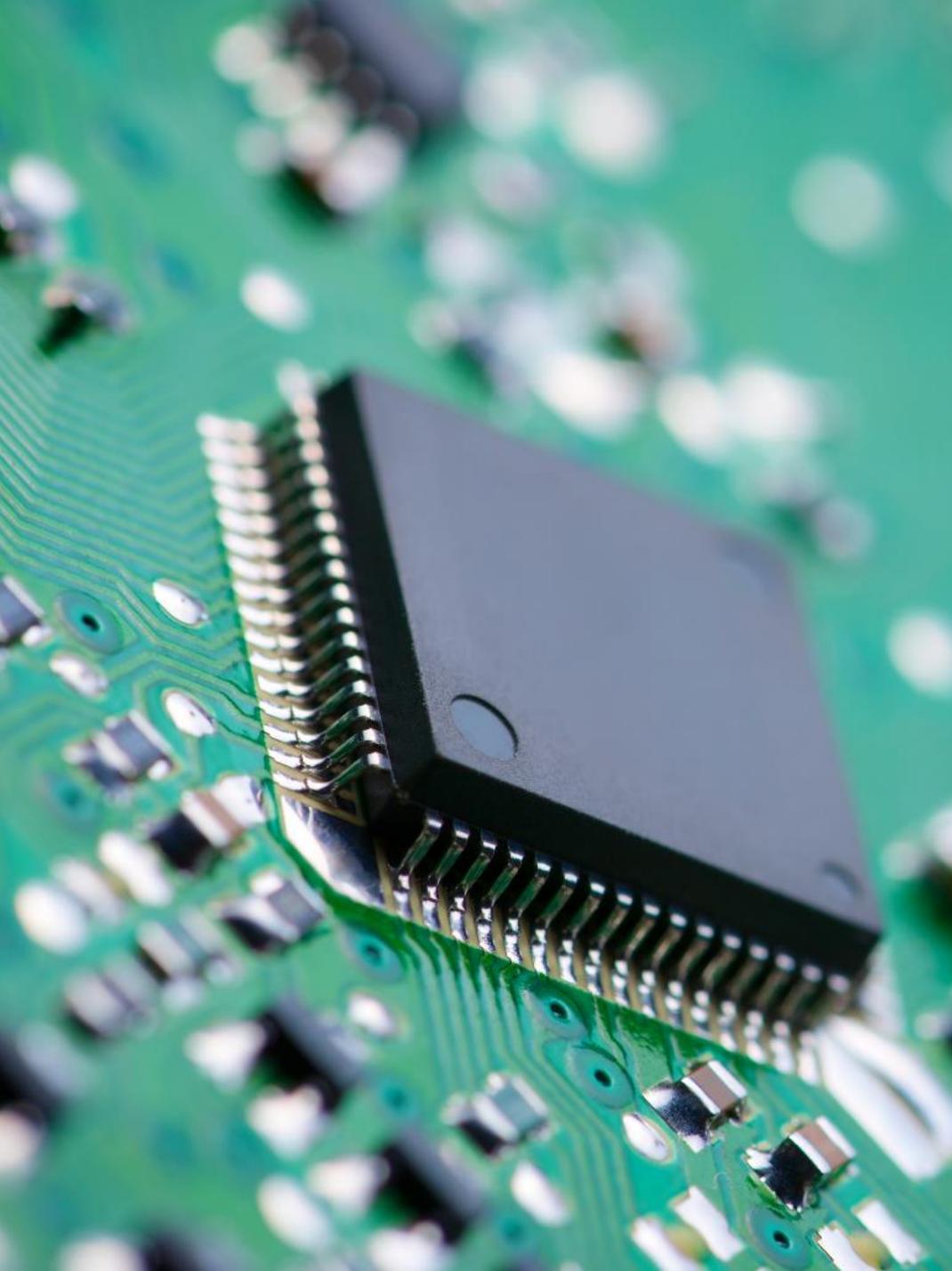
Research

- DigiTimes, IDC, The Japan Times, CBS, The New York Times and several other on-line publications
- 1:1 interviews conducted in late April and early May
- John Stevenson, Global Supply Chain Director (Lenovo)
- Laurent Poujol, Director, Supply Chain Strategy & Development (HP)
- Riccardo Bernasconi, EMEA Supply Chain Director (Acer)
- Nick Offin, Northern Europe Division Leader (Dynabook)
- Stephen Robotham, Business Development Executive EMEA (AMD)



Overview

- Chips with Everything and Panels
- Car Trouble
- Natural Events
- When Two Tribes.....
- Home Comforts
- More Chips Please!
- Transport & Logistics
- Component Cost Impacts
- What Can We Do?



Chips with Everything

- Integrated Circuits (ICs)
- Multilayer Ceramic Capacitors (MLCCs)
- Panels



Car Trouble

- Are 'Friends' Electric
- Automaker worries



Natural Events

- Fires in Japan
- Snowstorms in Texas
- Droughts in Taiwan



When Two Tribes.....

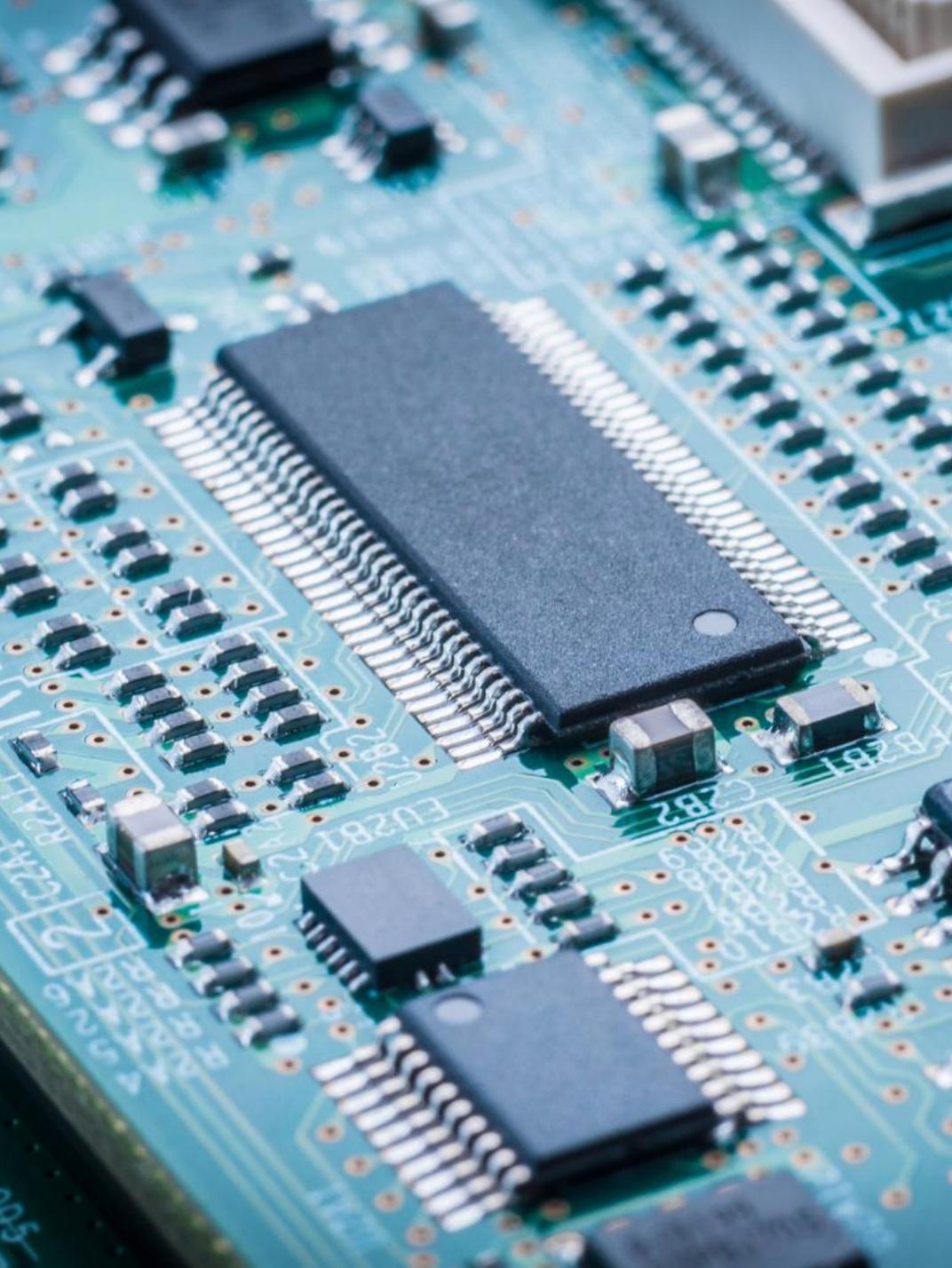
- US/China Trade War
- A Lose/Lose Situation?

Home Comforts

- Home Working, Schooling, Shopping.....
- 5G and Gaming

IDC: Worldwide PC shipments by top-5 brands, Q1-21 (k units)

Company	Q1-21 shipments	Q1-21 market share	Q1-20 shipments	Q1-20 market share	Year-on-Year change
1. Lenovo	20,401	24.3%	12,826	23.7%	59.1%
2. HP	19,237	22.9%	11,722	21.7%	64.1%
3. Dell	12,946	15.4%	10,495	19.4%	23.4%
4. Apple	6,692	8.0%	3,164	5.8%	111.5%
5. Acer	5,837	7.0%	3,364	6.2%	73.5%
Others	18,868	22.5%	12,552	23.2%	50.3%
Total	83,981	100%	54,123	100%	55.2%



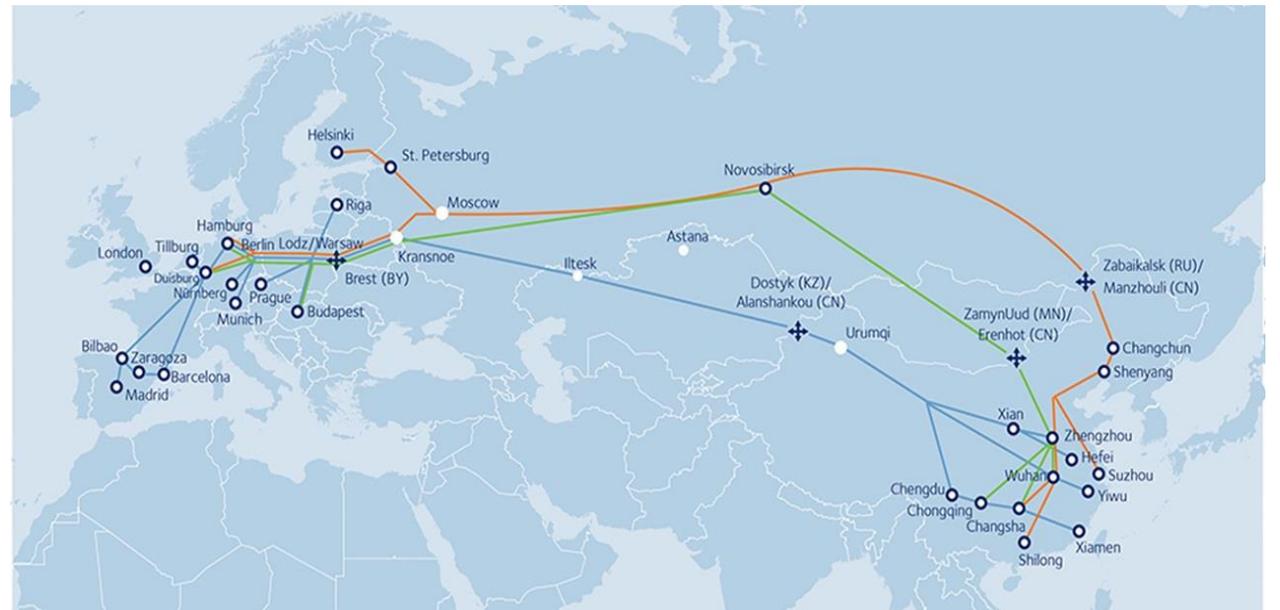
More Chips Please!

- Why can't we just make more?
- Absolutely fab-ulous



Transport & Logistics

- Air
- Sea and Rail



From: <https://www.dsv.com/en-gb/our-solutions/modes-of-transport/rail-freight/rail-transport-from-and-to-china/to-and-from-china-schedule>



Cost Impacts

- Panels
- DRAM
- Storage
- ABF substrates
- Labour



What Can We Do?

- Dialogue and Forecast Planning
- Price Support
- Flexibility