



2007 SEMA SHOW REPORT

**Las Vegas Convention Centre, Las Vegas, Nevada, USA
October 30 to November 2, 2007**

The 2007 SEMA (Specialty Equipment Market Association) Show was held at the Las Vegas Convention Centre in Las Vegas, Nevada, USA from October 30 to November 2, 2007. The CTMA was represented by David Glover and Robert Cattle who distributed copies of the association's Buyers' Guide & Members Capability Index to potential customers and met with industry leaders to discuss their needs and the role our membership could take in fill those needs.

The North American Automotive Aftermarket sector is currently a \$250 billion plus market. The SEMA Show, which is the largest event of its kind, is dedicated to aftermarket replacement parts, maintenance products, customization of vehicles, vehicle add-ons, and the automotive performance sector.

AFTERMARKET INDUSTRY FEEDBACK:

Following our meetings with various industry leaders from the different market segments represented at the show, we present the following recommendations and industry contacts:

Performance Tires & Wheels

- According to the technical representatives at Yokohama Tire Corp. (www.yokohama.com) and U.S. Wheel (www.uswheel.com), the trend is still moving to the low profile tires on large rims. There is a large need for the development of technology to enable them to manufacture stronger lighter tires and rims. They are always looking for suppliers to help with tooling and moulding solutions.

Truck, SUV, and Off-Road Performance Tires & Wheels

- Considered to be the largest growing market within the aftermarket realm, according to Yokohama Tire Corp. (www.yokohama.com) and U.S. Wheel (www.uswheel.com). Manufacturers are facing difficulty finding quality mould and machining sources. The trend is towards tires and rims that are not only functional but also stylish.

Mobile Electronics & Technology

- Step into any new car today and you will find that GPS navigation systems and DVD entertainment systems are pretty much standard options. "Finding complex moulds and interior systems off-shore is not even a consideration", said the new product designers from Ford's Kenwood representatives that we spoke to (www.kenwoodusa.com). They explained that the focus is towards a completely automated interior where the driver never has to take their hands off the steering wheel or their eyes off the road in order to control the vehicle or its systems.

Restyling and Accessories

- These days you can hop on the internet and order virtually any restyling component for any car that was ever produced. Could you imagine going to a car dealer and ordering a car with all of the ground-effects and aftermarket parts that you want direct from the factory? There would be no more lying on your back fumbling with awkward fenders. That is where the industry is heading according to KW Automotive North America (www.kwautomotive.com). Restyling and accessory manufacturers are actively teaming up with large OEM's to offer factory-direct kits that can be assembled onto the vehicles right on the production line. This offers massive opportunities for North American manufacturers to help integrate some of these packages with automation, tooling and moulds/dies.

Car Care & Accessories

- *Green Green Green* is the theme these days. Everyone is looking to keep their vehicles clean and the environment cleaner according to Turtle Wax Inc. (www.turtlewax.com). This causes some tough challenges to overcome with environmentally friendly compounds and cleaners as well as packaging. Pushed along by the restyling and accessory market, the car care and accessories market grows on par and it is constantly striving to keep up with changes in material and surface finishes.

Hot Rod Alley, Racing & Performance, and Restoration Market place

- As vehicles get older and the hot rod market grows steadily, there is an overwhelming need for North American shops to supply specialty engine components - each involving their own set of changes from exotic lightweight materials to tight tolerances. Finding quality suppliers with quick turnaround time and low cost is becoming increasingly challenging, according to the technical representatives at Cosworth. LLC (www.cosworth.com).

SUMMARY / RECOMMENDATIONS:

- With the ever increasing need for North American suppliers, the SEMA Show continues to be the best place for CTMA members to be introduced into this \$250+ billion market; make some key contacts in this market sector; scout new products, design concepts and systems being developed in this sector (many of which find their way into the OEM market); benchmark your new idea or concept against what is happening in this market sector; and find new customers to expand your existing market base.
- We strongly recommend continued participation with SEMA and contacting the companies listed above that all expressed the need for quality North American manufacturers.

Respectfully submitted,
David Glover, Director
Canadian Tooling & Machining Association
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