



AUTOMOTIVE

The automotive industry comprises a wide range of companies and organizations involved in the design, development, manufacturing, marketing, and selling of motor vehicles. It is one of the world's largest economic sectors by revenue.



CAPTRUST Experience

Clients at a Glance

Clients - 102
 AUM - \$4.9 billion
 Plans / Pools - 108
 Plan / Pool Types - DC (105), NQ (2), OAP (1)
 Top Providers - FreedomOne (90), Fidelity (4), Empower (2), Principal (2), Vanguard (2)

Experienced Advisors

- Eric Benedict (21)
- Dan Esch (3)
- Kim Huppertz (11)
- John Weber (8)
- John Young (8)
- Yvonne Zeoli (40)

Industry Background

Points of Interest

- 79% of automotive companies say they are considering outsourcing manufacturing in the next 5 years
- 48% percent of automakers are aiming to be market leaders in fully electric vehicles
- Vehicles are expected to increasingly move toward autonomous capabilities

Common Terms

- Autonomous
- Electric
- Hybrid
- Manufacture
- Model
- Safety
- Shared
- Technician

External Resources

- American Automobile Association
www.aaa.com
- Auto Care Association
www.autocare.org
- Automotive Service Association
asashop.org
- The Auto Alliance (Alliance of Automobile Manufacturers)
autoalliance.org
- National Automobile Dealers Association
www.nada.org



For the Challenger

Client Outcomes

- Auto enrollment and matching contributions drive increased participation rates
- Increased automatic enrollment percentage
- Negotiated savings with vendor
- PAS services which has resulted in improved deferral rates and asset allocation
- Improved governance and oversight process
- PAS has increased plan participation

Challenges

Corporate

- Tariffs imposed by the Trump Administration
- Continued cost compression and decreasing profit margin
- Environmental requirements
- Impact of electric cars
- High employment turnover
- Attracting and keeping qualified employees
- Rising interest rates and impact on financing options
- Dealership and manufacturer restraints, restrictions, and demands

Retirement

- Plans can easily become top heavy
- Cost of match and/or profit sharing to the plan
- Amount of individuals who opt-out of the plan
- Employee engagement
- Menu design and limiting number of investment options
- HCEs not able to max out
- Match is typically low if there is a match at all

Notes