



SUBARU of INDIANA AUTOMOTIVE,

update

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Trade, Tariffs Can Significantly Impact SIA



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VP

You can't surf the net or watch the news without a nearly hourly update on trade and tariffs. A tweet from President Trump on trade negotiations with China can send stock markets soaring or plummeting depending upon whether a deal is imminent or in jeopardy.

The ultimate outcome of all the rigamarole can have a significant impact on SIA, particularly as it relates to what is commonly referred to as the "Section 232 investigation." On May 23, 2018, President Trump issued an order under Section 232 of the Trade Expansion Act of 1962 instructing the Department of Commerce to investigate

whether imported autos and auto parts "are weakening our internal economy and may impair our national security." If Commerce determined that there was such a threat, the president was empowered to take appropriate action, likely by instituting tariffs.

From the start, SIA and every other automaker in the U.S. has voiced opposition to this notion. In an Update article last fall, Tom Easterday noted "[n]o automaker sought protection under Section 232, nor does any automaker believe there is a justification for the finding that the import of autos or auto parts threatens our national security." In Subaru's public comment on the investigation, Tom Doll, President and CEO of Subaru of America, urged the administration to find that "auto trade strengthens, rather than weakens, U.S. national security" and "there is no rational argument that can be presented to conclude otherwise."

Unfortunately, despite unanimous opposition from the auto industry, the president recently issued a Proclamation finding that imported vehicles inhibit "development of technology" in the U.S. and "[t]he lag in R&D expenditures by American-owned firms is weakening innovation and, accordingly, threatening to impair our national security." However, the Presidential Proclamation indicated that implementation of tariffs would be delayed for a period of 180 days to provide time to engage in negotiations with the European Union and Japan. In fact, President Trump was in Japan over the Memorial Day holiday and expressed optimism that the U.S. and Japan could negotiate a trade agreement to avoid tariff implementation. The auto industry remains hopeful for a favorable resolution, and SIA continues to believe that international automobile and automotive parts manufacturers have contributed significantly to the U.S. national economy and that tariffs on imported autos and auto parts would harm that positive contribution.

Other tariffs are also impacting SIA. For instance, Section 301 of the U.S. Trade Act of 1974 authorizes the president to "take all appropriate action ... to obtain the removal of any ... practice of a foreign government that ... burdens or restricts U.S. commerce." Under the president's authority, the Office of the U.S. Trade Representative announced increased tariffs on a list of certain Chinese imported products, and subsequently added more items. Though SIA is not directly impacted by the Section 301 tariffs, some parts from SIA's suppliers are subject to the tariffs and result in costs passed on to SIA. The increased costs have negatively impacted SIA's profitability.

There was some positive news on the tariff front. On the same day President Trump issued his Proclamation on the Section 232 investigation, the administration partially repealed tariffs it had implemented approximately one year ago under another investigation under Section 232 related to steel and aluminum imports. Though SIA gets all its steel from producers in northern Indiana, some of its parts suppliers source some component material from other countries. The tariffs imposed on steel and aluminum from Canada and Mexico were repealed, which will likely help smooth a path for passage of the USMCA (the replacement to the North American Free Trade Agreement aka NAFTA).

The trade front will likely continue a roller-coaster ride. Rest assured, SIA continues to be engaged on issues related to tariffs and believes that free and fair-trade benefits SIA, our Associates, the U.S. economy, and all-American consumers.

Subaru Day at the Indiana State Museum Will be June 29

On June 29, the Indiana State Museum will host its second Subaru Day of 2019. With an SIA badge, Associates and their immediate family receive free admission and a \$5 voucher for the parking garage. For more information about the museum, visit www.indianamuseum.org.



"Subaru to the Rescue" Stops by SIA

On May 28, a team of 28 volunteer drivers in 13 Subaru vehicles departed from Bob Rohrman Subaru of Fort Wayne on a four-day journey to save up to 50 dogs from an overcrowded animal shelter near Houston. However, before getting too far on their "Subaru to the Rescue" trip, the Allen County SPCA representatives first stopped by SIA for a group photo and to meet company officers.

Upon the team's return, an adoption event featuring the rescued dogs will be held at Bob Rohrman Subaru of Fort Wayne on June 1 at 12-4 p.m.

Vote for Which Costume Ed Wulbrecht Should Wear for the Subaru Color 5K

Last year, he wore a Jackie Moon costume from the Will Ferrell basketball movie "Semi-Pro." This year, Associates can use their spare cash to vote for the costume that Senior Vice President Ed Wulbrecht should wear for this year's Color 5K. If the event's overall fundraising goal of \$50,000 for Special Olympics Indiana is achieved, Ed will participate in the race as one of the following characters:

- **Alan Garner from "The Hangover"**
- **Fred Flintstone**
- **The Riddler**

The following dates and entrance locations will offer voting:

- Monday, June 3 – Trim & Final
- Tuesday, June 4 – Security
- Thursday, June 6 – Engine
- Friday, June 7 – Paint 2

The costume that receives the most donations will be the winner. Voting ends June 7, so don't wait. General donations (non-voting) will be accepted in the cafeteria and the TeamWear Store until June 14.



Bring Family and Friends for Fun at the Subaru Color 5K

Associates are encouraged to sign up family and friends for a fun Saturday morning at the Subaru Color 5K on June 15. Participants are showered with colored powder, made of food-grade corn starch, at stations along two available routes. The event offers the choice to run or walk either a 5K trail course or a one-mile asphalt course.

Teams can register in advance at subarucolor5k.itsyourrace.com. In addition to registering, participants can use the website to recruit family and friends to join their team or make a contribution. Awards are given for the largest team and top individual fundraiser. Last year's event attracted over 550 participants and raised over \$45,000 for Special Olympics Indiana.

Following the event, participants can enjoy a pancake breakfast provided by Bison Financial Group.



For the 2018 Subaru Color 5K, senior vice president Ed Wulbrecht dressed as Jackie Moon from the Will Ferrell basketball movie "Semi-Pro."



Making Summer Plans? Check Out Associate Discounts

Associates who are planning a trip for summer shut down, a weekend get-away or just a fun family outing should check out the “Associate Tickets and Discounts” page on mySIA.

In addition to sporting events and amusement parks, special offers are also available for hotels, apartments, wireless phone plans and a variety of services. For the complete list, visit:

mySIA > Our Departments > Human Resources > Associate Services

OR

subaru-sia.wixsite.com/indiana/discounts

Register for Charity Golf Outing by June 14

SIA’s annual golf outing to benefit United Way will be on Aug. 11 at Purdue University’s Kampen Course. Due to the event’s popularity, interested teams must enter a lottery drawing by June 14.

Teams of four may register on mySIA or by submitting a form that’s available in the TeamWear Store. The selected teams will be announced on June 19.

Teams must consist of Associates or family members. Additionally, as a result of increased course fees, the cost will be \$380 per foursome. The shotgun start will be at 9 a.m. For questions, contact Allie Louthen at allie.louthen@subaru-sia.com or ext. 6250.



Recycling Day June 15 8:00 a.m. - 12:00 p.m. South Parking Lot

Have you ever thrown away dead batteries or an old paint can? You’re not alone if you answered yes. Bring your hazardous waste to SIA on June 15 from 8 a.m.-12 p.m. in the South Parking Lot for free and safe disposal.

For a list of items that will be accepted, check out the April edition of the Environmental Newsletter. For additional questions about what will be accepted, or for more information about the event, contact Jessica Johnston at jessica.johnston@subaru-sia.com or ext. 7494.



Book and Gift Fair This Week

A book and gift fair will be in the Main Security Hallway June 6-7 at 10 a.m.-5 p.m. A great selection of spring and summer books, gifts for dads and grads, and education products at an incredible value. Payroll deduction will be available for full-time Associates. Cash, credit and debit cards will also be accepted.



Optician to be Onsite for Third-Shift Associates

An optician will be onsite June 6 at 6-8 a.m. in the cafeteria for third-shift Associates to order safety glasses. Associates must bring a current prescription, less than two years-old.

If Associates are not able to see the optician at SIA, they may go to Neo Vision at 2200 Elmwood Ave. to order safety glasses. Going to Neo Vision requires the proper order form. See your AR rep for an authorization form and submit to the Medical Clinic. Once approved, the proper order form will be returned to the Associate through their AR rep. The optician will return Thursday, June 20 at 6-8 a.m. for third-shift pick up. The optician will continue to be onsite every Thursday at 2-5 p.m. For questions, call Linda in Medical at ext. 6082.



Annual Cubs Bus Trip Will be on Labor Day



This year’s Chicago Cubs bus trip will be on Sept. 2—Labor Day—for a game against the Seattle Mariners at Wrigley Field.

Three coach buses with 55 seats each and a total of 165 tickets will be available for the game. Due to the popularity of this trip, the limited number of tickets, and to be fair for all three shifts, there will be a drawing for the tickets and seats on the bus.

Tickets are \$45 per person and are limited to Associates and their immediate family. The seats are in Section 204.

The buses will leave from the South Parking Lot at 9 a.m. and will park on Irving Park Road. Attendees will have about a 20-minute walk to the stadium. The game begins at 1:20 p.m. Chicago time, and the buses will return to Lafayette following the end of the game.

Sign up on mySIA by June 7. You will need to enter your badge number and telephone number, along with the number of tickets needed and preference for a family bus or adult bus. Once winners are announced, tickets will need to be paid for at the TeamWear store. For questions, contact Julie Cole at ext. 6278.

“Raise Your Sleeve” for the Indiana Blood Center

Join fellow Associates in saving lives and “Raise Your Sleeve” for the Indiana Blood Center on June 20 at 9 a.m. to 2 p.m. or June 21 at 6 a.m. to 9 p.m.

While Associates are welcome to donate blood on whichever day is most convenient, administrative Associates are encouraged to give on June 20 and production Associates are encouraged to give on June 21. This should help reduce wait times.

On both days, Associates can give in Conference Room 115 or in the atrium. On June 21, Conference Room 110 will also be available.



Personal information collected during the process is confidential. Additionally, donors will receive a free auto sun shade as a gift from the Indiana Blood Center. For questions, contact Julie Cole at julie.cole@subaru-sia.com or ext. 6278.

indiana BLOOD CENTER

Production		Actual 5/20/19- 5/26/19	Projected 5/27/19- 6/2/19	Sch. YTD 1/1/19- 5/26/19	YTD Total 1/1/19- 5/26/19	End of Month 5/1/19- 5/31/19
	Legacy	438	334	16,464	16,563	
	Outback	4,329	3,540	84,919	85,628	
	Impreza	1,763	1,433	28,970	29,213	
	Ascent	1,644	1,381	38,232	38,293	
	Total	8,174	6,688	168,585	169,697	

EUREST WEEKLY MENU

monday		
breakfast	Waffles	\$3.99
FIT	Uptown Waldorf Chicken Salad	\$5.99
market	Country Fried Steak	\$5.99
grill	Hot Dog Meal Deal	\$5.49
soup	Loaded Baked Potato Soup	
tuesday		
breakfast	Waffles	\$3.99
FIT	Uptown Waldorf Chicken Salad	\$5.99
market	Country Fried Steak	\$5.99
grill	Hot Dog Meal Deal	\$5.49
soup	Loaded Baked Potato Soup	
wednesday		
breakfast	Breakfast Enchilada	\$3.99
FIT	Stuffed Green Peppers	\$3.99
market	Bone In/Boneless Wing Bar	\$5.99
grill	Grilled Reuben on Rye	\$4.59
soup	House Made Chili	
thursday		
breakfast	French Toast Breakfast Sandwich	\$3.99
FIT	Revolution Noodle	\$4.59
market	Diy Mexican Bar	\$4.40/oz
grill	Western Grilled BBQ Chicken	\$4.59
soup	Chef's Choice	
friday		
breakfast	Kickin Chicken Sandwich	\$4.29
FIT	Deconstructed Sushi Bowl	\$6.99
market	Spicy Mac and Cheese Bar	\$4.40/oz
grill	Double Up Bacon Cheeseburger	\$4.99
soup	Clam Chowder	

JAPANESE RESTAURANT	
Monday: Curry & Rice Katsu Curry & Rice <i>(pork cutlet on curry & rice)</i>	
Tuesday: Ramen Karaage & Rice <i>(fried chicken & rice)</i>	
Wednesday: Gyu Don <i>(sweet beef on a bed of rice)</i> Karaage & Rice <i>(fried chicken & rice)</i>	
Thursday: Katsu Don <i>(fried pork on a bed of rice)</i> Karaage & Rice <i>(fried chicken & rice)</i>	
Friday: Gyu Don <i>(sweet beef on a bed of rice)</i> Noodle <i>(Japanese soba or udon)</i>	