Advanced Manufacturing Services Ltd
Unit 8D Court House Farm
Back Lane, Brereton
Sandbach
Cheshire
CW11 1RL

Brexit Statement

Tuesday, 24 November 2020

Context and Introduction

The UK officially left the EU on the 31st January 2020 and entered into a transition period. During this time the UK will continue to abide by the rules of the EU whilst negotiating a new trade agreement with our largest trading partner. This transition period ends on the 31st of December 2020 and the UK Government have confirmed that there will be no extension to this, despite the current COVID-19 pandemic situation.

If a new deal cannot be agreed by the end of 2020, then from the 1st of January 2021, the UK and EU will revert to trading on WTO rules.

If this 'NO DEAL' arrangement does come to fruition, then any goods arriving from the EU or leaving for the EU, will be subject to the normal customs processes already in place for our other third-party trading partners.

The UK Government has recently confirmed that the move to WTO rules and the imposing of import checks on goods from the EU, will be phased in during 2021 rather than full implementation from the 1st of January 2021. This will help UK businesses deal with the additional work involved with importing of goods, as well as ease delays at UK ports for a period.

AMS' response to the situation

We continue to monitor the Brexit situation closely and remain prepared with measures to counteract the impact of these circumstances, ensuring a continued reliable supply of our products after 31st December 2020.
The key actions we have taken and are constantly reviewing are detailed below.

- We have identified our key fast-moving product lines across the business and have adjusted order schedules accordingly to maximise stock holdings and customer availability.
- Those materials imported from mainland Europe and non-EU countries come via a well-established process with robust supply chains and we are working closely with our key suppliers to safeguard these supply chains to ensure continuous availability.
- We are encouraging our customers to review their stock levels and ensure orders are placed ahead of normal timing to protect against delays.
- We have spoken to our key customer base detailing our current approach to Brexit and to detail our current lead times, estimated customs delays, and to ask them to consider their forecasted needs and stocking any specific items for them and their customers.
- We are continuing discussions with our key Freight Forwarders to mitigate the risk of customs delays.
- We are constantly updating our analysis of the financial impact of a no deal Brexit, including increased duty and tariffs, increased cost of freight and customs administration, foreign exchange fluctuations and are looking at ways to mitigate this to ensure minimal impact on our customers.
- We are also monitoring any travel issues for our employees during and after a no deal Brexit.

Advanced Manufacturing Services Ltd
Unit 8D Court House Farm
Back Lane, Brereton
Sandbach
Cheshire
CW11 1RL

What should you do?

We aim to manage the change in a manner that causes as little change to our customers as possible, however, with change comes uncertainty and our recommendations are that: -

- Our customers examine their stock positions for December and January and order their estimated requirement for this period for delivery mid-December.
- Schedule a Brexit call with the AMS team to discuss individual requirements (Microsoft teams, Zoom or any other video meeting packages.)

We thank you for your support and continued custom whilst we monitor the political negotiations, and we will provide an update once the position is defined.