

## Williams, Lynda

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**From:** Jason Roy <JasonR@creativebussales.com>  
**Sent:** Tuesday, February 15, 2022 4:57 PM  
**To:** Binion, Pete  
**Cc:** lyle@ridecarts.com  
**Subject:** [EXTERNAL] Elkhart Coach Closure  
**Attachments:** Purchase Order\_22012512.pdf

**Importance:** High

Pete,

Good afternoon!

I wanted to put in writing what we have learned about the Elkhart Coach facility closure by Forest River. With the ongoing chassis shortage caused by chip shortage and other supply chain issues, Ford Motor Company has informed Forest River Bus that it will most likely be 2025 before they get back to Pre-Covid (2019) production numbers. What this means for Forest River is they are currently receiving 1/3<sup>rd</sup> of the chassis they would normally receive. This has caused major issues with their smaller plants because they do not receive a lot of chassis when production was normal.

Forest River closed down the Champion Bus plant in Imlay City, Michigan back in December of 2021 due to the lack of chassis coming in and that resulting in not being able to keep the plant functioning and keeping people employed.

Effective February 4<sup>th</sup>, 2022 they have closed down the Elkhart Coach plant for the same reasons. What this means for San Marcos is that the (4) units you all had on order with Elkhart Coach (See attached PO) will not be produced. These orders will be cancelled.

San Marcos can reorder Type 3 buses thru the State of Oklahoma contract. Currently the State of Texas Contract is not usable as the State is reviewing the new pricing and determining if they will accept the price increase or release a new bid. I can let you know what they decide once we hear back from them. Lead time for new builds is estimated at 12 months currently.

I apologize for having to share this news with you. Please let me know if you have any questions or concerns.

Thank you!



**Jason Roy | Senior Sales Representative**

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