Auto Inc. (Auto) is a company based in New York that manufactures automobiles and exports the finished vehicles to Europe. Auto manufactures two models; the most popular model is a four-door sedan (Sedan), and the other is a less common, highly customizable luxury sports car (Luxury Car). Auto contracts Trans-Atlantic Inc. (Atlantic) to ship its products to Europe. Atlantic has a fleet of 10 multi-use shipping vessels, each with capacity for 2,000 vehicles.

The terms of the shipping contracts are as follows:

- **Sedan contract terms:**
  - The term is five years.
  - *MV Manhattan*, a ship in Atlantic’s fleet, is dedicated to shipping Auto’s Sedans for the term of the contract.
  - Auto determines (1) which European ports receive shipments and (2) the order in which deliveries are made to the ports; Auto instructs Atlantic accordingly.
  - Auto has the option to send the ship below capacity. If the ship is below capacity, Atlantic cannot use the excess capacity to ship products of its other customers.

- **Luxury Car contract terms:**
  - The term is five years.
  - Atlantic is required to deliver shipments of Luxury Cars within five weeks of notification from Auto that an order of Luxury Cars is ready for shipping.
  - Atlantic may choose any ship from its fleet to complete the request.
  - Auto may provide 250 to 2,000 Luxury Cars in a single request; however, shipping requests of Luxury Car generally do not exceed 500 vehicles in a single request because of the lower production volume and longer manufacturing time of Luxury Car.
  - Atlantic has the option to use excess capacity to ship products of its other customers.
  - After notification from Auto that Luxury Cars are ready to ship, Atlantic determines when within the five-week period to ship the cars, as well as the shipping route.

Auto’s CFO understands that the new leasing standard has certain provisions that may affect how the company treats contracts of this nature.

**Required:**

Analyze the above and prepare a memorandum addressing the impact (if any) of the new leasing standard on Auto’s shipping arrangements for the following considerations:
1. Determine whether each of Auto’s contracts with Atlantic for Sedan and Luxury Car contains an identified asset.

2. Determine whether each contract conveys the right to control the use of the identified asset to the lessee.