

Fastener Market

in Poland

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Polish Economy

After the communist regime of Poland was down and a new democratic system came to replace it in 1989, Poland became one of the fastest growing countries in Eastern Europe. It joined the EU in 2004 and was the first Eastern European countries to become a member of the EU. Due to the substantial growth of its capital expense, increasing demand for labors, and declining unemployment rate, which pushed the economic growth, though the global financial crisis burst out in 2009, Poland could still outperform the other European countries and kept itself from the recession

under the support of monetary policies, currency depreciation, and increasing household consumption. During 2010-2011, with the rebound of export and household consumption, its economy showed booming prospects.



Overview of Polish Fastener Market

The fastener demand in Poland mainly comes from OEMs and production of durable goods. However, due to the austerity policies of the EU in the most recent 2 years and a weak economy that caused the reduction in foreign investments, equipment could not be upgraded and the capacity was thus limited. The value of the fastener demand in Poland in 2012 was USD 0.66 billion (see **Table 1**).

As the production of fasteners in Poland is comparatively low, Poland has to import fasteners in response to the domestic demand. As shown in **Figure 1**, the value of fastener import in 2012 was USD 0.71 billion, with major import origins being China, Germany, Italy, and Taiwan. As shown in **Table 2**, the value of fastener export in 2012 was USD 0.41 billion, with major destined countries being Belgium, Germany, Sweden, and UK.

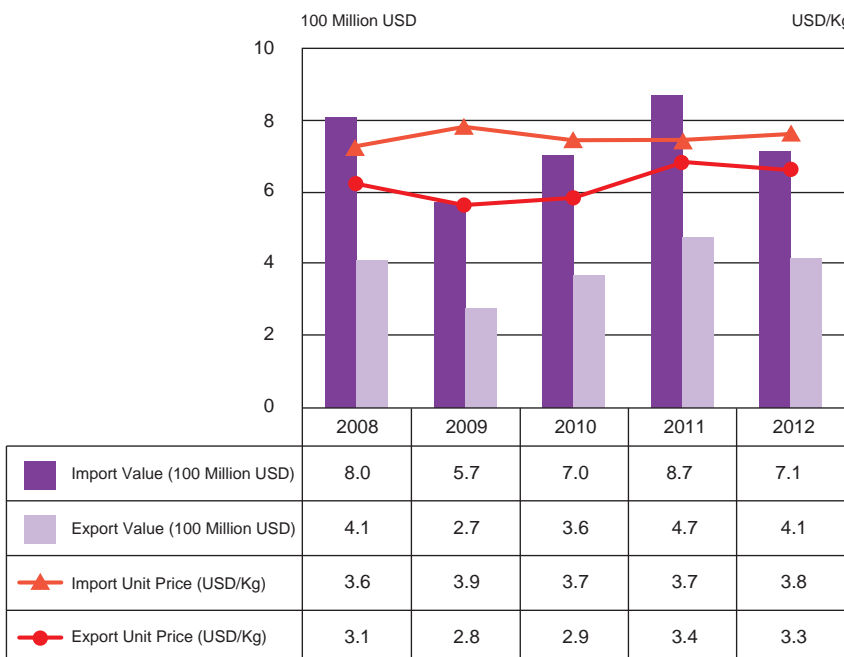
Table 1. Polish Fastener Demand During 2011-2016(F)

Unit: Million USD

	2011	2012	2014 (F)	2016 (F)
Industrial Fastener Demand	650	663	691	720

Source: Freedonia Group

Figure 1. Polish Fastener Import & Export in 2008-2012



Source: Freedonia Group / compiled by ITIS project, MIRDC

Table 2. Top 10 Fastener Import Origins & Export Destinations of Poland in 2012

Unit: Million USD, %

Rank	2012					
	Country	Import Value	Percentage	Country	Export Value	Percentage
1	Germany	240	33.3%	Germany	145	15.7%
2	Taiwan	81	11.3%	Belgium	29	8.2%
3	Italy	74	10.3%	Sweden	22	7.3%
4	China	68	9.5%	UK	19	5.7%
5	Japan	32	4.5%	Czech	19	4.4%
6	France	25	3.5%	Russia	19	4.4%
7	USA	23	3.3%	USA	17	4.1%
8	South Korea	19	2.7%	France	17	3.8%
9	UK	13	1.9%	Norway	12	3.8%
10	Spain	13	1.8%	Ukraine	12	3.6%
Total of Top 10 Countries		588	82.5%	Total of Top 10 Countries	310	75.8%
Total of All		713	100%	Total of All	408	100%

Source: ITIS project, MIRDC

Most Polish fastener manufacturers are SMEs, which include Koelner, Marcopol, and Zaklad Produkcji Śrub Wieslaw Gawel. Some international corporations in Western Europe also have their fastener manufacturing factories in Poland, like Altenloh, Brinck & Company, Böllhoff, EJOT, Vossloh (Germany), etc. In addition, NIFCO (Japan), FinnvedenBulten (Sweden), and ITW (USA) also have factories in Poland.

Conclusions

Due to the continuous economic decline in the Euro zone, which caused the slowdown of the demand for durable goods and cars, and the fierce competition between advanced fastener industries in Western Europe and low-production-cost industries in Asia Pacific countries, the production of fasteners may decrease. It is estimated that the fastener demand in Poland will increase by 2% every year and will climb to USD 0.72 billion by 2016.

Fasteners of Taiwan are mainly exported to the U.S., Europe, Japan, Canada, and China. Poland represents 2% of Taiwan's fastener export. Considering the continuously weakening economy around the world, Taiwanese companies are active in developing in emerging markets, in which Poland is also included. The volume of fasteners exported from Taiwan to Poland has been increasing in recent years. It increased from

16 thousand tons in 2008 to 38 thousand tons in 2011 (a decrease of 35 thousand tons in 2012), making Taiwan the second largest import origin of Poland. However, the average unit price of fastener import to Poland is nearly USD4/Kg, while that from Taiwan to Poland is only USD2.3/Kg, showing that fasteners exported from Taiwan to Poland are generally low-to-medium level of products in bulk. Poland is a mature and industrialized country but its demand for fasteners must rely on import. Taiwanese companies should make the most use of their flexibility of customization and be proactive in entering the supply chain of Poland, in order to find the business opportunities in the market of top-level products.