



Backstage Driving Force for Global Fastener Trade

Special Interview with Association Presidents, Traders, and Distributors

arranged by Fastener World Inc.

In the global fastener industry, no matter if its performance is good or bad, there is always a group of backstage driving forces acting as a bridge between manufacturers and clients. Among the group, traders play a rather obscure role in that they have to find the mutual profit in the contract and service between the manufacturers and clients. The other driving force is global fastener associations that support and unify the whole fastener industry. Associations must maintain neutral without making any mistake in that they are obliged to promote the image of their domestic fastener industry to the world. In this issue, we invite chairmen of fastener distributors and traders associations in the U.S. and Netherlands to talk from in-depth perspectives about how to boost the development of the fastener industry. We also have Japanese renowned large distributor Yura Sansho, German special screw maker Achilles Seibert, and top European fastener importer Stafa Group in our interview to tell us how they become the driving force for fastener partners.

President Casey McIlhonn of NFDA (National Fastener Distributors Association)

First, can you please talk about how you define your role as the President of NFDA and what is the significance of this role to you?

This is a tremendous honor for me to take on the role of President of the NFDA primarily due to the fact that my Grandfather was one of the founders of the NFDA. The NFDA has played a large role in my family's presence in the fastener industry. I am quite excited to be able to give back to the association now by acting as the President. My role is to insure the association continues to meet and ideally exceed the needs of our membership.



In your perspective, what do you think is the feature of U.S. fastener industry in terms of production volume/value, main product solutions, import & export, and percentages of main business types (manufacturers/importers/exporters), etc.?

Although I don't have data readily available to answer your question, I can say that the Fastener Distribution Index (FDI) continues to show the U.S. fastener market is strong. The FDI is a monthly survey of North American fastener distributors, conducted by the NFDA and the FCH Sourcing Network and you can follow it through the NFDA's website. It offers insights into current trends/outlooks. As a diffusion index, figures above 50 signal strength and below 50 signal weakness. The index has remained above 50 for more than a year.

Before taking the position of NFDA president, I know you have been working actively in Assembled Products, Inc. (API), can you please talk about the main service and business range of API, including what kind of product you can provide, your company's current capacity, major markets, and partners API is currently cooperating with?

API was formed in 2005 and is a continuation of a business founded by my Grandfather and furthered by my Father, Iowa Industrial Products



(IIP). IIP was sold to Bossard, and a portion of this business, the kitting department specifically, was sold to my Father in 2005 which is what is now API. API specializes in kitting and assembly, largely to the agricultural industry. We also have a contract packaging division which offers high volume contract packaging solutions for a variety of customers.

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Being both a business owner and an association leader, how do you deal with many of the demands on your time?

I would love to answer this question in about six months as this is a new role for me. All kidding aside, fortunately I am surrounded by a great team on both sides. We have an extremely competent staff at API who supports me in my role, and the team at NFDA is equally as talented. So I have plenty of great colleagues in which I can lean on when necessary. I also am a Husband and Father of three quite active children who really keep me on my toes.



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As the President of NFDA, have you had any plan to increase the views exchange among fellow members, win over benefits for members' interests, or strengthen the awareness of the association?

Absolutely, all of the above. One of the main benefits to our members is the ability to network and establish

relationships with executives of their business partners. Increasing the value to each of our members is a main focus of our Board of Directors.

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What has been the most significant change, achievement, and mission of NFDA in the most recent and future years? And what do you expect to do for reinforcing the value of NFDA?

I am quite proud of the current rebound that NFDA has made in recent years. Our membership had reached a low point a few years ago, which prompted the association to make some significant changes. We partnered with a new management agency and developed a meeting format more suited to what our members needs are. Our mission is to help our members thrive in the global marketplace. Personally, I have three goals for my presidency. First and foremost is to increase member participation at our meetings. Our membership is growing, and I will be working hard to get our members together in person. Second is training, we have partnered with the Fastener Training Institute and now are offering scholarships to the FTI. I am eager to expand this area. And finally, I would like to see the NFDA do more to support our regional associations. I will work to increase collaboration between NFDA and support to the regional groups that make up the heart and soul of our industry.

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In addition to years of experience in the fastener industry, do you have

any other experience from outside the fastener industry that you think is also the factor for you to achieve successful business management? What do you think is the feature of your leadership?

Great question, outside of my work in the fastener industry my time is devoted to family. I am quite active in the lives of my children, in both youth sports and also religious education. What this has helped develop in me is an ability to listen. I would hope that if you talked to one of my team members, they would say that I am a compassionate leader who understands the needs of my organization.

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What do you think is the prospect of U.S. fastener industry? What kind of role is U.S. fastener industry currently playing? Do you have any suggestions for domestic U.S. fastener suppliers in terms of business expansion or market changes?

The US fastener industry is a business that continues to evolve. We have seen many significant changes over the years, and have adapted well to each of them. Much domestic manufacturing has moved to other areas of the country and other areas of the world, yet by and large we continue to sustain our businesses in a healthy manner. We are now seeing some of this manufacturing returning to North America in a leaner form. Thus I see the US fastener industry



sustaining itself well over the coming years.

About the President

With nearly 22 years of experience in the fastener industry, Mr. Casey McIlhon professionally began his fastener career in 1994. He was graduated and presented the Bachelor Degree of Business Administration in Univ. of Iowa in 1994, during which he started to work for Bossard. He was promoted to Director of Sales in Bossard in 2003 and started his own business "McIlhon & Associates, Inc." in 2005. In 2013, he joined Assembled Products as Executive Vice President. Now he heads API and is also the President of NFDA.

President Robert Klaassen of NEVIB (The Dutch Fasteners & Related Industrial Products Importers Association)

First, can you please talk about how you define your role as the President of NEVIB and what is the significance of this role to you?

First, thank you for the opportunity to present NEVIB (the Dutch Fasteners & Related Industrial Products Importers Association). The aim of the Dutch importers is to cooperate on a number of non-commercial subjects regarding the fastener industry. As the business



has become more complex due to issues like antidumping, anti-circumvention, product safety, and so on, it was the desire of the Dutch importers to combine their knowledge and join forces, in order to become a stronger industry. So at the end of 2012, NEVIB was founded. With a total of 16 members, NEVIB today represents the vast majority of the Dutch fastener importers. As the president, it is my role to ensure that all members collaborate as good as possible, and that knowledge is shared, and ideas are exchanged.

In your perspective, what do you think is the feature of European fastener industry in terms of production volume/value, main product solutions, import & export, and percentages of main business types (manufacturers/importers/exporters), etc.?

Having worked in the field of fasteners since 1975, I have seen enormous changes. When I started my career in the fastener industry, there were many small and larger fastener producers all over Europe,

but mainly in Germany and Italy. European distributors bought almost only from European suppliers. 40 years later, there were only a few large European producers for standard fasteners left, and most of the larger European distributors now import their standard fasteners from Asia. The remaining European producers mostly specialise in fasteners for the automotive, agricultural, off shore, chemical, and similar industries. Standard fasteners are no longer core business for them. I expect this trend to continue.

Before taking the position of NEVIB president, I know you have been working actively in Eurobolt, can you please talk about the main service and business range of this company, including what kind of product you can provide, your company's current capacity, major markets, and partners Eurobolt is currently cooperating with?

In daily life, I am one of the two directors and a co-owner of Eurobolt, based at 's Heerenberg in the Netherlands. Eurobolt is an importer of carbon steel fasteners supplying a range of about 14,000 items to some 500 highly appreciated clients all over Europe. The company is over 30 years of age and is a sole supplier to distributors and importers. Eurobolt does not supply end-users. The company operates from a modern warehouse of some 8,000 square meters, has 40 hard-working employees and about 27,000 pallet locations. Every day an average

weight of 35 tons is shipped to our clients.

Being both a business owner and an association leader, how do you deal with many of the demands on your time?

It was an honour to be invited to be the first President of NEVIB. Of course, on the one hand, combining the President's job at NEVIB with the director's job at Eurobolt takes a lot of time. However, on the other hand, NEVIB has a very professional Board of Directors consisting of four members, who equally split the work between them.



As the President of NEVIB, have you had any plan to increase the views exchange among fellow members, win over benefits for members' interests, or strengthen the awareness of the association?

NEVIB is a young organisation, which has been constantly looking for more opportunities to serve its members. The discussions in the three member meetings we have every year are an important basis, as they provide the NEVIB Board with the information for knowing in which way NEVIB should act. Strengthening the awareness, an open exchange of views, and providing a platform for sharing information amongst all

members are very important tasks for the NEVIB Board.

What has been the most significant change, achievement, and mission of NEVIB in the most recent and future years? And what do you expect to do for reinforcing the value of NEVIB?

So far, sharing the combined knowledge of experts and NEVIB members of the EU rules regarding antidumping, anti circumvention and product safety, as well as regarding technical information, has brought the common know-how of NEVIB to a higher level. Also the fact that members have the possibility to meet and talk with each other at the NEVIB meetings and share their thoughts and worries, is very positive.

In addition to years of experience in the fastener industry, do you have any other experience from outside the fastener industry that you think is also the factor for you to achieve successful business management? What do you think is the feature of your leadership?

About myself, I have been in the fastener business for almost 40 years. After selling the former family company Klaassen bv in Ridderkerk in the Netherlands in 2002, I shortly thereafter joined Eurobolt. Apart from my "fastener life," I once had 15 years of part-time role as a monitor in a correctional institution. The

experiences I learnt in this institution help me to see another side of society than only the world of business.

What do you think is the prospect of European fastener industry? What kind of role is European fastener industry currently playing? Do you have any suggestions for domestic European fastener suppliers in terms of business expansion or market changes?

At the moment, the European fastener industry is not doing bad. When visiting clients all over Europe, I find that most of them are optimistic. We also see large U.S. companies like Optimas (former Anixter) and Grainger buying well-established and old companies in Europe. Apart from this, the concentration in the fastener world is on a high level. I estimate that some 20 to 30 large distributors all over Europe are the major face of the business nowadays. Apart from these large companies, many smaller and specializing distributors are, mostly locally, active in their own segment of the industry.

About the President

Born in 1953, Mr. Robert Klaassen began his fastener career in 1975 and has nearly 40 years of experience in the fastener industry. He now heads the largest fasteners & industrial products importers association and is also one of the directors of the well-known carbon steel fasteners supplier, Eurobolt, in the Netherlands.



Celebrating 70th Anniversary with R&D of Next-generation Fasteners

Yura Sansho Co. Ltd.



Established in Japan in 1945, Yura Sansho Co. Ltd is now celebrating its 70th anniversary of business. Initially, the company mainly focused on construction and civil engineering industry with high demand for fasteners and supplied steel hex head bolts and nuts. During the period when Japan started to experience surging economic growth, the demand for fasteners used in construction, civil engineering equipment, construction equipment and machine tools increased, dramatically boosting the company's revenues. In response to versatile fastener demands, it continued to expand the range of fasteners in stock, and has finally become a large-scale warehouse and a distributor with tens of millions of fasteners in stock. Now, it has been devoted to developing, producing, and selling products with high added value, such as products with high tensile strength in alloy steels and in corrosion resistant steels, as well as strictly regulated aerospace components.

Corporate Value: Just-in-time Supply & Professional Quality

We are very curious about why this well-reputed and competitive company with ambitious visions

could have sustained in the Japanese market for more than half a century. President Yasumasa Yura explains, "For 50 years we have been a leader in the Japanese fastener industry. Our role is to carry his inventory in our warehouse for clients, we purchase a large amount of fasteners from manufacturers and store them in stock. We have the largest inventory (of over 7,000 tons) in Japan and distribute over 50,000 types of fasteners, offering them Just-In-Time supply of various fasteners. Meanwhile, we purchase products with good performance, and our primary mission is to keep supply-chain with plenty of amount and solve all kinds of fastening problems for our clients. By purchasing a large amount of fasteners and stocking, on one hand, we can not only increase manufacturers' production efficiency, but on the other hand also purchase products at lower prices with amount." Obviously, the corporate value of Yura Sansho lies on inventory, clients' improved production efficiency, and fastening solutions. The president adds, "the requirement on fastener quality of Japanese clients have been

increasing than before; therefore, we are the first to have obtained ISO9001/14001 certification in Japanese fastener warehouse and distributor. We dedicate ourselves to product quality enhancement, shipment quality management, and regional environment protection. Additionally, we have obtained JIS Q 9100 (AS9100) certificate for aerospace industry with high grade quality management system and NADCAP international certificate for special engineering, in order to join in aerospace industry. We even have built a network where we function as a critical hub for connecting Japanese component makers related to the aerospace industry."

Developing Next-generation Products

Currently Yura Sansho focuses on the domestic market, but it also has sales businesses in Europe and Asia. In the future, the company will aim at the global market. "In response to that, we cooperate with top-notch Japanese manufacturers and have developed various high strength fasteners, such as Class 14.9 socket





head cap screws (made from special alloy steel with excellent resistance against delayed-fracture, with tensile strength 1400N/mm² and elongation over 9%) and Grade A2-90/A2-100 at high tensile strength level in austenite stainless steel fasteners (made from self-developed and non-magnetic Austenitic SUS304CUN steel with tensile strength 1000N/mm² and resistance against stress corrosion crack equivalent to SUS316). These are all next-generation products utilizing Japanese premium materials and state-of-the-art technology.

Moreover, the company offers products made of nickel alloy, titanium alloy, plastic, etc., to satisfy demands for high strength fasteners and further we deal with lots kinds of Japan-made quality products which are demanded in the world fastener market. We are looking for partners and clients seeking Japanese high quality and stringent standard rather than low grade products.”

Yura Sansho's Vertical & Horizontal Integration of Production, Purchase, and Sales

Since its inception, Yura Sansho has been selling and distributing products made in Japan. Over 90% of its products are made in Japan. The company keeps close partnership with many highly skilled Japanese fastener manufacturers. Furthermore, it also has a subsidiary factory primarily producing steel hex head bolts. Additionally, it imports metric/inch standard parts from U.S. distributors and imports cost-competitive standard parts from countries like Taiwan, China, and Thailand.

Outlook for Emerging Markets

For many years Japan has been actively developing business in emerging markets like Southeast Asia. You might ask: What is Yura Sansho's perception for this market? President Yasumasa Yura replies, "Many customers of Yura Sansho have expanded their business to Southeast Asia and some of them even participated in projects of local infrastructure, indicating the fact that the Asian market is full of charm. However, the company for now remains as a back support for those clients in Southeast Asia.

Particularly, during the period of the high economic growth (in 1954~1973), Japan continuously adopted and utilized excellent manufacturing methods introduced from advanced countries to reach its unique rapid development. Presumably, the industrial structure of Asia (and Southeast Asia in particular) will continue to transform and the demand and requirement for fasteners and components will become more stringent like Japan. High-end fasteners demand in Asian markets will be our company's new target of development. Be aware that there is an enterprise like us in Japan, and there exists excellent products for your market." We can expect in the future that Yura Sansho will open a new page in those new markets.



Reliable European Trader of Standard & Special Screws

Achilles Seibert GmbH

For over 60 years, Achilles Seibert has been recognized as a reliable partner of screw trading in Europe. The company is a very flexible and reputable importer of hexagon socket screws and hexagon head screws. It supplies not only standard but also special screws in non-standard dimensions. It consolidates its market position as a wholesaler between the screw industry and resellers. Approximately 80% of its sales is generated from the German and international screw trade and its export represents 1/3 of its sales on average.

In the 10.9 and 12.9 high-strength grades, Achilles Seibert imports guaranteed products from qualified European and Taiwanese manufacturers. General manager Timo Scholle told us, "As a leading fastener distributor in Germany, Achilles Seibert supplies DIN standard parts to almost every wholesaler in Europe, providing superior service based on 3 platforms (inquiry, price list, and web shop), same-day shipment and several other service (such as 100% availability of 3.1 certificates)." In





addition to that, the company's quality system is improving year on year, and that is not restricted to ISO 9001:2008 standard.

Providing "Specials" to Worldwide Customers

Achilles Seibert's major markets are the fastener distributors in Europe. Over the years it has made a prestige in the market of special sizes and dimensions. Also it is capable of providing almost every coating for small batches. It provides these kinds of "specials" to customers around the world (such as Singapore, Malaysia, and China). Within the last 3 years it developed a new division to supply end users and the automobile industry with OEM items. According to Timo, these will bring in 2015 around 15% of the annual turnover!

Market Outlook

Due to its quality policy, Achilles Seibert is choosing its suppliers very carefully. "Due to the anti-dumping measure of the EU, we were forced to change our purchase market. Now we are purchasing from Taiwan, South Korea, Vietnam, Thailand and little from India," Timo added, "Around 30% of the purchase comes from European suppliers."

As demand in Asia and Southeast Asia has been on the rise in recent years, what is Achilles Seibert's thought about this market? Timo

Scholle told us, "In the last 20 years, Asia was our major purchase market. However, the market is changing and more and more market players have their own factories in Asia, so it is important to not only purchase in Asia, but also provide a good mix of high-end quality fasteners from Europe as well." We are looking forward to the growing development of Achilles Seibert!

Connecting Quality and Flexibility

Stafa Group



Stafa Group is one of Europe's leading importers that has been supplying a wide range of industrial fasteners and fixings for almost 40 years. With eight offices worldwide Stafa has a business area of 15,000 m² with nearly 100 employees. Stafa assures competitive prices, progressive solutions and prompt deliveries.

Total Solutions for Fasteners and Fixings

With four business units, Stafa is able to offer customers the 'total solution.' That's to say the delivery of a complete package of premium quality standard fasteners and special components, providing the smartest packaging options and customer labelling or arranging customers direct imports under the most competitive and favourable conditions. Always guaranteeing quality and service. That is the strength and power Stafa shares

with their worldwide suppliers and more importantly with their valued customers.

Market Awareness of Current Developments and Customers Requirements

Stafa specializes in high-quality zinc plated and hot dip galvanized fasteners, offering a large stock range of over 75,000 items covering screws, nuts, bolts, washers, plugs, threaded rods and anchoring materials to DIN and ISO standards. Stafa closely follows current market fluctuations and developments linked to customers specific demands. For example, new regulations in the steel market (the legal requirement under EN-15048) gave Stafa the opportunity to take the entire range of SB bolts into stock. Under the label Multi+® Stafa imports woodscrews with unique and revolutionary features. Multi+® ttap® is truly unique! This screw is manufactured with the patented Torx® ttap®. This reduces the "wobbling" effect and guarantees "stick-fit".

Efficient and Cost Saving

To offer customers extra added value, Stafa also specializes "in house" for the efficient packaging of components. With high-tech machinery and a full range of packaging possibilities, Stafa offers many services such as kitting of sets, private label packaging and just-in-time deliveries. Even taking over of the entire purchasing process is possible. For customers the outsourcing of bagging and kitting results in attractive financial and operational savings, it eliminates

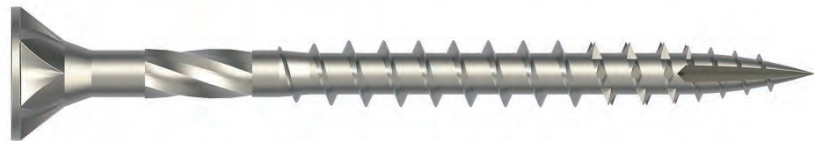


unclear overhead costs as errors are as good as ruled out and kitted sets can be stored at Stafa, thereby optimizing customers supply chain and so reducing the burden on capital.



Product Quality, Services & Processes

Quality is paramount important to Stafa. Regular checks and quality control measures are standard procedures for all Stafa's products, services and processes. All incoming goods are subjected to quality control in its own laboratory; tensile testing, hardness measurements, microscopic surface controls, salt



testing, Charpy impact testing and wire deviation checks. All processes are continually monitored. The packaging machines are supplied with integrated weighing systems and final check weights. Stafa guarantees a 100% check on the composition, content and weight, and offers the highest level of accuracy possible. ■