

# Global Fastener Leaders Summit 2016 Shows Enthusiastic Attendance

by Gang Hao Chang, *Fastener World*

Taiwan International Fastener Show 2016 successfully took place at Kaohsiung Exhibition Center on April 11-13. On the first day of the show the organizer also gave a summit inviting key fastener industry professionals to make brief reports on the respective role of their own association and market trends, which included EFDA president Dr. Volker Lederer, UDIB president Gian Marco Dalpane, NFDA Vice President Marc Strandquist, and TIFI president Anchor T. H. Chang. Hosted by Deputy General Manager Jimmy Ko from Tong Hwei, the conference showed enthusiastic interaction between the speakers and more than 200 fastener professionals in attendance. Below are excerpts from the reports of association leaders.

**EFDA president Dr. Volker Lederer** said, "EFDA founded in 2000 comprises of 6 national fastener associations in Europe. Its HQ was moved to Berlin in 2013. The mission statement of EFDA is to bring together European fastener distributors, establish a continuous communication network with global partners, enhance the value of fastener distributors in European industry, speak for members on an int'l and domestic level, and facilitate free and fair trade in the open market.

In terms of the AD measure on Chinese carbon steel fasteners, the EC initially considered "repairing" regulations to keep or reduce duties, but found that a direct repair was impossible. As a result, with the request from WTO and consideration on the possible retaliative measures from China, the EU has officially repealed the AD measure on carbon steel fasteners from China or transshipped from Malaysia since Feb. 27. When the AD measure was in force, EU's carbon steel fastener imports from China dropped by 98% in 2009-2013 and EU market share of fasteners from China was reduced from 26% to 0.5%. The abrupt repeal will of course result in similar distortive effects. On the other hand, the production of stainless steel fasteners in EU continues to decrease, the duty rates of 27.4%, 23.6% and 27.4% continue to be respectively imposed on China, Taiwan, and Malaysia and are likely to

expire on Jan. 7, 2017. EFDA objects to illegal circumvention and will continue cooperation with relevant organizations and associations for fair and free competition.

Regarding the debate over whether China should be considered a market economy before the end of 2016, several EU member states still have different opinions. If China is considered a market economy, the analogue country will not be used anymore in the antidumping investigation to calculate the normal value of the dumping margin, which means it can be granted a lower duty level. EU has 3 options: the 1st is not to grant China as a market economy and relevant investigations and measures remain unchanged; the 2nd is to grant China as a market economy; and the 3rd is to grant China as a market economy and strengthen provisions of Europe's trade defense regulations."

**UDIB President Gian Marco Dalpane** talked about "Development of Supply Chains and Market Trends of the EU Market." He said, "UDIB founded in 1976 is a 40-year-old association. Its



UDIB President Gian Marco Dalpane



Tong Hwei Deputy GM Jimmy Ko



EFDA President Dr. Volker Lederer

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### 領袖高峰會



mission statement is to unify Italian fastener distributors. Now it has 40 members and mostly comprises of relevant fastener specialists, importers, industry service providers and manufacturers who partly offer fastener distribution service. Members focus on fastener import and fastener distribution in Italy and foreign markets. The turnover of its members in 2015 totaled 700 million USD. The yearly turnover of Italian fastener market is about 2 billion euros with 4,500 direct employees, about 300 distributors, and about 300 manufacturers.

UDIB continues to give many events every year. The most recent events included the 2010 EFDA Meeting in Arona and a fastener conference given in Parma in 2011. The website of UDIB is also in multilingual version, including Chinese.” In his speech, president Dalpane played a video of the promotion for the sophisticated manufacturing techniques of Italy, drawing much of the attention of the audience.

**NFDA vice president Marc Strandquist** also briefed on the current fastener demanding markets in the U.S., including light vehicles, heavy trucks, marine craft, private nonresidential construction, appliances, defense capital goods, computers & electronics, engines/turbines/power generators, industrial machinery, agriculture/construction/mining machinery. He said, “The recovering industry is industrial machinery; industries with accelerating growth are light vehicles, private nonresidential construction and defense capital goods; industries with slower growth are marine craft, engine/turbine/power generator, and agriculture/construction/mining machinery.” As the U.S. has been the main export destination of Taiwanese fastener suppliers, the briefing this time also gave companies interested in the U.S. market a clearer picture of the current U.S. market trends.



NFDA Vice President Marc Strandquist



TIFI President Anchor T. H. Chang

**TIFI president Anchor T. H. Chang** briefed on the characteristics of Taiwanese fastener industry, prospects of the global industrial fastener market, overview of fastener exports in main countries, challenges Taiwanese fastener export is facing, TIFI’s response to the AD measure repeal, export overview and prospects of main Asian fastener supply countries (e.g., China, Japan, S. Korea, ASEAN). President Chang said, “The characteristics of Taiwanese fastener industry include low capital intensity, highly globalized industrial export, clustered industries, and flexible & competitive SMEs. Facing competition from China, Taiwanese companies should try to consider business expansion to the development of fasteners for automotive, aerospace, railway, and medical applications, thus finding their own niche and diversifying risks with acquisitions of patents and certifications. By 2020, the global industrial fastener demand will reach 104 billion USD and Asia will roughly represent 44.12 billion USD. In 2015, Taiwan exported 1.57 million tons of fasteners (-1.38% over the previous year) and the export value amounted to 4.1 billion USD (-4.28% over the previous year). After EU repealed the AD measure on carbon steel fasteners from China, Taiwan’s fastener export to EU will be expected to drop by more than 40% in 2016-2017. We hope that Taiwanese government can offer any possible assistance or guidance to Taiwanese suppliers, so they can compete with Chinese counterparts. The fastener production value in Asia represents about 41% of the global value and Asian fastener market will continue to grow.”