

Specialized Manufacturer of High Quality Large Cold

Forged Nuts- THREAD INDUSTRIAL

by Konnor Lee, Fastener World



Thread Industrial Co., Ltd. established in 1987 has been active in Taiwanese fastener industry for nearly 30 years. Its main products include various nuts, bolts, and small screws in almost any sizes, which are comprehensively applied to construction, auto parts, and industrial machinery. Thread Industrial is specialized in producing large cold forged nuts and is also capable of manufacturing nuts, bolts, and small screws. Thus far it has been certified to ISO-9001 and ISO/TS16949 and has been certified to ISO/IEC 17025 by TAF. Its products are also compliant to the specification requirements of EN14566 and EN14592. President Chung-Jen Yen of Thread Industrial devoted himself to the business in the past decades and has led the company to be the topnotch construction and automotive fasteners manufacturer and supplier.

No Pain, No Gain

The Luzhu, Kaohsiung-based Thread Industrial has not only a plant in Taiwan, but also has ones in Vietnam and Philippines. You may not believe that the owner of Thread Industrial now showing a key position in the fastener industry was originally a chicken farmer. He ended the chicken farming business and chose a new business due to the fact that wages were increasing and not too many people wanted to do this type of job. With more than 20 years of effort, the company has gradually gained its reputation in the industry. President Yen said, "The profit through chicken farming was actually better; however, you didn't even have much time to take a rest. That was why I chose to re-start my business in the fastener industry later. With 6-7 years of effort, we have become more well-known in the market and our profit is also increasing." From none to the current scale, the success of Thread Industrial definitely did not happen by chance.

Taiwanese fastener industry is well-established and has had many years of development, which means very drastic competition from counterparts. In terms of development strategies of the company, President Yen has determined to focus on "cold forging technology" and "the development of large-size fasteners." Cold forging not only can save electricity cost, but also will not produce waste water after heating. When it comes to final quality and precision of products, there exists a very significant difference from other companies. In addition, large machines are requirements for manufacturing large-size products and the investment in technology and R&D

can greatly increase the competing advantages. President Yen said proudly, "When customers need large-size nuts, they think of Thread Industrial."

Strict Quality Control That Best Helps Expand Business to the Global Market

More than 90% of products offered by Thread Industrials are produced by itself. It can handle every step from material processing to final packaging. Moreover, as it implements strict quality control, its products have earned good reputation from overseas buyers. So far Thread Industrial has owned two plants abroad (incl. Vietnam and Philippines) with the annual production of over 25,000 tons. In terms of expanding to countries in Southeast Asia, President Yen said, "The wage level and land cost in China have been increasing really fast in recent years and the product life cycles are short. By contrast, Vietnam is one of the few countries which offer favorable tax rates to Taiwan. Import without taxes is the one and only way that helps expand Thread Industrial's overseas business."

The revenue of Thread Industrial last year was USD 0.35 million. President Yen said humbly, "Our market deployment is the key factor for our stable operation. The current international political and economic circumstances have become too hard to foresee (though decades ago we could foresee almost all results that were likely to happen), as more and

more factors (e.g., anti-dumping duties and fluctuating exchange rates) appear, making circumstances more complicated. It's also possible that any large economic entity or major currency may disappear someday."

He said, "If a company is unable to compete with others in the global market, it must be quick to change its market strategies. Investing in not only one market is why Thread Industrial could reduce the influence from the financial crisis to the lowest level. When the market and product portfolio keep growing, the production management will become more difficult and costs will greatly increase as well. As a result, fulfilling customers' requests and offering them a variety of products are our commitments."

Challenge the Limits and Create Excellent Products

President Yen said that most Taiwanese fastener companies are OEMs, so the competition in prices is very fierce. All companies are eager to enter the supply chain of car manufacturers. The prices of parts requested by car manufacturers are almost the same as those of standard parts, which means that even if you get the order, you are not guaranteed to earn profit. This is the difficulty and challenge for most Taiwanese industries. However, if any product fails, car manufacturers may claim for millions of compensation, which many Taiwanese companies are unable to pay. In the future, Thread Industrial will continue to focus on quality and professional service. With years of experience, President Yen hopes that through helping buyers understand products, increasing the added value, and creating excellent products, he and other superior fastener suppliers can work together to maintain the leading position of Taiwanese fastener industry.

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