

The biennial Fastener Fair Stuttgart will be held in Germany for three days from March 28th to 30th. For Taiwanese fastener industry, this fair is definitely a significant event. Fastener Fair Stuttgart is a momentous international fair. With this opportunity, Taiwanese companies can know better about recent European fastener market trend. According to the official statistics, the last Fastener Fair Stuttgart attracted more than 12 thousand international buyers from the world. For those who would like to increase their visibility in the European market, it is definitely a big chance once in a blue moon. There will be 899 companies from

46 countries participating in Fastener Fair Stuttgart 2017. Among all, there will be 174 companies from Germany, 165 from Taiwan (18.3% of the total exhibitor number), 143 from China, 126 from Italy, 52 from India, 44 from Turkey, 31 from the UK and 30 from Spain. During the fair, Fastener World Magazine will collaborate with Taiwan Industrial Fasteners Institute to set up a "Taiwan Fastener Pavilion" and distribute magazines onsite. Through exhibiting at the fair and our B2B online search service, we are able to help companies increase their visibility.

Editorial

New Challenges for Taiwanese Fastener Industry in 2017

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Prices of Taiwanese Fasteners Increased

When it comes to new challenges for Taiwanese fastener industry, we have to first mention some problems and phenomena happening in Taiwan. The new labor policy effective 2017 has boosted the total personnel cost to increase by 3-5% on average. The increase in day offs has also resulted in longer manufacturing times, which may delay shipment. The policy has a tremendous influence on heat treatment and coating factories in particular, which will substantially increase their cost and show risk to the supply chain of the fastener industry. Furthermore, the skyrocketing price increase of wire rods has led to the increase in total cost. In Q3 last year, the price of wire rods went up by NTD 0.6, in Q4 it went up again by NTD 1.3, and in Q1 2017, it went up again by NTD 2.4. It is estimated that the price will continue to increase in Q2. Within less than one year, the price of raw materials has hiked by at least NTD 5. While the total personnel cost is increasing, Taiwanese companies are also facing the problem of increasing material cost. Last but not least, the significant appreciation of NTD has been also observed, which is really unfavorable to Taiwanese fastener industry since their products are usually quoted in foreign currencies. Foreign buyers are complaining about the rising fastener prices, even though the industry tries hard to minimize the margin of price increase. It is absolutely one of the toughest challenges for the industry this year. The global economy will be stable this year. However, due to the current unstable political chaos in the U.S., most companies hold pessimistic views toward the development in 2017. Nevertheless, the industry will still focus primarily on improving customers' satisfaction and providing better service to them in the future.

The Un-ignorable "Plating" Issue

Taiwanese companies providing plating service all think that it is difficult for them to survive the challenges, as there are numerous relevant regulations in Taiwan. Even though these platers have done whatever

they can to abide by relevant environmental protection regulations, many people still think it is not enough. The public seems to have neglected the importance of coatings to the entire fastener industry and even to our lives. Automobiles, computers, household appliances and so on all need coatings. The importance of coatings to the whole fastener industry shouldn't be underestimated. Even though the upstream manufacturers are going well, if the last part goes wrong, the quality of products will still be poor. There still isn't any area in Taiwan specifically arranged for the plating industry, so it is really a tough job for them. Our government has been talking about helping the conventional industry upgrade and transform for long, but still the plating industry seems to have been forgotten. Where should the future of our plating industry be? In order to achieve mutual prosperity in the fastener industry, the government should actively help the plating industry upgrade and transform so that they can function normally.