

**5.** Many UDIB members have been collaborating with Asian suppliers for years. Do you have any new expectation toward the continuous future collaboration with these suppliers? And, does UDIB have any plan to further reinforce and strengthen the collaboration and partnership with these suppliers from Asia?

**UDIB has among its members a lot of very well known partners of the Asian suppliers. The relationships are really excellent** and both parts appreciate the seriousness of the other, during years and years. UDIB by itself is trying to widen these relations between always more and more companies.

**6.** What is your opinion and analysis of Italy's and EU's fastener import/export volume and value calculated from 2016 through the most recent month of 2017? Do you think there may appear some significant improvements in the future fastener import/export volume and value of Italy and the entire EU?

I don't think that these two years will be remembered for their special figures. For sure they will remind us the cancellation of the antidumping duty and the extreme variability of the raw material price. These two reasons gave the players of the market a lack of stability that usually is not favorable for the growing of the market. Some of our members have pushed the foreign market with very good turnover and profits.

**7.** What is your expectation and prospect toward the fastener distribution market of Italy and even the entire EU in 2018? Does UDIB have any plan to promote and create a better fastener distribution environment for 2018?

UDIB has no intention to manage the market but the possibility to create better conditions for the growth and the stability.

**8.** As the President of UDIB, could you please talk about how you would like to do in the upcoming new year to lead your association members to maintain their competitive edge in the global fastener market and voice for your members' interests?

We will meet for our general assembly in November, and during this meeting I'm sure the members will have the possibility to compare with one another certainly finding new ways to cooperate and to merge their forces as much as possible to combat the bigger European companies' strength. **UDIB will try to push them in this cooperating direction with the aim to create a better Italian distributing system and a new empowering in the European and entire world market.**

**9.** Do you have anything else that you would also like to share with our readers worldwide?

The Italian market offers great opportunities of growth. Current distribution suffers from the too high number of small players on the market. The future will be of those distributors who will join the forces to be more competitive on the market.

## Interview with **CMCA Fastener Subdivision President Mr. Xue Kang Sheng**

**1.** As innovation and business transition continue to catch on in the market, what new features will the fastener industry present?

The fastener industry, which is in the process of structural adjustment and business transition driven by innovation, will present some new features: (1) Innovation will drive and promote the strategic transition, upgrade and development of enterprises, (2) **Intelligent manufacturing in the fastener industry is developing.** (3) There is further progress in "IoT" application, (4) The fastener industry reinforcing green manufacturing, (5) Enterprises reinforcing their work on quality control, branding, etc. All these features help consolidate the base for steady growth of the industry.

**2.** How's the current development of Chinese economy and its manufacture in 2017? What kind of role does CMCA fastener subdivision play in such a trend?

The Chinese economy in 2017 continues to grow steadily and investments in infrastructure like high speed rail, and urban transport systems are also on the rise. The automotive, wind power, agricultural and IT industries remain a better upward growing trend. As the Chinese manufacturing industry continues to grow steadily, it provides opportunities for the Chinese fastener industry. Everyone has good expectations towards the sales this year; as a result,



### **it is expected that the total fastener production volume will also continue to increase in a stable manner in 2017.**

In 2017 the Association focuses more on strengthening industrial development, energy saving/environmental protection, solving overcapacity, innovating corporate technology and increasing quality/efficiency within the industry, in order to be a truly responsible organization and continuously make positive contributions to the industry. At the same time, we reinforce our ability to assist enterprises in brand establishments and go further to do our job and fulfil the commitments of the Association.

### **3. What is the main focus of the current development of Chinese fastener industry? Are the issues observed in certain manufacturing bases of China crises or opportunities?**

**Green manufacturing has been one of the main focuses of many Chinese fastener enterprises in recent years**, which includes the R&D of new technology to save energy and reduce carbon emission, the promotion of low-carbon economic development in all industry sectors, the improvement on waste management and recycling, the promotion of greener electroplating methods and the use of non-tempered new steel types, etc. All these trends are becoming the target for Chinese fastener enterprises to upgrade themselves to the level of green manufacturing.

Guided by the green manufacturing policy “The 3-year Plan to Upgrade Haiyan Fastener Industry” proposed by Haiyan Government, Haiyan fastener industry, usually dubbed “a manufacturing heartland of ferrous parts,” has been working hard to fill all requirements of the Plan and solve the problem of environmental pollution caused by the local fastener industry. Since May 2017, the Yongnian (Hebei) authorities has begun to implement a stricter policy for the sake of environmental protection and has officially forced a few small enterprises to halt operation, effectively lifting the green manufacturing level of the local fastener industry.

### **4. What are the changes that the industry may face in the future and what could be the solution?**

For the time being, the economic development in China is still influenced by various parameters and many uncertainties to the world’s economic recovery still exist. The adjustments of macroeconomic policies in certain countries have generated some variants and newly emerging countries are also encountering new difficulties, **so the global economy will continue to undergo deep adjustments and the international competition will be fiercer as well.** The conditions supporting China’s economic development are also on the way to significant changes and the internal contradictions are also revealed. Hence, enterprises also face extremely high pressure and issues like low demand in the market, increasing costs for environmental protection and labor force, shrinking profit margins, lower possibility to get bank loans, etc. Accordingly, we suggest the entire industry make more efforts to create a better and reasonable economic development margin and keep stepping forward for a stable and healthy development.

Regarding the international trade, China has established trade relations with more than 160 countries and regions. For this reason,

we have to increase the technique and quality level of our products and offer better service for the sake of the global economic development. We’ll continue to advocate honest and fair international trade regulations and accelerate the market structural adjustment of our exports. We will require the entire industry to establish better trade relations with other partnered countries (incl. the EU), and facilitate healthy negotiations in export trade. Organizations, industries and enterprises should learn to make the most of international trade laws and strategies to prevent being affected by “trade protectionism” and keep pace with the policy of “One Belt One Road Initiative.” We should work together to avoid misunderstanding and misinterpretation, remove interventions, follow the trend and go hand in hand to fight against the new trade protectionism.

### **5. What do the future and prospect hold for Chinese fastener industry in 2018?**

In the upcoming 2018, **we should continue to innovate and make adjustments, grasp the opportunities brought by “Made in China 2025” and “One Belt One Road” initiatives and consolidate our presence in the current development of major industries and construction projects.** These industries with substantial fastener demand will definitely offer the fastener industry great business opportunities. In addition, we should also pay more attention to the development of new warm forging and cold pressing complex forming technique, new technology and new materials and promote the combination of IT technology and Internet technology, which can help improve fastener manufacturing technology and broaden the current product portfolio to well-engineered mechanical fastening parts. We should also study hard and research into the change that Industry 4.0 and IoT could bring to the fastener industry, in order to facilitate the change in our ways of production and sales and create a bigger and stronger fastener industry.

### **6. Does the Association Have Any Plan or Prospect for 2018?**

The new Board of Directors feels honored to take on such important tasks and we must reinforce the structure of our organization, increase our work quality, improve our capabilities and continuously upgrade the management quality of the entire industry.

As a result, **the Association has determined to hold “International Fastener Show China” in Shanghai in Oct 2018**, which aims at achieving the sustainable development of Chinese fastener industry and which is also of the main interests of the industry. In this event, we will demonstrate the history and achievements of Chinese fastener industry and the great fastener demand of Chinese market and provide a trade platform for local and overseas companies to exchange views. We hope that fastener professionals from all around the world can establish a stronger views exchange network and mutual trust, facilitate multilateral collaboration and work together to create a beneficial win-win through attending this show. Finally, we hope to see companies from any country to register their participation as soon as possible and show visitors their unique features directly at the show. ■