

“Tong Ming 4.0” The Topnotch by Dean Tseng, Fastener World

Fastener Giant Extends Reach to E-commerce



The publicly listed Tong Ming Group mainly produces and sells stainless steel fasteners and wires, along with international trade of special fasteners taken in charge by its subsidiary Winlink Fasteners. Its sales in China in particular account for nearly 70% of the entire group's sales, and it has a total of 32 sales branches in all regions of China. Stainless steel products are widely applied in many industries such as furniture, construction, automotive, railroad, and high end medical, solar, aerospace industries and Tong Ming's products have been widely used in every corner of China, making the Group *the leader of stainless steel fasteners in China!*

able to supply regardless of the scale of clients or the size/volume of required products and can even accept low-volume and high variety orders. Even though the order of a client is for a very low volume packed fasteners, it is able to sell as well. The Group mainly aims at the domestic sales in China, which account for two thirds of the group's sales, and puts the rest of one third to export.

Winlink Fasteners is a business unit of the Group in Taiwan, playing a role as a manufacturer and trader and responsible for special parts. Therefore, for all clients of any nationality who need standard stainless steel or customized fasteners, Winlink Fasteners is their go-to source of purchase!

The Combined Force of Tong Ming and Winlink Fasteners, Connecting Global Sales Network

The Group's operation in China is headquartered in Zhejiang Province where it operates 32 branches across China. It has a significantly strong and China-wide domestic sales network there with 5,000 clients, and outwards it has the U.S. and Europe as the biggest overseas markets. The operation in China is characterized by its focus on stainless steel fasteners only and well-established inventory systems and products of all specifications in stock. It is

Succeeding Founder's Solid Foundation Building E-commerce 4.0 & Marketing Routes

Back in the days when everything started difficult, the Group was insightful enough to foresee the enormous business opportunities in China. Without a single doubt and regret, the Group set foot in China and eventually opened up its business empire across the world. During the interview the group gave an expressive analogy that the initial moment of sowing determines the height and type that the tree will grow into. "Although the seed looks tiny, its DNA determines the future size and height of the tree."

"During the times of inception, the Group was solely dedicated to fastener manufacture. Nowadays, the Group is already able to reduce cost and own a comprehensive supply system, so there is literally no problem with our manufacturing end. Now we turn our focus to marketing routes, and shift our business orientation from manufacture to service. We even design styles for our clients' packages." To enhance marketing routes, the Group has even stepped into e-commerce and brings up the concept of "Tong Ming 4.0". It established a sales route business unit in 2016 and additionally integrated part of its branches in China into

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large regional warehouses. This is to integrate work force and slash it by one thirds, **creating the new Tong Ming business model** combing “regional warehouse”, “e-commerce”, and “logistics” that not only has reduced cost but boosted revenues by 40%. “We not only sell stainless steel products but also purchase fasteners from other sources (accounting for 20% of our total revenue) to satisfy clients. The traditional business model in the old times drives manufacture by sales, but now we are ‘driving manufacture by marketing’. The reason is that the gigantic demand driven by marketing is actually the biggest production momentum. Now we have more sales route specialists than our production specialists.” The Group’s e-commerce empire is now ready to impress the whole world!

“Face Competition in More Macroscopic Perspectives”

When the Group was asked about its viewpoint on Taiwanese fastener industry that faces competition from China and other countries, it proposed a core idea which is to not just focus on the competition but also spot business opportunities within differences and additionally consider business opportunities for export in order to extend reach to the world market. It took the automotive industry deeply connected with automotive

fasteners for example and said that the fuel-car components market will definitely have a significant change soon as China has had relevant regulations come into effect to reduce the proportion of fuel cars and try to get the development of electric auto-pilot vehicles on par with American and European levels. Furthermore, components strength and lightweighting will be the focus of future cars, and the fastener lightweighting trend will drive fastener suppliers to pay more attention to what materials they should use. Therefore, competition is not the key point now. The point is to **keep posted on the trend and development of components purchase as well as the capability of production and supply chain at anytime.**

Tong Ming’s Future is About to Begin and Heading to a Powerful Future

According to the Group, “Others may think the domestic Chinese market has matured since China goes into the period of low growth, but for Tong Ming, our future is just about to begin. China has 3 times the consumption of fasteners over the U.S., so our domestic sales in China is just about to enter a rapid growth trajectory. Additionally, the application of Internet in China drives the change and reshuffling within the industry and has a huge effect on fasteners. **The future opportunities for China will be sales routes and e-commerce.**” At the end of the interview the Group noted, “To Taiwan, China is both a collaborative partner and an opportunity. Don’t treat China as a single market but a multicultural market comprising 30 different provinces. That is why lots of opportunities for us still exist in China.” Through Zhejiang Tong Ming, and Winlink Fasteners that target overseas markets like the U.S. and Europe, the Group’s business empire will go farther through e-commerce and the era of “Tong Ming 4.0” is just about to begin. ■

