

American News

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Lockard: Beware of Non-Conforming Threaded Rod

There are substandard thread rods being exported to North America and a Canadian manufacturer declares it a “serious” violation of ASTM A307 standards. The Canadian-based threaded rod manufacturer said the process gives overseas manufacturers an advantage both in buying less steel to produce the product and in less weight to ship the threaded rod.

To meet ASTM A307 standards, threaded rod must have a minimum tensile strength of 60,000 psi, be of low carbon steel, not heat treated and with 60-degree threads. Quality inspections demonstrate some imported threaded rod does not meet the 60 degree requirement. Instead there may be as low as 35 degrees to 40 degree flank angles. The angles may pass Go Gage inspection and minimum tensile strength, but thread engagement is reduced and cannot match the same load grip strength. An installed nut will jiggle on the threaded rod. Grip strength in load-bearing applications is reduced as much as 40 percent. The non-conforming threaded rod has led to crashes of pipe hanger assemblies for water supply and sprinkler systems, Lockard said.

One step in determining if threaded rod does not meet standards is weighing the product on an accurate digital scale, Lockard said. Threaded rod weighing less than the A307 standards is probably non-conforming. Other tests include the NOGO gage verification of the flank of the thread at the pitch diameter cylinder. Another is a visual inspection with an optical comparator. Any threaded rod with less than a 55 degree angle needs to be rejected. A manufacturer could offer a fastener buyer the option of 45 degree threads or standard threads. Buyers need to question if the threaded rod they are importing conforms to ASTM A307. There are safety and legal implications to non-conforming products. “Folks need to get rid of these,” Lockard said of any non-conforming threaded rod already in inventory.

BBI Acquires Ironclad Performance Wear



BBI acquired Ironclad Performance Wear Corp. through an asset auction. BBI won the October 30 auction with a \$25.5 million bid approved by the U.S. Bankruptcy Court. Founded in 1998, Farmers Branch, TX-based Ironclad manufactures PPE gloves for safety, construction and industrial markets. “Bringing together BBI’s distribution and logistics capabilities with Ironclad’s strength in product design and marketing for gloves, BBI sees the best of both companies being able to work together,” stated BBI president Jun Xu.

Taiwan-based BBI has made several high-profile acquisitions in recent years, including NJ-based EZ Sockets in March 2015, and Porteous Fastener Co. in 2013. Owned by Ta-Chen International, BBI is a master distributor and importer supplying 7,000 distributors through 31 locations in the U.S., Canada, Mexico, Brazil, Australia, New Zealand and the UK. The company’s global headquarters is in Taiwan, and the U.S. headquarters is at 5855 Obispo Ave., Long Beach, CA 90805.

Brighton-Best Acquires Koala Nails, Promotes Stowe & Announces PTIA Award



**BRIGHTON-BEST
INTERNATIONAL**

Long Beach, CA, USA-based Brighton-Best International (BBI), has acquired Koala Nails, Sydney, Australia. Koala Nails manufactures and supplies high-quality loose, collated and coil nails as well as collated screws and fasteners for the construction and hardware industries in Australia and the USA. BBI also announces the promotion of Lonnie Stowe to Branch Manager for BBI Atlanta. Stowe brings over 20 years of experience in the fastener industry to his new position. Also, BBI reports the winner of the 2017 Pro Tool Innovation Award (PTIA) is presented to Preferred Tools for the T08001 6" Plumbing Adjustable Wrench selected most innovative in the category of Hand Tools-Wrenches.

Hillman Group Acquires ST Fastening Systems



Hillman Group, Inc. have entered an Asset Purchase Agreement, through which they have acquired substantially all the assets and assumed certain liabilities of Hargis Industries, LP, dba ST Fastening Systems (STFS), a specialty

fastener manufacturer and distributor based in Tyler, TX, USA. Hillman says the STFS core product line of specialty fasteners fits well within its fastener portfolio. STFS products are sold to metal building fabricators, hardware wholesalers and building products distributors in the USA. Hillman and STFS are strongly committed to customer focus and innovation within their product lines. STFS headquarters will remain in Tyler and STFS will maintain a distribution center in Cincinnati. STFS will continue to be led by Bruce Crouch.

MacLean-Fogg Names New CEO



MacLean-Fogg president Duncan MacLean has been promoted to CEO. Former CEO Barry MacLean

will maintain his chairman role and will continue to lead long-term strategy, planning, and new product advocacy. CFO George Cook was named vice chairman. “I’m honored to be the fourth generation of the

MacLean family to own and operate MacLean-Fogg,” said Duncan MacLean. “I’ve had the privilege of working in seven of our different facilities, and living in Germany for nearly 5 years. I’m committed to making my vision of unifying our company globally by driving ‘One MacLean-Fogg.’ I will continue to support and build our Operational Transformation culture through LEAN implementation, and invest in new products, equipment, and acquisitions.”

Duncan MacLean joined the company in 1996 as a manufacturing engineer for MacLean Power Systems. He was elected to the MacLean-Fogg board of directors in 1998. In 2008, Duncan MacLean became president of MacLean-Fogg Component Solutions. In 2015, Duncan became President of MacLean-Fogg and assumed direct responsibility for MacLean Power Systems. Duncan MacLean holds engineering, management and finance degrees. Barry MacLean added: “I’m proud to say that the MacLean family has always led the company. My grandfather and founder, John A. MacLean, started the company in 1925. In 1928, my father, John A. MacLean, Jr., stepped in and I ultimately became President and CEO in 1972. It’s a thrill to see fourth generation Duncan MacLean leading the company.”

Mundelein, IL-based MacLean-Fogg operates 40 global manufacturing facilities, with annual sales above \$1 billion and a workforce of over 4,000. MacLean-Fogg provides engineered metal and plastic components to the industrial, automotive, and military markets.

MW Industries Expands in Europe with Surfeo



MW Industries, located in Rosemont, IL, USA,

has named Surfeo of Nanterre, France, as a strategic business development partner. Surfeo now represents the complete MW Industries product line of metal components in Europe. The agreement enhances exposure of MW Industries products in the aerospace market among Tier 1 and Tier 2 OEM manufacturers across Europe.

Optimas Opens German Facility



Optimas Solutions opened a new warehouse and office facility in Germany “to increase capacity and productivity for logistical services” to customers in Germany and surrounding countries. “Optimas offers a global service for customers, so it’s vital that we invest in a network of distribution centers to ensure that all of our partners benefit from local support and expertise,” stated CEO Anesa Chaibi. “Germany is an extremely important market to us, and we are committed to continuously improve to support our customers.”

The facility is located on a 215,000 sq ft plot in Saarland, which was chosen “to maximize delivery links throughout Germany, France, Belgium, Luxembourg and Eastern Europe.” In addition to a large loading and unloading yard, the warehouse has capacity for 16,000 pallets using high racks and automated vertical storage.

Optimas traces its original footprint in Germany to Camille Gergen, which was established in 1946 to supply screws, standard parts and connectors to industrial manufacturers. “With over four hundred million parts moving through Germany every year, it’s important that our distribution and logistical capabilities are operationally excellent,” added David Kessler, VP for Northern Europe. Optimas Solutions was formed in 2015 when New York private equity firm American Industrial Partners acquired Anixter’s OEM Supply Fasteners division at auction for \$380 million cash.

Headquartered in Glenview, IL, Optimas provides fasteners and c-class components and services, including design and engineering, supply chain management, logistical support, direct line feed and local inventory support. Its engineers work with OEM and Tier 1 suppliers in the automotive, agricultural, and medical equipment markets.

PennEngineering® Initiates Patent/Trademark Infringement Action



PennEngineering®, Danboro, PA, USA, has initiated a federal infringement action against Dongguan Fenggang Pinconn Hardware Factory. The complaint alleges patent infringement, trademark infringement, false designation of origin and counterfeiting under United States law as well as common law trademark infringement and unfair competition. PennEngineering alleged that a total of at least nine patents and trademarks were being infringed including the PEM® family of trademarks.

PennEngineering served the complaint on Pinconn at Pinconn’s trade show booth on October 18, 2017, during the annual International Fastener Expo. Simultaneously, PennEngineering served Pinconn with a Preliminary Injunction Order issued by the U.S. District Court for the Eastern District of Pennsylvania and effected removal of all Pinconn’s signage, advertising materials and infringing product at its trade show booth. The Pennsylvania Court Order enjoined Pemco Hardware Inc., Dongguan Fenggang Pemco Hardware Factory and Shenzhen Pemco Fastening Systems Co., Ltd. (collectively Pemco) from commercializing similar infringing products. The Order was enforced against Pinconn because the Order applied to corporations and companies “acting in concert with” Pemco. Pinconn’s website showed the close relationship between Pinconn and Pemco. The Pennsylvania Court Order was issued as the result of Pemco’s failure to respond to an infringement complaint filed in Pennsylvania or to appear at a preliminary injunction hearing in Pennsylvania.



Rockford Manufacturing Welcomes New President

Rockford Manufacturing Group, Inc. (RMG), located in South Beloit, IL, USA, has announced the hiring of Greg Crowley as President. Prior to arriving at RMG, Crowley held numerous engineering, manufacturing and business development positions within the aerospace industry. Crowley said he feels fortunate to be the fifth leader of RMG. RMG manufactures production in-line wire drawing machinery and payoff equipment.



South Korea Fastener Company Plans KY Facility

South Korea-based Taeyang Metal Industrial Co. Ltd., which manufactures fasteners and cold-rolled steel products for the automotive industry, plans to build a \$15.6 million factory in Franklin, KY. Construction on the 101,000 sq ft facility began in December 2017, with an opening planned for September 2018. Once operational, the facility - Taeyang's first in the U.S. - is expected to employ 76 workers. "Taeyang Metals is very excited about locating our new plant in Franklin, Kentucky," said Taeyang CEO Howard Hahn.

Kentucky's automotive industry employs 100,000 people through more than 500 manufacturing, service and technology facilities across the state. This year the state ranks third nationally in production of passenger vehicles and first in vehicles produced per capita. To build the factory, Taeyang is receiving \$2 million in tax incentives through the Kentucky Economic Development Finance Authority. In addition, Taeyang can receive resources from the Kentucky Skills Network, including no-cost recruitment and job placement services, reduced-cost customized training and job training incentives.

Founded in 1974, Taeyang supplied high-strength bolts, specialty fasteners and screws for automotive and other industrial markets. Starting in 2004, the company has expanded operations to China and India for such customers as Fiat Chrysler Automobiles, General Motors, Hyundai/Kia, Cummins Diesel Engine, and Metaldyne.

Harris Retiring From "Healthy Industry"



His tenure as managing director of the Industrial Fasteners Institute began with the U.S. Fastener Quality Act. The law had been passed and signed into law by the first President Bush in 1990 and as the decade progressed FQA issues grew. Rob Harris took over the IFI at the beginning of 1995 and retired in 2017 as the longest serving managing director.

- The IFI has expanded its educational programs. In addition to coordinating with the Fastener Training Institute, it has developed nine training programs which are free for IFI members.
- The IFI has more international coordination. The IFI has worked closely with its European, Japanese, Taiwanese and Chinese counterparts. Harris has even worked with the South African organization needing copies of the IFI articles and bylaws to develop its own association. Four Italian companies plus several German and Belgian firms are now IFI members. It is all a part of companies working globally. German or Swedish fastener manufacturers partnering with U.S. or Asian companies in buying. "That's big time," Harris declared.

A "driving issue" is in the coming years the lack of incoming workers for fastener manufacturing, Harris said. It is about developing skilled labor to operate heading, threading and screw machines. U.S. fastener manufacturers need many new employees in the next two years. Today there are 74 manufacturing companies with 68 subsidiaries as members of the IFI plus 60 associate members. As he retires, Harris sees a "healthy industry and healthy customers" for the fastener industry. "Boeing and all aerospace are booked with orders," he pointed out. A factor helping domestic suppliers is just-in-time supplying. "End users want shorter supply chains," Harris explained. The one-time ship's captain noted that "relying on ships crossing the oceans is problematic - with weather and labor issues."

Harris retired as the longest-serving managing director and only the sixth managing director in 86-year history of the IFI. Kenneth McCreight succeeded him on November 27, 2017.

POSCO Opens Fastener Wire Plant in Indiana



South Korea-based POSCO - the fifth largest steel

manufacturer in the world - opened its second U.S. facility in Jeffersonville, IN, the Jeffersonville News & Tribune reports. "The plant, which creates steel wire for fasteners, nuts and bolts for the automotive industry, currently has heat treatment, drawing and pickling and coating capabilities for steel," writes Danielle Grady of the News & Tribune.

Officials broke ground on the 86,000 sq ft plant in April. Eventually the facility is expected to have 136,000 sq ft of manufacturing and professional space for 60 workers "who will earn an average wage of \$30.10 an hour."

To attract POSCO, the city approved a \$7.6 million 10-year tax abatement on real estate property and a \$11 million 5-year tax abatement on personal property for the company, according to the News & Tribune. The Indiana Economic Development Corporation also offered the company \$550,000 in conditional tax credits and up to \$50,000 in training grants. POSCO operates 312 facilities around the globe.

LISI Group Acquiring U.S.-based Termax



LISI Automotive, a subsidiary of LISI Group, agreed to acquire 51% of the share capital of Termax, a U.S. manufacturer of

LINK SOLUTIONS FOR INDUSTRY metal and plastic fastening systems for automotive interiors. LISI Group said Termax "has grown significantly since inception in 1971 and continues to show good momentum." Termax operates a 120,000 sq ft production and development facility in Lake Zurich, IL, along with a 39,600 sq ft facility in Suzhou (China) and a distribution platform in Queretaro (Mexico). The company employs over 400 people and generated revenues of around \$74 million in 2016.

"With Termax LLC, LISI Automotive is strengthening its world leadership in clip-fastening solution," stated François Liotard, managing director of LISI Automotive. "We will be present not

only in Europe and Asia, but from now on also in North America. There are numerous synergy opportunities between our two companies, from a technical as well as from a sales standpoint. These will allow us to bring to a wider customer base the best development and production capabilities to offer innovative solutions in the areas of weight reduction, electrification and autonomous vehicle equipment.” The transaction is a two-step structured acquisition: the initial step involves the sale by Termax shareholders of 51% of the share capital to LISI Automotive. Upon closing, Termax will be consolidated within LISI Group. As a second step, by fiscal year 2021, the current shareholders have committed to selling their remaining shares to LISI Automotive.

France-based LISI Group manufactures fasteners and assembly components for the aerospace, automotive and medical implants industries. The company generated revenues of \$1.86 billion in 2016 and employs 11,600 people.

Bulten to Build Second Fastener Plant in Poland

BULTEN  Bulten AB will invest approximately SEK 177 million (US\$22.1 million) in a new production and logistics plant in Poland, the company announced. The additional plant will be built in Radziechowy-Wieprz, about 30 km from the existing production facility in Bielsko-Biala. Construction “started in 2017 and production is expected to start in the first half of 2019.” With this investment, Bulten can move from the current logistics center in Wilkowice to the new building and thus get an efficient production flow to handle future growth, the company explained.

“We are now taking another step towards becoming the industry's most cost-effective fastener manufacturer and continue to strengthen Bulten's position in the market,” stated CEO Tommy Andersson. Bulten is paying \$2.7 million for the 840,000 sq ft parcel of land and about \$20 million for the structure. The total investment amounts to approximately PLN 80.5 million, of which about PLN 9.5 million is for around 78,000 m² of land and PLN 71 million for the building. In August 2017 Bulten signed a contract to supply fasteners to a “major vehicle manufacturer” in the U.S. The deal was conducted through its U.S. joint venture, Ram-Bul. The annual order value is approximately \$ 5.5 million.

Founded in 1873, Bulten supplies automotive fasteners internationally from facilities in Sweden, China, Russia, UK, Germany and Poland and is headquartered in Goteborg, Sweden. Bulten has 1,300 employees in nine countries and the company is listed on Nasdaq Stockholm.

southco® Southco Names New GM for Chinese Business

CONNECT · CREATE · INNOVATE Southco Asia, a subsidiary of Southco, appointed Joaquin Tam as GM of Greater China. Tam will report to Jay Lu, managing director, Asia Pacific at Southco. Based in Hong Kong—Southco's Asia Pacific headquarters, Tam will also lead Southco's Asia Pacific Diversified Technologies business. Tam comes to Southco with more than 25 years of executive experience. Prior to joining Southco, Tam was GM of Southern China & VP of sales and marketing for North Asia at Bureau Veritas.

“Greater China is a market that is unparalleled given its vibrancy, fast-development, scale and diversity,” stated Lu. “I am confident that with Joaquin's twenty-plus years of experience in the region, he is capable of leading Southco to grow in this dynamic environment.”

Founded in 1899 as a specialty pipe manufacturer for the Pennsylvania oil industry, Southco Inc. was created in 1945 with the entry into the specialty fastener and latch business. Southco designs and manufactures engineered access solutions including latches, locks, hinges and fasteners, and is headquartered at 210 N. Brinton Lake Rd., Concordville, PA 19331.

MW Industries Acquired by American Securities



MW Industries, Inc., Rosemont, IL, USA, and private equity firm, American Securities LLC, New York, NY, USA, have announced that MWI was acquired by affiliates of American Securities in partnership with MWI management on September 29, 2017. MWI serves 45,000 customers in over 35 countries. Its 100,000+ products are sold through direct sales, catalogs and distributors to customers in aerospace, medical, electronics, energy, agriculture, construction, and other sectors.

Lawson Products Acquires The Bolt Supply House



Lawson Products, Inc., Chicago, IL, USA, a distributor of MRO products and services, has acquired The Bolt Supply House Ltd., based in Calgary, Canada, for a purchase price of approximately CAD\$40.0 million. The purchase was funded with cash on hand and use of Lawson Products' existing credit facility. The Bolt Supply House will operate under its brand as a subsidiary corporation of Lawson Products' Canadian operating company.

Dyson Wins Contracts & Hires New Managers



Dyson Corporation, Painesville, OH, USA, a leading provider of domestic large-diameter fasteners, forgings and machined parts has been awarded a contract to supply and manufacture critical fasteners for the Norfolk Southern Railroad Project. Dyson will supply large square shanked forgings for the project. In 2015, Norfolk Southern announced renovation plans, which included investing US\$2.4 billion in refurbishment costs over the duration of the project. Dyson has also been awarded a contract to manufacture and supply critical fasteners for the George Washington Bridge Refurbishment Project. The George Washington Bridge Refurbishment Project is a seven-year project to be completed in 2024. It is the most traveled bridge in the world, with over 300,000 cars passing over it daily. Dyson Corporation has also announced that Ray DiFelice has joined the company's management team as Environmental Health & Safety Manager, and Thomas Plisko has joined the management team as Director of Operations. □