

Brazilian News



by Sergio Milatias – Editor
 Revista do Parafuso (The Fastener Brazil Magazine)
 www.revistadoparafuso.com
 Compiled by Fastener World Inc.

Foot Rest Wrong Fixation Causes BMW Motorcycle Recall

The BMW Motorrad Brazil began one recall at the end of July that called owners of the G 310 GS and G 310 R, model bikes manufactured between April 2017 and April 2018. The defect is situated on the foot rest, which may be faulty and even break, generating risk of accidents to their users.



BMW: G 310 R

IQA Launches VDA 6 and VDA 6.1 Manuals



The printed copies of German standards in Portuguese have been available since early July 2018.

The Institute of Automotive Quality (Instituto da Qualidade Automotiva), also known as IQA, announced the publication of two manuals: The VDA 6 (Certification Requirements for VDA 6.1, VDA 6.2 and VDA 6.4) and the VDA 6.1 (Quality Management System Audit: Series Production), which are now both available in Portuguese. The IQA is the official representative of the VDA-QMC, German standardization for the automotive industry.

Widely used in Germany, the VDA technical standards are intended for suppliers of subsidiaries of German companies such as BMW, Mercedes-Benz and Volkswagen. “They are publications that govern the quality standards of processes and products of automakers and industries of German auto parts,” says Rodrigo Lopes, marketing coordinator of the IQA.

Brazil Can Get Competitive



The fastener machines industry executive, Fernando Kai Jr. points out reasons that can give competitive conditions to local production.

CEO from the unit of Chun Zu Machinery in Brazil, Fernando Kai Jr. said in July 2018 on an article published in Revista do Parafuso (The Fastener Brazil Magazine) some reasons to bet the increase in local fastener and auto parts production. The Brazilian executive pointed out that improvements in the industrial environment are happening – though a little bit shy, of course – but in coming years the result will be superior than it is today, mainly because the highly competitive global players (such as China) currently are facing several price increases in wire rods.

“In January 2016, the wire rod price in China was US\$ CIF 380 per ton in Brazil, due to the strict anti-pollution control that the Chinese government had to implement. So, Chinese steel mills passed to operate at 50% of their capacity, unleashing a significant increase in their prices since March 2016, pushing the price to the current US\$ 830/ton (CIF Brazil). In addition, many Chinese service companies from heating and surface treatment sectors were closed, and the survivors had elevation on their operation costs, generating high prices on services for fasteners, auto parts and others”, said Kai.

“Another relevant point can be found on services as freight, which was previously at US\$ 800; currently orbiting around US\$ 2,800. Another factor that reinforces the Brazilian production comes from the depreciation of Real (the Brazilian currency), mainly due to the increase of interest by the Federal Reserve (Fed), the US Central Bank. However, Brazil also depends on its local consumption, still weakened, since 2015/2016 economic crisis”, he concluded.

Opportunities: on Land and on the Air

Fasteners for automotive and wind power applications have been good business options in Brazil.

According to the ABEEólica (local Wind Power Association), Brazil has around 13.5 gigawatts of installed capacity as of today (16% growth over 2017) and was ranked the eighth in the world's energy production ranking, released by the Global Energy Council (GWEC).

In terms of the automotive sector, Brazilian Automakers Association - Anfavea released a report in which the first quarter ended with a 17.7% increase in production over 2017. If this scenario remains, Brazil will pass easily to 3 million units of car production by this December.

In terms of trucks and buses, the last quarter closed with 76,156 units, 37.55% higher than 2017 (55,363 units); the motorcycles production made 590,961 units in the first six months of 2018, 11% higher than 2017 (437,332 units).

Together, these sectors are currently good ways for investors interested in entering Brazilian market, especially when the currency of Brazil has been depreciating for so long.