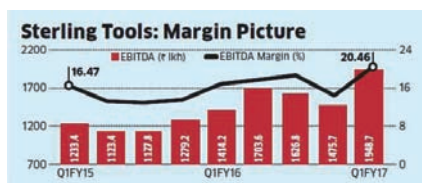


Fastener Manufacturers Take up Issues with Steel Minister

A delegation of Fastener Manufacturers of India (FMAI) led by president Narinder Bhamra recently met Union steel minister Chaudhary Birender Singh and apprised him of problems being faced by micro, small and medium enterprises (MSME) in procurement of steel and that too at higher prices as compared to international market. Bhamra said, "We informed the steel minister that the absence of government control over prices of steel products and absence of a market regulator is hampering the growth of MSME industry in India." He also added, "We also discussed the issue of anti-dumping duty on steel imports due to which the prices of steel have gone up by Rs 3,000 to Rs 5,000 per tonne and is affecting the production of fastener manufacturers in Punjab." The businessmen also requested the minister to recommend anti-dumping duty on imports of finished products so that local manufacturers of engineering products can prosper and develop the industry further. Others present in delegation were Gagan Sahni, Sanjeev Batra, Vivek Bohra, Atul Sethi, Vikramjeet Bhamra, Sarabjit Singh and Jasdeep Thukral.

Sterling Tools Expands Its Operating Margin When Others are Still Struggling



Sterling Tools, a supplier of fasteners to automobile companies, has expanded operating margin at a time when its peers are finding it difficult to do so. This can be attributed to Sterling's strategy of reducing reliance on single client and ability to fetch better prices for its products. Typically, in the auto ancillary segment, gain from lower commodity prices has to be passed to the automobile companies. However, Sterling Tools has been able to negotiate better terms with customers to retain a sizeable portion of benefits from fallen commodity prices (largely steel). This has helped the company improve its margins consistently in the past eight quarters. In addition, Sterling Tools is increasing the proportion of its higher priced fasteners which are used in transmission, engine, and chassis. The fasteners used in engine and chassis are priced nearly 10-40 per cent more than standard fasteners, and this product has few suppliers. Hence, it helps boost average realisation. The company focuses on acquiring clients with a scope for scalability in the future.

World's Largest Fastener Distributor Brighton-Best International (BBI) to be Traded over the Counter at Taipei Exchange in September!

On Aug. 11th, BBI held an online preliminary business performance report conference before its next move to be traded over the counter next month. BBI is a subsidiary of Ta Chen Stainless Steel Group, headquartered in Southern Taiwan. BBI is expected to be traded over the counter at Taipei Exchange on Sep. 7.



Back in 2008, Ta Chen acquired Brighton Best company headquartered in the U.S., making it the world's largest fastener distributor. Its product lines of over 50 thousand types include stainless steel, low carbon steel, mid/high carbon steel, and even alloy steel fasteners. You name it, BBI has it. BBI has subsidiaries in the U.S., Canada, UK, Brazil, Australia, and New Zealand, with 31 sales offices, 28 warehouses, and distribution network connecting retailers and wholesalers into a complete global supply chain, overthrowing the convention that the American fastener distributors offer only the same type of fasteners. The most well-known service offered by BBI is its exclusive "24hr Online Order Placement & Reception System" with not just customized service but also the accessibility to checking online inventory status at any time. The system helps process distribution in digital ways. Orders for standard fasteners of 200 thousand tons (or USD 400 million sales) have been successfully processed through this system. BBI president Robert Hsieh even became the inductee of the Hall of Fame of NIFMSE'15.



The core business strategy of Ta Chen Stainless Steel Group is to be headquartered and take control in Taiwan, purchase globally, and sell globally. President Hsieh hopes to shape BBI into a "specialized department store" for industrial products. Recently his ambition goes further and he is actively tapping into the hand tool industry by creating his "Proffered® BBI Tools" brand, bringing hand tools into his fastener distribution network.

What he is eyeing on is the U.S. industrial market reaching the scale of USD 2.5 trillion, which many worldly famous U.S. hand tool companies (e.g. Stanley, Snap-on, and Grainger) have been dedicated to for years. His move into the hand tool industry is not only a breakthrough in the global fastener distribution, but also the reflection of "Bravery, Breakthrough, and Revolution" in Ta Chen Stainless Steel.

Ta Chen Stainless Steel Group has more than 4,000 employees in the world. In 2015, it reached NTD 50.679 billion in revenue and NTD 5.387 billion in operating gross profit. According to its latest financial result for Q1 2016, it reached NTD 12.467 billion in revenue and NTD 1.301 billion in operating gross profit.

As a result, the company has been focused on Honda Motorcycle & Scooter India (HMSI) in two-wheeler segment, Maruti Suzuki India among passenger car makers, Ashok Leyland in commercial vehicles and Mahindra & Mahindra in the farm equipment segment. These customers are one of the fastest growing in their segment, which helps in maintaining volume growth. In the past 18 months, the company has been able to increase its share of business from Maruti Suzuki to 40 per cent from 33 per cent earlier. The company's diverse portfolio makes it less vulnerable to the demand slack in any of these segments. To maintain volume growth, Sterling is putting up a new facility in Gujrat to cater to new plants of HMSI and Maruti with an investment of Rs 40-50 crore.

Grainger Announces Next Step in CEO Succession Process

Jim Ryan, Chairman, President and CEO of Grainger, announced that the Board of Directors approved his nomination of DG Macpherson, currently Chief Operating Officer, to become Chief Executive Officer and a member of the Board of Directors effective October 1, 2016. This is the penultimate step in the multiyear succession process and will conclude with Macpherson taking on the Chairman role upon Ryan's retirement. Macpherson became COO in 2015 as part of the CEO succession process and as such, no replacement COO will be named. Ryan's transition will bring to a close a remarkable career of nearly 36 years of continuous service and eight years as CEO.

Macpherson holds a bachelor's degree from Stanford University and an MBA from Northwestern's Kellogg Graduate School of Management. Early in his career, he was an operations manager for Rain Bird Sprinkler Manufacturing Company and a test engineer with the U.S. Air Force.



IVISYS AB Receives Test Order from Global Manufacturer of Metal Components



IVISYS AB has received a test order from a global manufacturer of metal components headquartered in Japan. The order concerns a solution for very accurate in-line part measurement with tolerance levels down to 0.03 mm. The order is expected to be delivered in Q3 2016.

The test order is for a solution similar to IVISYS' Advanced Conveyor Inspection Station, which is tailored for executing in-line inspections. The size of the test order is small and will not significantly impact the financial results of the company. "We are very pleased to receive this test order. The market for this type of in-line measurement is growing rapidly, since it is fairly new that vision systems have such capabilities. We look forward to delivering this test order for our new client as we are confident that we can meet the very demanding requirements regarding tolerances," says IVISYS' CEO Jakob Kesje.

Global Power Announces Several Initiatives to Reduce Indebtedness and Structure for Profitable Growth



Global Power Equipment Group Inc. ("Global Power") announced that it has undertaken several initiatives to restructure its operations, lower its operating costs and reduce indebtedness.

On July 29, 2016, the Company sold the stock of TOG Holdings, Inc., a wholly-owned subsidiary, for \$6 million in cash to Doncasters Group. Part of the Mechanical Solutions Products segment, TOG manufactures fastener and valve-related repair and replacement products for steam and natural gas turbines. Proceeds from the sale of TOG will go towards reducing indebtedness.

Global Power Equipment Group Inc. is a design, engineering and manufacturing firm providing a broad array of equipment and services to the global power infrastructure, energy and process industries.

High Road Capital Partner's Portfolio Company All Integrated Solutions Acquires Great Lakes Fasteners

High Road Capital Partners announced that its portfolio company All Integrated Solutions (AIS) has completed the acquisition of Great Lakes Fasteners Corporation.



Based in Grand Rapids, Michigan, Great Lakes Fasteners is a value-added distributor of fasteners and industrial components and provides vendor-managed inventory (VMI) programs to original equipment manufacturers.

"Great Lakes Fasteners' focus on custom VMI programs and high-touch customer service are a compelling fit with AIS," said Ben Schnakenberg, Partner, High Road Capital Partners. "This acquisition expands AIS's reach into Michigan and the automotive and material handling industries, and solidifies AIS's position as the leading independent distributor of industrial OEM components and MRO products in the Upper Midwest." AIS's acquisition of Great Lakes Fasteners closed August 2, 2016. Transaction consideration was not disclosed.

Murphy Highlights Wallingford Manufacturer, Nucor Steel Connecticut, Inc., as “Murphy’s Monday Manufacturer”

U.S. Senator Chris Murphy (D-Conn.) launched a new weekly series called “Murphy’s Monday Manufacturer”, in which one of Connecticut’s distinct manufacturers will be recognized for their outstanding contributions to the state. This time Murphy announced that Nucor Steel Connecticut, Inc. of Wallingford for “Murphy’s Monday Manufacturer.” Nucor Steel Connecticut uses rolling and forming processes to manufacture a broad range of steel products for the construction, fencing, automotive, fastener, and agriculture industries. Nucor Steel Connecticut produces up to 300,000 tons of wire rod and rebar each year.



Nucor Steel Connecticut actively recruits military veterans and students. Every Nucor employee and dependent of a Nucor employee is eligible to receive \$3,200 per year in scholarship funds to attend college or a vocational school. Additionally, Nucor Steel Connecticut supports the Wallingford Fire and Police Departments and is an annual sponsor of the Spanish Community of Wallingford. “There’s no question that Nucor Steel Connecticut is committed to manufacturing world-class products,” said Murphy. “But they’re also doing their part to keep Connecticut residents on the job and to help working families make the dream of going to college a reality. I’m proud to recognize Nucor Steel Connecticut as one of our state’s distinct manufacturers.”

TOG® Manufacturing Has Joined the Nelson® Fastener Systems Family of Companies

In a coordinated effort that was designed to benefit customers, TOG® Manufacturing has joined the Nelson® Fastener Systems family of companies, a Division of Doncasters Group.



Located in North Adams, Massachusetts, TOG Manufacturing employs 36 people that work together to produce and distribute precision machine parts including specialty fasteners, rotor studs, valve components, custom bushings and other precision nitride parts for gas and steam turbine power generation applications. The industries served include Ship-building, Power Generation, Off-Shore Drilling and Turbine Manufacturing.

TOG Manufacturing’s name, location and staff will remain the same. Nelson Fastener Systems values the current capabilities of the North Adams location and will strategically invest in employees, equipment and systems to grow the business and strengthen relationships with customers.

Adding TOG Manufacturing to the Nelson Fastener Systems family of companies gives customers the unique advantage to utilize its diverse capabilities. Nelson commits to continue and enhance TOG Manufacturing’s guarantee of customer satisfaction, high quality products and manufacturing efficiency.

PennEngineering® PennEngineering® Enters Into Agreement to Acquire Heyco® Products Inc.



PennEngineering® has entered into an agreement to acquire Heyco® Products Inc. (Toms River, NJ, USA). The acquisition is expected to expand sales growth opportunities for both companies. Heyco Products will continue to operate as a separate company under the PennEngineering corporate umbrella. The Heyco brand will remain unaffected. Bill Jemison, President of Heyco, will continue to lead the company with the existing Heyco management team.

The acquisition will diversify the PennEngineering product portfolio by expanding into engineered plastic fasteners, components and wire protection products. Additionally, Heyco will benefit from the wide range of resources that PennEngineering can provide.” Founded in 1926, Heyco Products designs and manufactures molded wire protection products, plastic fasteners, molded components and stamped electrical components to meet the needs of industrial, medical, transportation, alternative energy, lighting, and aerospace companies.



Valbruna Applauds Now Final Exclusion from the US Market of Viraj Stainless Steel Products

On July 26, 2016, the orders issued by the U.S. International Trade Commission (“ITC”) against India’s Viraj Profiles in a Section 337 case entered into full effect. Viraj must now stop importing, marketing, and selling its stainless steel products in the United States for a period of 16.7 years. The orders apply to all Viraj stainless steel, regardless of product form, including but not limited to semi-finished steel, wire rod, bars, angles, wire, flanges and fasteners.

The case stems from allegations made by Valbruna Stainless of Fort Wayne, Indiana, that Viraj paid an ex-employee hundreds of thousands of dollars to steal Valbruna’s manufacturing trade secrets and customer lists from its Vicenza, Italy, location. The ex-employee and a Viraj executive were criminally charged and convicted in an Italian court.

The orders also apply to Viraj-made steel sold by other parties. Addressing the issue of the German stainless steel company, Bebitz, which Viraj’s financial statements

identify as a related company, the Commission stated that the “order does not cover Bebitz’s downstream products. However, to the extent that Bebitz chooses to import Viraj Profiles’ covered stainless steel products into the United States, it is subject to the limited exclusion order, as is any non-respondent.” In addition, the cease and desist order forbids Viraj or any affiliates or agents from “aiding or abetting other entities in the importation, sale for importation, sale after importation, transfer, or distribution of the covered products.”

Viraj may appeal the ITC’s orders to the United States Court of Appeal for the Federal Circuit, but the ITC’s orders will remain in effect throughout any appeal proceedings.

Vossloh Wins Additional Large Rail Fastening Systems Order for High-speed Line in China

- Order volume of approximately €50 million
- Shipments to start at the end of 2017



VFSC (Vossloh Fastening Systems China), the subsidiary of Vossloh’s Core Components division based in Kunshan, China, has won another tender for high-speed fastening systems worth approximately €50 million. The order is divided into two tranches. Vossloh Fastening Systems China will supply the route from Qingdao City to Ji Nan City, a section of the approximately 700-kilometer connection from Qingdao on the east coast to Taiyuan, southwest of Beijing. Speed of up to 250 km/h is planned for this route. In Ji Nan, the line will be connected to the North-South line from Beijing to Shanghai.

B2B Industrial Packaging Launches Packaging and Fastener Company Acquisition Campaign

B2B Industrial Packaging just announced a major campaign to acquire packaging and fastener-related companies. The campaign is fueled by a series of successful acquisitions that have made a major contribution to the company’s meteoric growth.

B2B Industrial Packaging President Bill Drake said, “One of the aspects of these acquisitions that I am most proud of is that we have retained more than 90% of the employees of the companies we have acquired and the first acquisition was over six years ago. The remaining 10% either retired or chose not make the move.”

The company is actively seeking additional packaging and fastener-related company acquisitions. Candidates will be strong in the strap, stretch film, fastener, and related products markets; have annual revenue between \$1 million and \$20 million; and be located within a 100-mile radius of Chicago, Dallas, Houston, Los Angeles, San Francisco, Kansas City, or Charlotte, NC.

B2B Industrial Packaging’s growth has made the company a contender for Crain’s annual list of the 50 fastest growing companies in Chicago for the past three years—with revenue nearly tripling over the last five years alone. And growth continues—month-over-month gross profit has been up 62 percent so far this year. The company also received a Chicago Daily Herald Business Excellence Award this year. The company has already acquired Western Metals, Pac Fast, the Lesker Company, and Anasco.

Servicing more than 6,000 active clients, B2B Industrial Packaging sells a full range of packaging equipment and supplies including steel strapping, stretch film, and fasteners to clients primarily in the Central Great Lakes, the Central Plains, California, Texas, North Carolina, and Mexico. B2B Industrial Packaging is unique in that it also operates a state-of-the-art strapping and fastener tool repair facility that services the entire U.S.

Japanese Public Hardware/Die Maker Punch Industry's Branch Office in China Acquires Nadcap Certificate

Punch Industry Dalian Co. located in China is a branch office of Punch Industry Co., Ltd headquartered in Japan. Its heat treating technology has been certified to Nadcap (National Aerospace and Defense Contractors Accreditation Program). The company was certified to AS9100 (aerospace industry quality management) back in January 2015. After acquiring Nadcap certificate, the company’s heat treating technology is now recognized by a third party. In the future the company will actively invest in the expanding aerospace market. ■

16 Fastener Distributors Honored with 2016 MDM Top Fastener Distribution Companies Awards

Modern Distribution Management has recently selected 16 companies in the fastener related distribution field to be awarded the 2016 Top Fastener Distribution Companies Award, in recognition of their outstanding achievements in the distribution industry. These companies are as follows:

Bisco Industries
 Bossard America
 Copper State Nut & Bolt
 EFC International
 Endries International (a Wolesey Industrial Group company)
 Kimball Midwest
 KLX Inc.
 Lawson Products (Fastening Systems)
 McMaster-Carr
 MSC Industrial Supply
 Optimas OE Solutions, LLC
 The Fastenal Company (fasteners)
 The Hillman Group
 W.W. Grainger
 Wesco Aircraft
 Wurth – Americas