

Fastener World News

arranged by Fastener World Inc.



USA Cancels Administrative Antidumping Review of Threaded Rods from Certain Chinese Companies

The Department of Commerce of the U.S. announced on September 13, 2013 that it decided to cancel the administrative review of the dumping of threaded rods from certain Chinese companies due to the cancellation of the application for a dumping review by part of U.S. companies and no other company applying for a review. Those Chinese companies involved are Gem Year, Haiyan Julong, Jiashan Zhongsheng Metal Products, Jiaying Xinyue Standard Part, Suntec Industries, CPI, and Shanghai Prime Machinery.

On May 9, 2012, the Department of Commerce of the U.S. made a final determination. Jiaying Brother Standard Part, IFI & Morgan, RMB Fasteners, and Zhejiang New Oriental Fastener would be subject to an antidumping rate of 20.05%, while other Chinese companies would be subject to the antidumping rate of 206%.

Colombia Remits Tariffs on Certain Product Imports

Ministry of Commerce, Industry, and Tourism of Colombia announced on August 15, 2013 that it would remit the tariffs imposed on 3,095 materials and capital goods which Colombian companies do not produce (according to the regulation #1755) in order to encourage the import of capital goods and materials as well as boost the industrial development.

Items covered in the 1st article of the regulation #1755 and imported goods with tax no. 0303440000 can be exempt from tariffs, which will last for 2 years after the announcement on August 15, 2012. After the period, these products will be again covered in the regulation #4927 announced in 2011.

Related fasteners covered in the tariff exemption:

7318110000 steel automotive screws (previous tax rate: 5%)

7318130000 steel spiral hooks and spiral rings (previous tax rate: 5%)

7318140000 steel self-tapping screws (previous tax rate: 5%)

▼ Exports of Taiwan Fastener Industry During Jan. Through Aug. 2013

Rank	Country	2013(1-8)		2012	
		Value (USD)	Weight (kg)	Value (USD)	Weight (kg)
1	USA	863,373,079	330,523,423	1,286,122,692	476,177,456
2	Germany	218,803,249	83,046,104	334,678,814	123,205,551
3	Japan	153,521,415	50,672,879	208,036,083	64,276,397
4	Netherlands	131,549,363	50,435,629	191,005,149	71,755,937
5	UK	89,938,371	33,970,730	149,773,373	55,228,313
6	Canada	79,526,760	32,732,783	113,072,509	44,275,218
7	China	71,261,497	13,468,114	102,105,450	18,721,707
8	Russia	62,727,111	32,448,880	51,281,614	23,242,247
9	Sweden	50,026,269	16,745,136	88,237,574	28,882,778
10	Italy	49,245,573	21,648,494	68,141,370	28,011,654
Total		2,417,390,976	901,576,290	3,586,618,369	1,278,585,161

Thailand Made a Preliminary Determination on Dumping of Imported High Carbon Steel Wire Rods

The Ministry of Commerce of Thailand announced on August 29, 2013 that it has made a preliminary determination on the dumping of imported high carbon steel wire rods. Those exported from China will be subject to the antidumping rates of 16.14% to 33.98%.



NFDA 2014 Event & Activity Update

02/12-15, 2014

Joint Conference with Pacific-West Fastener Association

Renaissance Esmeralda Resort

Indian Wells, California, USA

06/17-19, 2014

Annual Meeting and Executive Sales Planning Sessions

Embassy Suites Hotel New Orleans Convention Center

New Orleans, Louisiana, USA



Japan Metal Expansion Anchor Production Increased 4% in 2012

Japan Construction Anchor Association released the result of Japanese anchor production in 2012. The capacity of expansion anchors increased 7.9% to 249.95 million pieces and the production value increased 4% to 9.25 billion yens. In addition, the capacity of bonding anchors rose 11.2% to 29.08 million pieces and the production value rose 15.2% to 5.95 billion yens.



Fastener Import of Brazil During Jan.- Aug. 2013

According to Secex's statistics, Brazil imported USD669 million worth of steel screws, bolts, nuts, rivets, washers, and similar products (under HS Code 7318), showing the growth of 12.93%. During the same period, Brazil imported USD33.43 million worth of the same products from Taiwan, showing the growth of 5.75%.



Global Influence of the BRICs Continues to Expand

President Zuma of South Africa announced on August 20 in the BRICs (Brazil, Russia, India, China, and South Africa) business council that the total trade value within BRICs in 2012 reached USD6.1 billion, accounting for 16.8% of the global trade. President Zuma further pointed out that the BRICs account for 43% of global population with ever-expanding global influence.

The total trade value between South Africa and other BRICs nations in 2011 were 264 billion Rands, and it grew to 293 billion Rands in 2012.

Council Chairman Patrice Motsepe states that the mutual goal of BRICs is to broaden the additional value of trade and boost more investments instead of excluding other nations. Minister Rob Davies of Department of Trade and Industry (DTI) says that the goal of the council is to deepen partnership and enhance the development of African continent.

Japan Tapping Screw Conference: Domestic Shipment of Tapping Screws Increased 8%

Although the overseas shipment in Q2 2013 showed minor decrease, the domestic shipment climbed by 8%, and the total shipment rose 2%. The industry is gradually warming up, but companies are still worried about the higher production cost led by the depreciating yens, and they are currently looking for corresponding solutions.

Metal Fastener Production of China During Jan.- Aug. 2013

In August 2013, the total production of metal fasteners in China reached 0.526 million tons, down 0.82% compared to the same period last year; during January to August 2013, the total production of metal fasteners in China was 4.063 million, up 5.52% compared to the same period last year.

Annual Report of Indian Sterling Tools During 2012-2013

Annual Report for the Financial Year Ended 3/31 (Unit: 10 thousand Rupees)

	2012-2013	2011-2012
Revenue from Operations (Net)	28,250.59	29,503.74
Profit Before Tax (PBT)	1,729.61	2,031.57
Profit After Tax (PAT)	1,087.52	1,476.01

Industrial Structure and Development

The performance of the fastener industry is linked to the automobile sector, which shows a slow-down due to unfavorable economic policy changes. Leading companies such as Maruti Suzuki India Ltd, Tata Motors Ltd, and Hero MotoCorp Ltd had to cut their production, which also affected the fastener industry. The entire automobile market grew 2.61% in 2013. Society of Indian Automobile Manufacturers (SIAM) expects the industry to grow 6-8% in 2013-2014, largely on account of an expected cut in interest rates and an economy that will develop faster than 5% at which it is believed to have grown in 2012-2013.

Challenges for Indian Fastener Industry:

- Growth of the automobile industry affects the growth of the fastener industry.
- Increasing prices of raw materials not getting adequately compensated from customers lead to low margins.
- Fierce competition between organized and unorganized fastener industries.
- Competition in export from Taiwanese and Chinese fastener manufacturers enjoying lower manufacturing costs.
- Production of environment friendly fasteners, which do not use carcinogenic plating such as chromium and cadmium, and looking for ways to produce stronger, lighter, and more easy-to-use fasteners.

Official Opening of Shanghai Pilot Free Trade Zone

Shanghai pilot Free Trade Zone comprises of the Waigaociao Wharf, Waigaociao Logistics Park, Yanshan Port, and Pudong Airport, covering the total area of 28.78 sq. km.

PRC's Minister of Commerce Gao Hucheng said in the opening on Sep. 29, 2013 that China would make efforts to formulate regulations for the zone within 2 to 3 years, in order to make it highly convenient for investment, efficient under trade management, and international.



Bossard Sales up in First 3 Quarters of 2013

The sale of Swiss Bossard in the first 9 months of 2013 was up 25.3% compared to its record achieved in the corresponding period of 2012 and reached 0.464 billion Swiss francs in total. Among the quarters, the sale of Q3 increased 57.5% compared to the corresponding period of 2012 to 98.1 million Swiss francs, which was mainly attributed to its acquisition of KVT Fastening.



ECOWAS to Use Common Currency by 2020

15 member states of the Economic Community of West African States (ECOWAS) agreed to use the common currency "ECO" after 2020.

When the population of 0.3 billion within the ECOWAS begins to use the common currency, the situation will become similar to that use of Euro, because all products in the member states will be priced in the same currency and consumers can compare the prices with others. Thus, the competition will be formed and cause the market prices to be lower. At that time, traveling in member states will no longer need currency exchange, reducing cross-border trade barriers and transaction fees. In addition, there will be no concern on the fluctuations of currency rates, which eliminates the worries of investors about the stability of prices and profits. As the inflation is foreseeable, a stable and unified currency is favorable to achieve a lower rate.

Advance Auto Parts Inc to Acquire General Parts International for USD 2.04 billion



U.S. Advance Auto Parts Inc announced that it agreed to acquire General Parts International for USD2.04 billion. After the acquisition the company will become the largest after-market auto parts supplier. General Parts International is a privately owned distributor and supplier for original equipment and after-market product replacement, and it owns brands including Carquest and Worldpac. Advance Auto Parts Inc states that its revenue will break USD9.2 billion after the acquisition, surpassing the market-leading AutoZone Inc.

US Car Sales are Forecast to Reach 16.4 Million Units in 2014

Edmunds.com lately released a forecast stating that US car sales would reach the highest level since 2006 due to continuous replacement of old cars with new ones in the region. In 2006, US car sales was 16.5 million units. Edmunds.com states that sales are expected to break 16.4 million units next year and forecasts that the overall sales this year will be 15.5 million units.



Mexico Becomes U.S. Largest Import Origin of Auto Parts

According to the statistics of U.S. Department of Commerce, Mexico has become the major import origin of auto parts in the U.S. During Jan.-July 2013, the U.S. imported USD25.261 billion of auto parts from Mexico, followed by Japan (USD9.823 billion), Canada (USD9.722 billion), China (USD9.191 billion), Germany (USD5.695 billion), South Korea (USD4.764 billion), Taiwan (USD1.662 billion), Thailand (USD1.09 billion), UK (USD0.725 billion), and Italy (USD0.616 billion).

Mexico's auto parts export to the U.S. during Jan. to July 2013 was up 7.6% over the same period of 2012 and represented 33.2% of the total U.S. auto parts import. Chairman Oscar Albin of Association of Mexican Auto Parts Industry (INA) says that the current Chinese auto parts industry is growing very fast and its export to the U.S. is also increasing. Since July 2013, China has replaced Japan to become the No. 2 import origin of auto parts for the U.S. In the future, China will be very likely to become the largest competitor of Mexico.



China Largest Auto Parts Supplier Nexteer Becomes Listed

On October 7, 2013, the worldly known auto parts supplier Nexteer Automotive Group Limited (jointly acquired by Beijing Economic-Technological Development Area and Aviation Industry Corporation of China) has been officially listed on Hong Kong Stock Exchange and successfully raised a fund of HKD2.3 billion. This is the largest overseas acquisition so far in Chinese auto parts industry. Nexteer is a T1 supplier for steering and transmission systems. In addition, it is the No.1 steering system supplier in the US, and No.5 in the world. It is also the No.3 supplier of half shafts in the world. Nexteer has over 50 high-quality clients from around the world, including top 10 car manufacturers. In 2012, its revenue was USD2.2 billion with net profit of USD57 million. Its net profit is expected to exceed USD100 million in 2013.

German Car Manufacturers to Restart Production in Brazil



German Daimler announced on October 1, 2013 that it would restart the automobile production in Brazil. Brazil is the 4th largest automobile market in the world. BMW will also restart its automobile production in Brazil.

According to a local report in Brazil, a new Benz car model will become locally manufactured when the plant is completed in 2015.

In addition, Audi has also announced to restart the production in Brazil in mid-September. Recently, BMW has been building its plant in southern Brazil, which is expected to operate by 2014. The 3 major car manufacturers of Germany all focus on the market of high-class cars in Brazil. The automobile market of Brazil is expected to grow 170% by 2020. Volkswagen, the largest European car manufacturer, has had its car manufacturing in Brazil for decades.

Automotive Sales in China Expected to Reach 27.7 Million Units



According to a German financial report, the global automotive market will remain a strong growing trend but the growth in every region differs. During 2012-2019, the automotive sales in China is expected to be doubled while that in the EU will feel a bit hard to maintain the level achieved in previous years.

The report shows that the 2013 sales in China is expected to be 18.1 million units and may reach 27.7 million units by 2019. By then, Chinese market will be as huge as the total market scale of the US and West Europe. The automotive sales of the European market will be 12.1 million units this year and will be 14.9 million units by 2019. In the same period, the automotive sales of the U.S. will increase from 15.4 million to 16.7 million units.



U.S. Intech Services Releases New DuPont Teflon® Coating

Intech Services announced today that Houston-based Southwestern Plating is currently the only company qualified to apply the new DuPont Teflon® corrosion resistant industrial coating 857G-018 per the DuPont SP11C specification for fluoropolymer-coated fasteners. The DuPont Teflon® industrial coating 857G-018 features improved chemical make-up, better lot to lot consistency, and higher temperature ranges (-50°C to 200°C) than any other product in the market.

As the first truly water based, low VOC, and easy-to-use one coat, the DuPont 857G line of coatings have been getting a lot of attention from specifiers in North America. Test results on this coating system are above market place expectations and perform well in extreme applications that require anti-galling properties in various environments. The coating provides excellent corrosion resistance and is specifically designed for coating offshore, oil & gas, chemical processing, and water treatment fasteners, or substrates in carbon steel, stainless steel, and aluminum.

NORMA's Quality Performance Recognized by Komatsu Thailand



NORMA Group has received the "Excellent Quality Performance" certificate from Bangkok Komatsu for its services in 2012. The certificate is to honor NORMA's quality products and delivery. Komatsu, headquartered in Japan, is an international leader in equipment used in construction and mining.

Brighton-Best's Toronto-based Facility Double Expanded

Brighton-Best International (BBI) Toronto doubled the area of its facility from 33,000 sq. ft. to 80,000 sq. ft. Toronto's fully automated warehouse has the capacity of 7,000 pallet locations, 16,500 "Bulk" locations and 4,000 package shelf locations. Toronto currently has 3,000 MT of inventory on hand, enabling full distributor support for all BBI product families.

Mexico's Economic Growth Expected to Be 2.1% in 2013

Focus Economics made the expectation this September that the Mexican economic growth in 2013 would be 2.1% (The expectation in the beginning of 2013 was 3.9% and later declined to 1.8% in mid-2013).

The expert forecast that, due to the recession of U.S. economy (especially the stagnant industrial manufacturing in the U.S.), Mexican economy would be affected continuously. In addition, FocusEconomics also forecast that the Mexican economic growth would reach 3.7% to 4.3% by 2014.

German Screw & Nut Industry Import and Production Turned Weak in 2012

According to the German Fasteners Association, in 2012 there were a total of 45 manufacturing companies and 8,400 employees in the industry, almost the same number as in 2011. Overall, 65% of buyers in the industry came from the automobile sector, some of which even fully supplied this sector. Other critical buyers were scattered in home appliances, engineering, furniture, machinery, device, construction and steel sector. Only a small portion of products were sold through retailing merchants.



In 2012, the volume of production increased 4.4% to 760 thousand tons while the value of production reduced 2.4% to 2.916 billion euros over 2011. As for the export in 2012, the volume outperformed 2011 by a 4.4% rise (620.1 thousand tons) and the value showed a 9.2% surge (3.298 billion euros), mostly supported by export of high-price goods). Most buyers were from the EU.

German Machinery Makers to Set Foot in Middle Market of China

In 2012, China topped the world as the largest machinery market with the revenue of 678 billion euros, exceeding the record of 330 billion euros of the U.S. In 2003, the machinery sale of China was 77 billion euros. After 9 years from then, the sale climbed to 678 billion euros with 27.3% CAGR. Verband Deutscher Maschinen- und Anlagenbau e.V. (VDMA) Chairman Thomas Lindner states that companies with the capability to make a long-term development in China must set foot in this market as soon as possible, instead of waiting for competitors to make the first move. Research shows that in the next 3 to 5 years 25% of German machinery makers will have their own R&D departments in China.



FINNVEDENBULTEN

Obtained EUR 35 Million Worth of Contract for Automotive Fastener Supply

FinnvedenBulten (and its division Bulten) has been awarded an FSP (Full Service Provider) contract for supply of fasteners to a major automotive manufacturer. The annual order value is of approximately EUR 35 million, of which EUR 30 million is additional business, and provides a strong relationship for the years ahead.

“With this contract, Bulten significantly strengthens its relationship with a global customer. We are delighted and honoured to be awarded the contract and look forward to begin the collaboration,” says Tommy Andersson, CEO of Bulten.

The technical competences within the Bulten division, along with many years of experience of successfully supplying complex and critical fasteners to the automotive industry, were the main contributors in winning this prestigious contract. The new deliveries will continue over a number of years, starting early 2014 and with estimated full delivery capacity in 2015.

“We continue to strengthen Bulten’s position and we have a good potential to further grow our business and gain market shares in the years to come,” says Johan Westman, President and CEO of FinnvedenBulten.

Former Wellworth Fastener President Indicted for Supplying Counterfeit Nuts to U.S. Military

Martin Dale Geyer, aged 53, former President of U.S. Wellworth Fastener Products, admitted on September 23 in federal court that he once sold disqualified screws, nuts, and bolts to U.S. military in 2009 (It was a US\$157,285 worth of contract). The indictment stated that Geyer submitted the invoice with fraudulent specifications of products to U.S. military. Michael E. Hampp, the agent for Defense Department’s Defense Criminal Investigative Service said that these parts were considered “critical application items” and could cause the injury or death of members of the military. He added that these parts could be also used in nuclear power plants. It is very likely for Geyer to be sentenced to 20-year imprisonment with the extra fine of US\$250,000 due to his submission of misleading information of product specifications.

Tally and Misch Appointed New Positions in Würth Service Supply

As part of the Würth Industry of North America, the Würth Service Supply located in Indianapolis appointed two new executive positions to Jason Tally and Ken Misch.

With over 18 years of experience in the industrial distribution (most of the years were spent in Würth Service Supply), Jason Tally was appointed vice president of sales to oversee the sales organization, engineering, marketing, product management, and quoting for the company. On the other hand, Ken Misch was appointed vice president of operations, who will take the charge of the central and regional operations throughout the U.S.



SC Fastening Has Its Base Quadrupled

In order to expand the base for increasing inventory and create an extra space for displaying fasteners and other hardware it distributes to the market, SC Fastening Systems LLC, which just moved its base to Macedonia in November 2012, has made its base more than quadrupled. The area of facilities of SC Fastening has been continuously growing since its inception in 1999.



Mr. Domonkos said that SC Fastening could use the larger base to expand the inventory while the new space for displaying fasteners and hardware could make it more convenient and easier for customers to buy products.

Although SC Fastening is not a big company, but now it can offer a wide range of industrial products including power tools, welding supplies, paints, and chemicals, which also supports and satisfies the needs of manufacturers.



Hague Fasteners Eyes Further International Growth

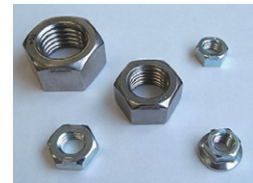
Hague Fasteners is set to double its exports by supplying markets in Asia, Australasia, Europe and the Middle East. The fastener and component maker has bought a 4-axis CNC machining centre, launched a new website and started an online marketing campaign.

Managing director Jon Hague said, "We've had our best-ever year since relocating to Willenhall in 2008, with international sales now accounting for almost 50 per cent of our business – more than double the levels we enjoyed prior to moving. "There has been a massive shift in purchasing attitudes and customers are now actively seeking British-made products and we've had to move quickly to take advantage of this."

It is expecting a further 20 percent increase in sales by the end of 2013.

Japan MIKI MFG's Locknut Favored by the Industry

The company has developed and opened sales of its patented locknut (known as "ハイロックアド"). By caulking the upper part of the hexagon nut and deforming its width across flats, the nut can naturally achieve the anti-loosening effect. Additionally, the product's specification is consistent with an average hexagon nut, so its price is low and is favored by the Japanese industry.



Japan Sunac to Setup a Joint Venture in Thailand

Sunac plans to establish a new production base in Thailand to expand its growth in the market. To provide customers with real-time information and technical support, Sunac will setup a joint venture with Japanese Seika Corporation.



Automobile Parts Maker Sundram Fasteners Banks on US for Growth

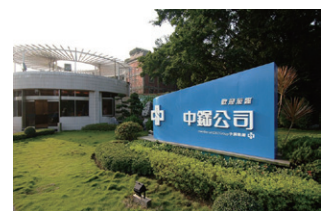


Sundram Fasteners Ltd, an automobile parts maker, expects that an increase in exports to the US will offset slowing demand in India. It plans to invest Rs.100 crore this year to increase the R&D and manufacturing capacity of products.

"We are seeing green shoots in the US. Despite single-digit growth it is however on a larger base," said Arathi Krishna, joint managing director of the company. The auto parts of Sundram are mainly supplied to GM, Ford, Daimler AG, etc.

Taiwan CSC's A-286 Nickel-Base Superalloy Wire Rod Helps Taiwan Companies Offer Competitive Prices

China Steel Corp. located in Taiwan has successfully developed A-286 nickel-base superalloy wire rod. A-286 is a precipitated strengthened nickel-based alloy. It shows good strength and anti-corrosion ability under 700 °C, and is widely applied to peripheral fasteners for aerospace jet turbine engines and automotive turbochargers. Currently, A-286 wire rods used by Taiwanese fastener companies are mostly imported from abroad; however, the price is high and the lead time is longer. In the future, Taiwanese companies will be able to quickly acquire key materials for high-temperature fasteners at reasonable prices. This will greatly help the industry lower material costs and lift international competitiveness.



Taiwan CSC's December Prices Keep Flat, Being Acceptable to Most Industries

The domestic prices for December announced by Taiwan CSC remain flat. The wire industry thinks that although the domestic steel market is currently weak, however, the prices do not go down. So, the flat prices of Taiwan CSC's wire rods are probably good to stabilize the order receiving.



NAFCO Sees Growing Orders in Q4, but Faces Increasing Costs from Depreciation and Electricity

The sales of the aerospace fastener manufacturer NAFCO in Q2 and Q3 were slightly influenced by the inventory adjustments of its customers. Then, its sale in Q4 shows better growth compared to Q3. However, after the announcement of the actual capacity of its Ping-Zhen based factory, it will face problems including depreciation and higher cost for electricity consumption in Q4. The current appreciation of NTD can be also a factor to influence the profit. The

operation of NAFCO in the second half of 2013 will need further adjustment. However, as there still exists long-term demand in the aerospace industry, NAFCO sees good development of the operation next year.



Ad Duty Against Chinese Wire Rods to Expire by August 2014

According to the newly released official journal of the European Commission on November 1st, the 5-year antidumping duty (7.9%-24.0%) put into force since August 5, 2009 against the wire rods (with the CN codes falling within 7213 10 00, 7213 20 00, 7213 91 10, 7213 91 20, 7213 91 41, 7213 91 49, 7213 91 70, 7213 91 90, 7213 99 10, 7213 99 90, 7227 10 00, 7227 20 00, 7227 90 10, 7227 90 50, and 7227 90 95) imported from China to the EU, based on the complaint lodged on March 25, 2008 by the EUROFER, which is an organization representing almost 1/4 of the total wire rod manufacturers in the EU, will expire on August 6, 2014.

Producers in the EU can still request for a sunset review within 3 months after the publication of this official journal, with the additional submission of relevant data, evidences, or documents to the Directorate-General of the European Commission located in Brussels, Belgium, should they think that the expiry of the antidumping duty against the wire rod imports from China to the EU will continue to result in the material injury to the local wire rod manufacturing industry.

QST International to Issue 10 Million Shares for Financial Adjustment

Benefited by the recovering automobile market around the world and the successful entry to the supply chain of global car manufacturing plants, QST International Corp. shows a positive feedback to its operation next year. The current financial status of QST is quite stable. However, considering the future growth of sales, the company thinks that it has to be well prepared and adjusts the financial structure of the company, in order to increase its ability to face the upcoming market demand. Accordingly, a resolution has been made in the company for the addition of 10 million shares in the market.

QST plans to issue 10 million shares this time, at the cost of NTD 3.2 per share. It is expected to raise NTD 0.32 billion capitals. The application for additional shares issuance has been submitted before the end of October. If the application is normally processed as usual, the shares issuance may be completed by the end of this year or in the beginning of next year.



CCM 精湛

Ching Chan Optical's New Plant to Operate Next Q1

The fastener sorting machine manufacturer, Ching Chan Optical Technology, invested NTD0.25 billion in building its new factory based in Hunei, Kaohsiung (Taiwan), for satisfying the growing sales demand. The factory is now under construction and is expected to finish before the end of this year. The new factory is also expected to operate in Q1 2014 with a doubled capacity.

Ching Chan is a leading player of graphic fastener sorting machines in Taiwan and its products are sold to USA, Germany, Japan, Korea, Singapore and other 20 countries. Its products can be often seen in many fastener manufacturers around the world.

The company has operations in Kaohsiung and Taoyuan of Taiwan, as well as Kunshan, Dongguan, and Wenzhou of China, providing the production of sorting machines and the full testing service of screws & nuts.