

Taiwan Fastener Trading Association (TFTA) Chairman Josh Chen and Gwo Lian Machinery President Ahung Chen invited fastener industry representatives and TAITRA President James Huang over for a summit held on August 31, in order to discuss the post-epidemic status quo of the fastener industry and the actions to take. The summit at Gwo Lian Machinery Conference Room served with light meal went smoothly with Ahung Chen as the host. There was a thorough talk on ways to tackle impendent crises, speed up transformation, integrate the supply chain, and obtain a competitive edge in the international market.

The participants to this summit included the following: current TFTA Chairman Josh Chen; previous TFTA Chairmen Jimmy Chang; former TFTA presidents William Liao, Kosky Yen, Jim C.N. Chen, Zephyr Chang; Boltun President Mark Wu, Sheh Kai Precision President Terry Tu, He Wei Machinery President Juan Lien-Kun; financing and asset management representatives; Vice President Tzeng of WPG Holdings and two publicly listed presidents of other industries.

TFTA & TAITRA Summit at Gwo Lian Machinery Conference Room

by Dean Tseng, Fastener World



“The points at issue are material/land costs, exchange rates, talent training, and government assistance.”

The fastener representatives in the summit threw in many suggestions. The most discussed issues were about material costs, land, exchange rate, talent education and government assistance. Taiwan’s China Steel Corp’s steel price forms cost pressure on fastener companies by incurring over 50% of material cost on manufacture of ordinary screws, not including electroplating cost among others. A representative called for opening steel imports while keeping Taiwan’s China Steel Corp as the main material source. Some fastener companies wanting to move

The summit focused on four issues:

1. Challenges from COVID-19 and the friction between the U.S. and China.
2. Digital transformation and upgrade, integration of resources/ distribution/supply chain.
3. Making use of financing platforms.
4. Actions for business successors to take.

Josh Chen said he was glad to express to TAITRA the challenges faced by the fastener industry. He was thankful to James Huang for traveling far south to Kaohsiung City just to hear what the fastener industry had to say. Josh told James that TFTA is interested in co-organizing fastener shows with TAITRA. He invited James for the next TFTA Member Assembly. He also advised TAITRA to establish a panel of fastener trading as a medium of contact with the fastener industry.



Current TFTA Chairman Josh Chen



TAITRA Chairman James Huang



Gwo Lian Machinery President Ahung Chen



plants back to Taiwan are set back from high land cost. They hope the government will make a tailored land pricing policy to give them a place to stay if they choose to come back. Similar cost pressure comes from exchange rates. Non-appreciating New Taiwanese Dollars cause quite some damage to the low-profit fastener industry.

Furthermore, as Vietnam and other southeast Asian countries have a good outlook of market demand, there are quite a few Taiwanese fastener companies setting up plants overseas to reduce cost. However, their first problem is that specializing in fastener production and development doesn't mean they have a thorough understanding of overseas investment environment, laws and policies. Fighting alone abroad, they urgently need TAITRA and the government to provide a tailored assistance program that is not far-fetched so that they can be fully prepared for the risks in overseas investment.

A fastener representative pointed out that fastener companies are facing a talent gap where many graduated students majoring in related subjects are seriously detached from the fastener industry, which reveals a gap between what is taught at school and what the industry actually needs. Thus, the representative suggested providing courses dedicated to the fastener industry to enhance cultivation of talents.

“The government should help develop the electric vehicle fastener industry.”

Last but not least, a few representatives put their focus of future on “opportunities from electric vehicles”. The pandemic boosts the demand for electric vehicles such as Tesla cars in the U.S. and Europe, and therefore the demand for automotive bolts and nuts is optimistic for the coming years. However, Taiwanese automotive fastener companies have not fully converted to the electric vehicle field. They need the government to help the automotive fastener companies upgrade and transform into the electric vehicle field in order to keep up with the world.



Previous TFTA Chairman
Jimmy Chang



1~2th TFTA Chairman
William Liao



3~4th TFTA Chairman
Kosky Yen



5th TFTA Chairman
Jim C.N. Chen



7th TFTA Chairman
Zephyr Chang



Boltun President
Mark Wu



What's special about this summit is that Chris, GM of renowned annealing furnace maker RAD-CON from the U.S., was invited to join the conference via Skype with the summit participants. Chris said the U.S. trade war with China is further distorting the market, but the reality is that the U.S. cannot produce all it consumes, including fasteners. With the labor cost difference between China and Taiwan shrinking, and the other high costs of doing business in China, he thinks investment to Taiwan is an attractive idea to overseas companies because Taiwan has an edge in its ease of doing business, lower VAT, and reasonable import and export protocols.

After the talk, the participants took a group photo and hoped to meet again in the next summit.

