compiled by Fastener World

# **Fastener World News**

# **Association News**

#### Mark Shannon Named NFDA's 2025 Fastener Professional of the Year

The National Fastener Distributors Association (NFDA) has awarded Mark Shannon the 2025 Fastener Professional of the Year. Shannon, a second-generation leader, dedicated 47 years to Tower Fasteners, the company his father founded in 1967. Taking the helm in 1997, Shannon expanded Tower Fasteners, including opening its first



European distribution site in Dublin, Ireland, in 2018. In 2022, Tower Fasteners was acquired by MSC Corp., where Shannon served as President during the transition. An active NFDA member since 2000 and President from 2008-2009, Shannon played a key role in expanding membership. He also contributed to industry boards and international supply chain initiatives.

#### CMCA Fastener Subdivision President Kang-Sheng Xue Continues Term & Visits AoZhan Aviation

The member assembly held in Hangzhou (China) from March 21 to 22 saw Mr. Xue Kang-Sheng re-elected as president of the ninth council through voting, witnessed by key leadership representatives and industry professionals in attendance. During the same period, he led a delegation from CMCA Fastener Subdivision to visit Aozhan Aviation Fasteners, gaining insights into their production quality control and manufacturing technologies. Through this exchange, they charted new development targets for the high-quality upgrade of China's fastener industry.

#### Foshan Fastener Manufacturing Industry Association Anniversary Celebration and Members' Meeting

On March 27, association members gathered to witness this significant event advancing Foshan's fastener industry development. President Mr. He Jianwei reviewed the resilience of industry peers over the past year amid complex market conditions, highlighting breakthroughs in technological innovation and green transformation. Executive President Mr. Zhang Yong announced the association's annual work plan, emphasizing efforts to promote collaborative development across the fastener supply chain and strengthen partnerships with upstream and downstream sectors such as steel, automotive, and machinery manufacturing.

#### Chief Quality Officer Training Conference Successfully Held in Yongnian District of China

On February 15, the Yongnian District Market Supervision Bureau organized the 2025 Chief Quality Officer Training Conference, attended by over 170 quality officers. The event focused on enhancing corporate quality management capabilities. Mr. Zheng Zhongwei, head of the bureau's quality department, delivered an analysis of China's Product Quality Law, using practical cases to clarify legal responsibilities. Deputy Director Mr. Gao Deju conducted specialized training on the roles and functions of chief quality officers, sharing advanced quality management methodologies.

#### Hong Kong Screw & Fastener Council (HKSFC) Kicks Off New Leadership with Grand Inauguration Ceremony

On March 28, 2025, HKSFC held its 11th Council Inauguration Ceremony and Spring Gala, marking the official commencement of the new council. Chairman Mr. Tsui Ping Fai urged members to actively integrate AI technologies into industry practices to drive innovation and emphasized the association's commitment to uniting stakeholders in elevating Hong Kong's fastener industry to new heights.

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# Market Watch: Trump Tariff 2.0

#### Facing U.S. 25% Tariff, Taiwanese Suppliers Say Market Sentiment Turns Conservative

Fasteners imported into the U.S. are currently subject to respective basic import duties depending on their respective tariff codes and the extra 25% tariff on steel & aluminum including their derivatives, which will create considerable cost pressures on suppliers and U.S. importers and consumers, causing problems of cost-sharing and transfer. A few Taiwanese export-oriented suppliers have expressed their views on the possible impact of the 25% tariff.

Anchor Fasteners G.M. Hector Chu said: "Taiwan still has an advantage when comparing the tariffs imposed by the U.S. on Taiwan and China. What is more worrisome is that the tariffs will reduce consumption in various industries, resulting in lower market demand and an economic downturn. Chinese manufacturers will inevitably shift their focus to the European and Asian markets, which will lead to tougher competition in these markets, adding to Taiwan's woes. At the end of the Covid pandemic, Taiwanese manufacturers had been in a recession for consecutive years, and they thought they had finally waited for a chance to recover, but then there comes an even more terrible black swan. It will take time to see if U.S. manufacturing can replace imports. The market was globalized in the past, but now it is going to be more localized. It is also difficult for export-oriented Taiwanese SMEs to set up factories in the U.S. The tariff is so high that it is difficult to share the full amount. In the end, most of the tariff will be passed on to customers and a small portion will be shared by manufacturers.

**Chun Yu Domestic Sales Division Manager Denise Lee** said: "After the confirmation of Trump's reciprocal tariffs on April 2, our domestic wire customers seem to have been affected, and a few of their customers have suspended or cancelled the orders, and only the parts with no inventory will continue to be arranged for shipment. Although the current duty rates are as we predicted (for example, the wire coil is subject to 25%, 731814.10 (small screws) is 6.2% plus 25%, and 731814.15 (bolts) is 8.6% plus 25%), importers do not want to bear so much tariffs and would like to ask exporters to share some of the costs. Some of our customers have also contacted us recently asking for pricing renegotiation."

**Chun Yu International Hardware Sales Division Manager Jas Huang** said: "I think that the increase in tariffs by the US on various countries (especially China) will benefit Taiwanese manufacturers in the short term with the order transfer effect, but I'm still not optimistic about the long term economic outlook. Due to the constant changes in U.S. tariffs, the purchasing countries are now keeping a close eye on the market development and adopting a conservative policy, so the order volume cannot be increased."

**Bi-Mirth Vice President Tom Shih** said: "Since steel and aluminum products are covered by Section 232 of the Trade Expansion Act of 1962 and are exempted from reciprocal tariffs, fasteners entering the U.S. will only be subject to respective basic import duties, plus a 25% tariff, depending on the item. In the case of coach screw, that's the basic 12.5% tax rate plus the 25%

# tax rate, which is 37.5% in total. Theoretically, it's true that taxes have increased, but in reality, almost every country is facing the same rate of tax increase, not just Taiwan. Currently, our shipments to U.S. customers are continuing as usual, and we have not been asked to suspend shipments or reduce orders. It should be noted that the actual tax rates for non-steel and aluminum products (such as assembly parts or rubber & plastic washers) may still depend on how the U.S. Customs will determine the rate at that time. Moreover, as the current tax measures change from one day to the next, we may not be able to see the extent of the impact on the industry until the end of April."

Fang Sheng G. M. Jess Tsai said: "Previously, fasteners of some countries (such as Japan, S. Korea) exported to the U.S. will enjoy duty-free or lower tax rates under bilateral agreements, but if we look at the 25% tariff alone, because every country has been taxed, the advantage every country originally has is still there. The greater impact may be felt by local consumers in the U.S. It has been heard that U.S. importers will adopt a gradual price increase strategy, so only after the existing stock is emptied will consumers have to bear the 25% tariff directly on their subsequent purchases. Special attention should be paid to the ripple effect caused by the demand change among different industries. Although the impact on the fastener industry is relatively small due to the non-applicability of reciprocal tariffs, mid- to high-level industries such as machinery and other CNC machine tools are facing a big impact, and machinery requires the use of a lot of fasteners, so perhaps the real impact will slowly emerge later. Of course, the government's assistance in securing a lower tax rate and making the New Taiwan Dollar (NTD) more competitive will definitely minimize the impact. The actual impact of the tax measures should surface in H2 of the year. In addition, special attention should be paid to the concern about whether there are manufacturers who will try to circumvent the tax from the third country."

**TFTA Chairman Arthur Chiang** said: "As for the tariff cost that some manufacturers may be forced to share at the request of their U.S. importers, TFTA's position is to discourage our company members from doing so, after all, the raw materials, utilities and other manufacturing costs of Taiwanese manufacturers are already much higher compared to other countries. Currently, if U.S. importers still have inventory, the extent of the impact may not be so obvious and the response to CPI may not be so fast, meaning the actual impact may be still a few months away. After the implementation of the 25% tariff, it is expected that the purchasing volume of U.S. customers may drop by 30% in the short term, but the demand will pick up after their inventory is emptied.

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**NFDA President Scott McDaniel** said: "In the United States, tariffs have been used since the early days of our republic. Some countries have used tariffs to make their domestic production more cost competitive. I cannot say what is the correct or best path but understanding the history is important. My personal opinion is that free trade should prevail, and tariffs be minimized by all countries. This will allow those goods and materials that offer the lowest total cost of ownership the opportunity to drive value to consumers and other businesses. We cannot stop change any more than we can stop the sun from rising and setting every day. I encourage everyone to embrace the changes while looking for opportunities to help your suppliers and customers."

Most of the respondents interviewed by Fastener World believe that the actual impact of the 25% tariff or even reciprocal tariffs may not be revealed until the second half of the year when the implementation of the tax measures becomes more specific and clear, so they will try to respond appropriately to upcoming changes while the public sentiment remains conservative.

#### U.S. Imposes High Tariffs on Chinese Fasteners, Excluding China from the Market

Kent Chen, General Manager of Sheh Fung Screws, a major Taiwanese fastener manufacturer, stated at the 2025 Global New Economic Order Trends Forum that the U.S. market accounts for over 60% of Sheh Fung Screws' exports, which China being its biggest competitor. As the U.S.-China trade war intensifies, the cumulative tariffs on Chinese fastener products exported to the U.S. have reached a new high. Coupled with Europe's anti-dumping duties on Chinese products, China has been "directly excluded" from the market.

He noted that his products have been subject to the U.S. Section 232 tariffs of 25% since March 4. Although these tariffs are primarily borne by importers, customers are requesting Sheh Fung Screws to absorb about 10% of the tariff rate, which was still under negotiation at the time of the forum. He analyzed that the impact of tariffs on final retail prices is limited, increasing by about 5%, which consumers barely notice. The main concerns are the risks of U.S. inflation and economic recession.

Furthermore, Sheh Fung Screws has established a factory in Vietnam to diversify risks, as Vietnam enjoys zero tariffs on exports to Europe and has lower production costs, offering a price advantage of about 10%. Although the U.S. imposes high taxes on Vietnam, the impact on the company is limited. Order visibility remains at 2 to 3 months, and although the utilization rates of factories in Taiwan and Vietnam have decreased, operations will not be suspended.

#### U.S. Tariffs on Screws are Impacting the American Manufacturing Industry

The rising cost of screws is affecting the entire supply chain. Tariffs introduced by Trump on steel and aluminum imports have disrupted supply chains for companies producing a wide range of products, from automotive parts to household appliances, football helmets, and lawnmowers. Unlike the tariffs implemented by Trump in 2018, the latest tariffs cover a broader range of imported goods, including screws, nails, and bolts. Import tariffs on steel and aluminum have increased the costs of both foreign and domestic metals used to manufacture these components. Manufacturing executives have stated that the U.S. lacks sufficient factories to produce the necessary steel wire, screws, and other fasteners to replace imported goods. The tariffs have disrupted supply chains for manufacturers, prompting some U.S. companies to seek domestic suppliers for small components. Gene Simpson, president of Illinois-based fastener manufacturer Semblex, said: "The production capacity we need does not exist in the U.S. Suppliers are limited." Companies using screws and other metal components affected by tariffs have noted that their customers will not tolerate price increases. Some construction contractors may delay projects until they find ways to mitigate the impact of import tariffs. According to Jason Miller, a supply chain management professor at Michigan State University, approximately USD 178 billion worth of steel and aluminum products imported into the U.S. last year are now subject to a 25% tariff. This is more than three times the value of goods impacted by the initial tariffs in 2018.

#### "Think Tariffs Boost U.S. Factories? Try Building a Screw Plant," Investor Critiques Trump's Economic Strategy

Angel investor Balaji S. Srinivasan criticized Donald Trump's tariff strategy in a post on X, calling it economically regressive and disconnected from industrial realities. He remarked, "If you think tariffs incentivize building factories in the U.S., try building a screw factory!" Srinivasan argued that these measures fail to encourage American manufacturing and instead stifle it with debt, layoffs, and price hikes.

In a detailed post, Srinivasan dismantled the logic behind steep tariffs, using a hypothetical example to show how a profitable US-based business can be turned upside down overnight. "Suppose your US company

imports USD1M of high quality parts, and adds in its own components to produce finished goods sold for USD1.2M per batch. Your gross profit is USD200k per batch," he wrote. Now, impose a 30% tariff on the imported parts. The company is forced to pay USD300,000 upfront at customs cash it likely doesn't have. "Even if you do sell everything, you're now losing USD100k per batch." This, Srinivasan says, is the brutal math of protectionism. Instead of reshoring production, tariffs end up punishing companies that still operate domestically but rely on global supply chains. "With a sinking feeling, you realize your profitable business has suddenly become unprofitable."



#### Taiwan Fastener Exports Rebound, Q1 Export Volume Grows Over 3%

According to the latest statistics from Taiwan Industrial Fasteners Institute, Taiwan's fastener exports reached 327,100 tons in the first quarter of 2025, an increase of 3.37% compared to the same period last year, indicating a gradual recovery in the export market. Although the average export price dropped slightly by 2.82%, the increase in shipment volume drove overall export performance upward. Among major export markets, Taiwan's fastener shipments to the United States, Japan, Germany, Spain, and Sweden showed significant growth. The U.S. market performed particularly well, with exports reaching 153,300 tons in Q1, up 5.15% year-on-year, accounting for nearly half of total exports. Industry analysts attribute this to the U.S.-China tariff war, which imposed high tariffs on Chinese fastener exports to the U.S., reducing their price competitiveness and creating opportunities for Taiwanese suppliers to gain orders. Additionally, European markets saw strong growth as U.S. tariffs prompted early bulk purchasing. In March, exports to Germany, Belgium, and the Netherlands increased by 102.66%, 117.83%, and 175.41% month-on-month, respectively, demonstrating robust momentum.

#### CBAM Emission Calculation May Only Cover Input Materials

There is a very good chance that the carbon emission calculation method of the EU's CBAM measure will be amended after the third quarter of this year, which may make the original requirement of "including carbon emission data of all production steps" to "only focus on the carbon emission data of input materials". If the amendment is passed successfully in September this year, it is expected that it will significantly reduce the burden of manufacturers of fasteners and other related products in calculating the carbon emission of each stage of the production process. According to an amendment proposed by the European Committee (EC) to the European Parliament (EP) on February 26th, in view of the complexity and difficulty of including all carbon emissions from manufacturing processes in the calculation, and taking into account the suggestion of the European Fastener Distributor Association (EFDA) that "most of the carbon emissions from fastener manufacturing come from the input materials", the carbon emissions from manufacturing processes are relatively low, and since the final processes of the metal manufacturing sectors are not under the EU ETS, it is therefore proposed to exclude the carbon emissions from production steps other than input materials.



The Global Trade Research Initiative (GTRI) has called on the Indian government to withdraw the mandatory quality control order (QCO) requiring Bureau of Indian Standards (BIS) certification for steel fasteners. GTRI warns that the implementation of these norms, effective from March 20, 2025, will disrupt supply chains and cause significant operational challenges for industries dependent on imported fasteners.

While India produces standard fasteners domestically, it relies heavily on imports—especially from China, Japan, and South Korea for specialized products. The complex and slow BIS certification process discourages foreign manufacturers from registering, risking shortages that could impact sectors such as construction, automotive, aerospace, machinery, and defense. GTRI founder Ajay Srivastava urges the government to reconsider the QCO and adopt more pragmatic measures, including mutual recognition of international certifications or phased regulatory implementation, to balance quality assurance with industry needs and prevent job losses among small domestic manufacturers.

#### ITA Hosts Video Conference on U.S. Rules of Origin and Customs Clearance Systems

The U.S. reciprocal tariff measures have had a tremendous impact on major industries around the world. In order to help industry players understand the U.S. standards for determining the origin of imported products and facilitate smoother export declarations, the ITA of MOEA (Taiwan) invited U.S. attorneys on April 24th to explain the current U.S. rules of origin and the product clearance system to industry players. In order to grasp the latest U.S. import customs regulations and enhance market competitiveness, a number of Taiwanese companies from different industries participated in the online meeting.

The focus of this meeting was not limited to specific product items, but rather a comprehensive explanation of the latest regulatory requirements, processes,



review methods and specific restrictions on the products exported to the U.S. The definition of entry, the details covered by CBP Form

7501 and key points of examination, the responsibilities and regulations of Importer of Record (IOR), record keeping, FTA and the determination of place of origin, and the third-party transshipment regulations and so on were mainly discussed in the meeting.

As CBP's clearance determination may vary with different product characteristics and applicable standards, and there still exist ambiguity in some CBP guidelines, for further reference, traders can access the Customs Rulings Online Search System (rulings.cbp.gov) to search for past cases.

# Companies Development

#### Jean Fahy Joins Arrow Fastener as National Account Manager

Arrow Fastener, a division of GreatStar Tools, has announced the appointment of Jean Fahy as National Account Manager. Fahy brings extensive experience and leadership from the building materials industry to the role.

Fahy stated, "I'm thrilled to join Arrow and contribute to the growth of these iconic brands in the independent and pro dealer market." Her expertise is expected to strengthen Arrow Fastener's relationships with key accounts and support the company's expansion efforts.

Arrow Fastener is known for its innovative fastening tools and solutions, serving professional contractors and independent dealers nationwide. Fahy's addition to the team reflects the company's commitment to enhancing customer engagement and driving growth in competitive markets. This strategic hire aligns with Arrow Fastener's goals to expand its market presence and reinforce its reputation as a trusted leader in fastening solutions.



#### Michigan Fastener Expands with New Wire Processing Plant, Strengthens Domestic Nail Supply

Michigan Fastener, based in North Branch, Michigan, has rapidly grown since its founding in 2014, now



operating multiple production lines and a new in-house wire rod processing system. This expansion enables the company to produce a wide variety of pallet nails,

including bulk and coil nails ranging from  $1\frac{1}{4}$  to  $3\frac{1}{2}$  inches in length and various diameters.

Owner Jon Will emphasized the company's commitment to quality, highlighting advanced cleaning and laser inspection systems that ensure nails run smoothly in automated machines like Viking nailers. Michigan Fastener uses high-quality domestic steel with a washed-on finish for corrosion resistance and durability, catering to pallet manufacturers who require reliable, high-performance nails.

With growing concerns over trade restrictions, Michigan Fastener's fully domestic production offers a stable alternative for pallet companies seeking to diversify nail suppliers. The company continues investing in technology and capacity to meet nationwide demand with competitive pricing and fast delivery.



#### Huyett Launches Extensive New Line of Industrial Threaded Fasteners

Huyett, a industrial fastener distributor and manufacturer, has launched a comprehensive new line of threaded fasteners. The expanded product offering includes over 60,000 items across five major categories: bolts, screws, nuts, washers, and anchors. This launch aims to provide distributors with a wide selection of both common and hard-to-find fasteners, enhancing flexibility and quick market response.

Key products include hex bolts, machine screws, shoulder bolts, carriage bolts, hex head lag screws, lock nuts, self-tapping screws, and wood screws. Huyett's CEO, Tim O'Keeffe, emphasized the company's strategy of "Odd Parts, Odd Lots, On Time," addressing the market gap between bulk importers and distributors seeking smaller quantities at competitive prices. O'Keeffe highlighted that this product line strengthens Huyett's competitive edge by combining extensive product variety with reliable lead times and superior customer service.

#### New Sunco Industries Publication Hits Bookstore Shelves

The World's Oldest Office Lady's Guide to a Fulfilling Career was released across retail platforms in Taiwan on April 25, also available in South Korea. From the perspective of Ms. Yasuko Tamaki, a section chief in her nineties who holds a Guinness World Record as the oldest working employee in Japan, the book advocates "age is no barrier" and "I thrive because I do what I love." It emphasizes sustaining professional passion and life motivation through pursuing one's passions, sharing lifelong career values and mindset strategies, while demonstrating how to integrate interests with expertise to cultivate a fulfilling, enduring work life.

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This article was featured in the 5th issue of Socket Boy (April 2025) published by Sunco Industries.

Japanese Fastener Trading Company, Sunco's Commitment to CBAM



### **An Industry First CBAM Seminar for Domestic Suppliers**

#### **Regular Quality Improvement Seminars**

Sunco Industries held a seminar regarding Carbon Border Adjustment Mechanism (CBAM) on the 25th of September last year. It was the very first time in the industry that a Japanese trading company independently organised a large-scale seminar on CBAM. Sunco Industries regularly holds quality seminars for members of Sunco-kai to enhance their ability to provide higher quality products. About 190 members of the Sunco-kai, a cooperative association with Sunco's main suppliers, attended the CBAM seminar. Mr. Keishi Okamura from Zeroboard Inc. was invited to give the presentation on CBAM, which will be fully implemented from January 2026.

#### Feedback From Suppliers After Attending the Seminar

The seminar provided detailed explanations of the CBAM mechanism and the measures needed in the future. It was explained that it will also affect Japanese companies and that their products may lose competitiveness if measures are not taken. After the seminar, one supplier said, 'The seminar was very informative, as I was not very aware of CBAM. We will have to educate our employees about it'. There were several positive comments on CBAM initiatives, such as 'We hope to receive more information on CBAM from Sunco Industries' or 'It is inevitable for the future development of the fastener industry in Japan. Penetration will be the theme for the future'.

#### Sunco Is Taking Action to Apply CBAM

During this transition period, few Japanese fastener companies are taking action to comply with CBAM's regulations. Although CBAM will be applied from 2026, Sunco Industries has already started responding to a gradual increase in customer enquiries about CBAM and requests for documentation.

Cooperation with key suppliers is essential for delivering high-quality Japanese fasteners to the rest of the world. It is expected that the company will continue to lead in sharing information on CBAM with its suppliers and guide the Japanese fastener industry.

#### What is CBAM?

CBAM is a tariff system for the imported products from outside the EU based on their greenhouse gas emissions. All imports from outside the EU, including Japan, are subject to CBAM's tariff system.

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## **Acquisitions**



#### JRG Automotive Acquires Stanley Engineered Fastening's **Two-Wheeler Plastics Division**

JRG Automotive Industries has expanded its South Indian manufacturing presence by acquiring the two-wheeler functional plastics division of Stanley Engineered Fastening India (SEFI). The deal includes two production facilities in Manesar and Bangalore, enhancing JRG's footprint in key automotive regions.

The acquired division produces plastic injection-moulded components for two-wheeler OEMs, construction equipment makers, and Tier-1 suppliers across India. SEFI, part of Stanley Black & Decker, will continue its core engineered metals and plastic fastening operations in Chennai and Bangalore. Pawan Goyal, JRG's Founder and MD, said the acquisition strengthens the company's capabilities and expands its reach into infrastructure equipment manufacturing. JRG, known for

precision plastic components for automotive and defense sectors, aims to double its revenue this year through strategic growth initiatives.



#### **Alcoa Acquires Two California Aerospace Fastener Manufacturers**

On March 12, 2025, Alcoa Inc. announced the acquisition of Republic Fastener Manufacturing Corporation and Van Petty Manufacturing from The Wood Family Trust. Both companies specialize in aerospace fasteners and are based in California.

Founded in 1968, Republic Fastener focuses on "super standard" aerospace locknuts and operates the Boots Aircraft Division, offering a broad range of sheet metal and wrenchable fasteners used by major airframe manufacturers worldwide. Van Petty, established in 1943, produces highperformance precision aerospace fasteners primarily for engine and equipment manufacturers. Together, the two businesses generated USD 51 million in revenue in 2007.

This acquisition marks a significant expansion for Alcoa Fastening Systems, which has seen aerospace revenues grow from USD 1.5 billion in 2002 to over USD 3.7 billion in 2007. Alcoa's aerospace portfolio includes fastening systems, investment castings, forgings, and aluminum extrusions serving the aerospace market globally.

