

BRILLIANT HARDWARE + HAND TOOL MAKERS FROM TAIWAN

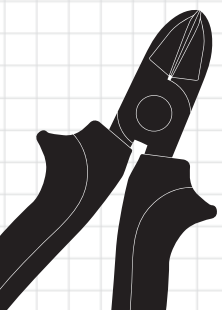
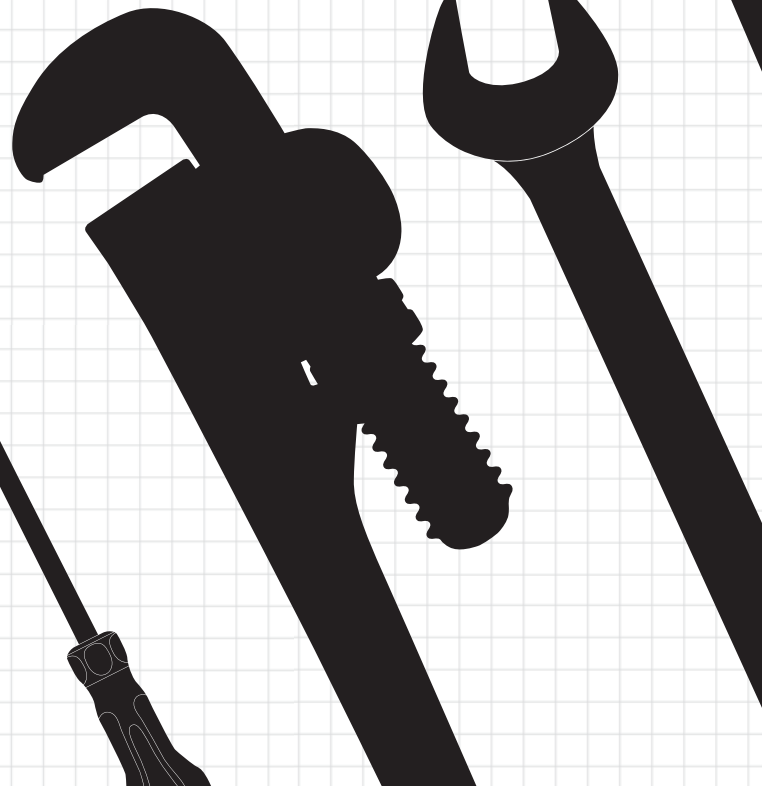
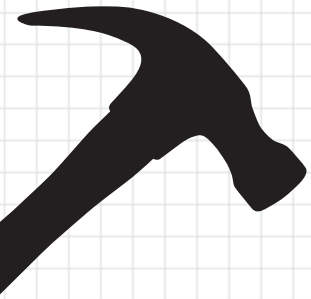
Industrial Upgrade is No Empty Promise

by Tanya Shih, Fastener World Inc.

台灣優質五金手工具製造商—
轉型升級並非口號

For years, the globally growing marketing approaches have been supporting the development of Taiwan hand tool industry. According to the statistics of Taiwan Customs, the import dependence and export percentage of Taiwan hand tool industry went beyond 105% and 101% respectively in Q1 2012. The satellite system full of powerful and international competitiveness and industrial value chain within the industry make its market share in the world always at the top.

Hand tools and hardware all display features of specific focuses on diversification, innovation, R&D, production, testing, marketing, management, and group play, so Taiwanese enterprises keep going forward with strategies of product innovation and high added value. In this issue, we invited 5 Taiwanese hardware and hand tool suppliers (EVER-SINEWY INDUSTRIAL CO., LTD., HAN CHI IND.CO., LTD., HUA WEI INDUSTRIAL CO., LTD., JEOUTAY LIU INDUSTRIAL CO., LTD., WIN CHANCE METAL CO., LTD.) to share with us on how they've been going for industrial transformation and upgraded through the establishment of sales networks, introduction of innovative ideas, and creation of their own brands. ■



Daily Life Innovation EVER-SINEWY INDUSTRIAL : 「Mindset for the Sake of Benefiting Consumers」

世棋公司：「只想著怎麼造福消費者」

Established in Dali District of Taichung, EVER-SINEWY INDUSTRIAL CO., LTD. has been dedicated to manufacturing hand tools for fasteners over the past 34 years. Its products comply with environment protection regulations and market standards set by Europe, US, and Japan. The company particularly aims at R&D and quality elevation of rivet guns and wrenches, exporting 99.9% of its products globally through mid and high end market as well as local distributors.



◀ President Justin Lin (middle) presented the main product Hex Extractor during IFST 2013.

There is No Demand that EVER-SINEWY Cannot Satisfy

In the current trend of hand tools, major models and speculations are already developed and distributed, and thus it only takes the will to create differentiation. President Justin Lin said proudly, “We have thousands of model types of hand tools to fit the internal hole of every screw. In terms of the same model type, if our competitors provide 10 types, we can provide over 50! This is why the company can stand firmly in the market for over 30 years.”

Despite clients’ demand may not be huge, EVER-SINEWY INDUSTRIAL does not permit the situation where visiting clients leave with dissatisfaction. Driven by the notion “Benefits for consumers”, the company does not aim at end-consumers, but promotes its products through global professional distributors or OEM plants. Additionally, it refuses specialty stores to avoid potential problems of limited products because “the mindset of the company focuses on how to deliver good products to more people.”

Life Itself is the Source of Inspiration

After entering the hand tool industry, Justin Lin utilized the professional technology of automatic control, innovating products of creative ideas without the aid of other people. Products like Taiwan shaped storage clamps and tool clamps that are both practical and fashionable.

Inspiration often emerges within a millisecond, and it takes nonstop endeavors to make inspiration into a reality. Hex Extractor, developed by EVER-SINEWY to solve the damage to internal holes, features a simple indentation design to extend the tool and screw life, eliminating the situation where a screw’s recess is worn out and causes wrenches to cam-out. Hex Extractor utilizes the precise indentation angle that prevents damaged screw heads, breaking another technical difficulty.

Here comes the question: How did the company make those discoveries? Justin Lin replies, “Use your perception in daily life to discover any possible problems from the standpoint of a user, and accumulate your experience. Always think about how to make tools more convenient for consumers.” Besides, by attending international exhibitions and go face to face with customers, you can get to know local regulations and current market trends to get close to the needs of customers. Take rivet guns for example, Southeast Asia prefers Japanese TAIYO model, and Germany prefers GESIPA model.

Hand tools come with tens of thousands of types, and fastener-related hand tools are merely just a part of them but have a wide range of applications in machinery, automobiles, building, gardening, etc. Hand-driven tools in particular have more demand than electric and pneumatic tools. In response to the recent market change, EVER-SINEWY INDUSTRIAL has confirmed its social position during the first wave of DIY plants entering western nations, but it retained its root in Taiwan due to its persistence in quality and techniques. In the future, it will continue to develop new products that satisfy market regulations and customer needs.

Business Opportunities Arise from Daily Talks

HAN CHI:

Intellectual Property Era is Coming!

嘆記實業：「智慧財的時代已經來臨」

Han Chi Industrial Co., Ltd., established in 1980 at Dali, Taichung, initially focused on wholesale & retail business and then transformed towards “integrative production & sales”. It is the sales agent of Ying Ming Industry Co., Ltd. in Taiwan. It implements “service orientation”, and the supply and demand theory, offering over 18,000 items of hardware as per customer’s request. Since 2008, forging eye bolt and safety washers have become its major products. It adopts self-production and creates its own brand. The average revenue of those two items can generate NTD 6 million per month and it still keeps growing.



◀ President Kan Chien (left)

Entering the Market During Economic Slowdown Without Losses

Aiming at the right timing, Han Chi set up a processing apartment when the global economy was suffering from the worst situation at end of 2008, which then created its growth of up to 10-15%. President Kan Chien said, “Why? As everything was cheap at that time, Han Chi continued to invest in itself, purchased machines, and improved the quality and competitiveness. Right now there are 12 sets of CNC manufacturing machines and the efficacy continues to progress.” As a result, this solved the dilemma where Han Chi has to follow the quality demand of customers and suppliers' demand for increased production at the same time.

Marketing is Everywhere and Orders Come One After Another

Business often slips by when a customer wants to buy a product but cannot name it. In order to retain such a customer, Han Chi prefers graphic marketing as well as promotion on specialized magazines or supports from sponsors. Customers can choose certain items and fax back, which is simple, direct, and effective.

Probing for Business Opportunities Through Sales and Acting Professionally with Manufacturing

“Han Chi first started as a wholesale & retail store. We purchased various hardware frequently ordered by customers, including forging eye bolts and safety washers,” said

President Chien, “And that is why we dared get into the battlefield.” Aren’t there many forging eye bolt and safety washer manufacturers? Isn’t the market saturated? President Chien replied with a smile, “The advantage of Han Chi is that it has the business route, so it can get the exact information of supply and demand. We aim at products exclusively favored by customers. For example, German safety washers.”

Han Chi also develops forging eye bolts compliant with international regulations and can supply sizes and materials required by customers. What’s worth mentioning is the Safety Washer, or Locking Washer. It is made of Japanese SK85 spring steel, which provides both strength and elasticity. The design of its radial grooves not only offers the locking ability, but also prevents wear on the surface. It was developed in 2011 and has been on sale since 2012, getting more and more popularity.

The influx of new ideas offers a new face to products we are used to, making the use of similar fasteners more flexible and practical. Speaking of purchasing, manufacturing, and criteria of development, Han Chi thinks that business opportunities cannot always be relied upon and that technological challenges can further bring out the maturity of Han Chi in networks and manufacturing. The future is very hopeful and full of opportunities. In order to make products better, Han Chi’s inspiration of new products usually comes from daily talks with customers. Han Chi continues to work with Japan to develop new products and focus on the development of “patented” hardware.

HUA WEI- Global Leading Manufacturer of Cable Ties and Wiring Accessories

華偉實業—
束帶與配線器材的全球頂尖製造商

Hua Wei Industrial Co., Ltd. is a specialized manufacturer of wiring accessories with nearly 40 years of experience. Headquartered in Taichung of Taiwan, Hua Wei has 4 manufacturing facilities based in China (Shanghai and Dongguan) and Thailand (Bangkok and Chonburi). Being one of the largest cable tie manufacturers in the world, Hua Wei manufactures over 10 billion cable ties a year. The main products include nylon cable ties, stainless steel cable ties, cable clips, flexible conduits, wire ducts, wire terminals, etc.



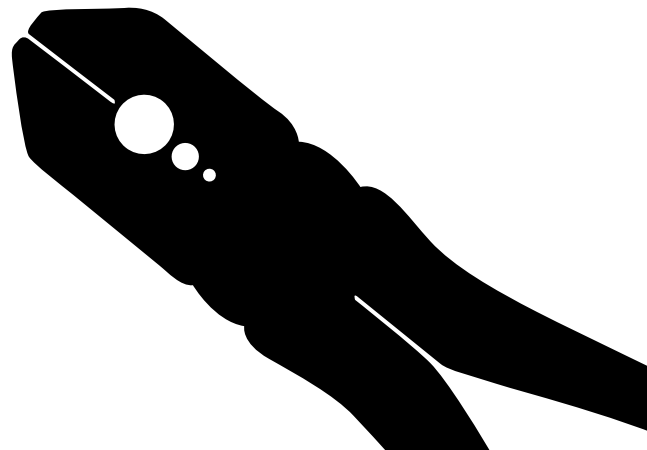
Quality Assurance and Control

Hua Wei has introduced advanced equipment and technology from Japan and other countries. With over one hundred injection molding machines weighing 180-1,000 tons, Hua Wei manufactures an output of up to one hundred 20' containers every month. Each of Hua Wei's factories has been accredited by ISO 9001:2008 and ISO 14001 and receives third party auditing every year. To meet the high safety requirements of the automotive industry, Hua Wei obtained ISO/TS16949 certification in 2008. All of the products are RoHS-compliant and conform to international norms, including UL, ABS, CSA, Lloyd's, GL, and CQC. The field applications range from electronics, telecommunication, automobiles, shipbuilding, railways to construction.

Differentiation is the Key for Taiwan Makers to Stand Out

Hua Wei's products are sold to 75 countries worldwide across Americas, Europe, Asia, and the Oceania, and the export accounts for 100% of the company's business. In face of the ever-changing global environment, Hua Wei has carried out ongoing vertical integration to improve the production quality, efficiency, and cost. The company has also provided solutions for the automotive industry to meet the needs for safety, durability, and environmental protection.

In the future, Hua Wei will continue to maintain the competitiveness by reinforcing the belief of "Customers First", "Profit Creation", "Sustainable Operation", and "Community Contribution", and cooperate with other enterprises to create a new business territory.



Staying Firm for Next 30 Years

JEOUTAY LIU:

Setting Competitive Price and Quality to Face Threats

具佳工業：「掌握價格、品質，威脅不足為懼」

Founded 30 years ago, Jeoutay Liu Industrial Co., Ltd. is headquartered in Dali, Taichung. With a 9,918 sq. meter factory, it specializes in the production of precision tool sets, (handdriven, socket, magnetic, precision) screwdrivers, bits, and auto tools. It adopts direct and indirect trade to achieve 100% export to mature markets like Europe, U.S., and Japan. Currently, it is looking forward to Myanmar, Thailand, and other Southeast Asian markets showing great potential, and expects to achieve another success in the next 30 years.



Advantageous Quality & Price and on Track with the Market Trend

Jeoutay Liu shows its competitiveness in the market by reasonable prices. With 30 years of specialty and satisfactory services, it has gained trust from customers. Certified by French AFAQ and British UKAS, it also cooperates with the annual ISO9001 audit to ensure that heat treatment, torque, hardness, and surface treatment are compliant with the required standards.

Every month it supplies over 1 million pieces of screw bits and 0.3 million pieces of auto tools of high quality to the market and accepts orders from global OEM and ODM. In terms of the potential of products, the profit generated from auto tools may be higher than that of screw bits as the processing time is longer. However, the specifications for these items have been widely circulating in the market and are not exclusively developed by Jeoutay Liu, so Paul Liu and Neil Lin both said, “We continue to design and develop new patented products and have already created over 200 items. Moreover, we’ve been authorized to use CAMCAR TORX and TORX plus, which further fortifies our competitiveness in the market.

60% of Jeoutay Liu’s products are exported to Europe, especially France, Germany, and Spain. Thanks to the result brought by the marketing of hand tools and auto tools, we did not suffer from the gloomy European market in the past few years. We used to build partnerships with traders directly and later we went active in exhibitions and advertisement to find customers; thus more business opportunities were focused.

“Myanmar Has Great Potential!”

Mr. Lin accepted our interview right after he came back from an auto parts exhibition held in Myanmar. He said that most hand tools in Myanmar were imported from China and Thailand due to its vicinity. When the government of Myanmar officially approved the setup of auto repair & maintenance service in 2012, the 1st edition of auto parts exhibition was then given in 2013, which demonstrated how the government of Myanmar greatly valued the development of this industry. With the growing availability of auto repair & maintenance service instead of conventional mobile repair stops, the government of Myanmar gradually unifies its automotive regulations. Jeoutay Liu has positive expectation to the potential of the automotive repair & maintenance service in Myanmar.

For this emerging market, any commonly circulating product in the global market is still new to it domestically. “People in this market lack the knowledge of these products, so how can they compare the prices with others?” added Liu. In addition to Myanmar, Malaysia, Thailand, and other Southeast Asian markets are all the targets of Jeoutay Liu.

Not Afraid of Competitors

Facing the emergence of China, Jeoutay Liu thinks that it has gradually lost its advantage in labor cost. Plus, factors influencing product quality in China still do not show unified status, so its threats are weakened. On the other hand, Jeoutay Liu can satisfy customers’ demand and provide superior products. It continues to make revisions to products according to the feedbacks from the market. For example, it introduced the idea of radio antenna into the hand tools, making it convenient to be used in a narrow space. “Self-production & Sales at Good Prices and Quality!” That is why Jeoutay Liu’s products are greatly admired by the international market.



Insistence on Green Consciousness

WIN CHANCE:

Concerns on Industrial Safety Accelerates Safety Hooks Into the Market

鈞成金屬：「工安意識抬頭，以安全環進軍市場」

Win Chance Metal Co., Ltd., founded 25 years ago, is a hardware manufacturer with innovation, green consciousness, professional technology, and excellent quality. Under the leadership of President Vincent Chang, the company plans to introduce more innovative ideas for existing hardware products, upgrading them to a higher patented level and reinforcing competitiveness of the company. With 4 years of efforts, 60% of its existing products have been approved with over 110 patents and have been certified by JIS, CE, ISO9001:2008 and other overseas certifications.



◀ President Vincent Chang of Win Chance (right) is awarded 2013 Taiwan Excellence Award presented by Ministry of Economic Affairs.

Safety Hooks- The Next Focus in the Market

The plant of Win Chance located in Changhua of Taiwan measures nearly 13,223 sq. meters, with 80 employees working inside for the R&D and manufacture of truck ratchet buckles, safety hooks, and cold forged parts (including mechanical parts, specialty screws, nuts, and wire processing) in aluminum alloy, copper, iron, steel, and stainless steel. Products are sold to over 20 countries including Europe, USA, Japan, and Germany.

Every month Win Chance supplies 0.3 million pieces of ratchet buckles, 0.5 million pieces of safety hooks, and 10 tons of stamped and wire form products to the market. In terms of the production value, though ratchet buckles for trucks are still the most popular items, safety hooks have also been widely admired by mature markets like Europe, USA, and Japan. President Chang believes that with the increasing concerns on industrial safety and its introduction into new emerging markets, safety hooks will show great potential to become another popular products of the market in the next few years.

Environmentally Friendly- Detachable Ratchet Buckles Received Excellence Award

Win Chance makes hardware an excellent item instead of merely a component. "Superior quality, best price, reasonable lead time" is a maxim of the company, displaying its focus on the work safety and the belief in environmental

protection and sustainability of R&D. With such an insistence, the Detachable Ratchet Buckle (RTD43AB) was awarded Taiwan Excellence Award 2013.

The handle of a detachable ratchet buckle (RTD43AB) can be removed from the base of the ratchet buckle, which is a genius innovation in the world. Similar to the replaceability of correction tapes, the handgrip is able to combine with a lot of bases of ratchet buckles, which shows features of environmental protection, energy saving, security, cost reduction, occupational disease (e.g. carpal tunnel syndrome) prevention, no dangerous protrusion, unexpected release prevention, easy operation, etc. This product has been certified by GS/ TÜV and SGS/ PAHS. In addition, 9 patents have been attained in Australia, China, EU, Germany, Japan, Taiwan, and USA (for handgrips on both flanks and the self-locking body).

Facing the future, Win Chance will continue to upgrade products with innovation and create its own brand, as it has the state-of-the-art manufacturing technology and R&D ability to cope with challenges from the world. On the other hand, it is able to satisfy either a small amount of orders with exquisite packages or containers of demand. It also expects more products to be patented and pushes the company into an international level. □

