

Interview with Fastening Tool Innovators

arranged by Fastener World

Future Market Insights reports hand tools market revenues are expected to expand at a 3.5% CAGR through 2025. The prospect for hand tools market looks optimistic and the market still witnesses hordes of innovative tool designs and product lines. This is especially true with fastening hand tools whose function, application diversity and service offering have become the focus of competition.

In the following interviews, Fastener World editors Tanya Shih and Dean Tseng talked with four fastening tool makers on their prominent products and business strategies in details. Here we have KHC with its Color Ring Bit and T-Extractor that can take out a damaged T-screw in only one step, Loh Torng Hardware's impact-resistant magnetic nut setter made of engineered plastic, A-Kraft Tools with its marketing strategy of informatized management and one-stop service offering, and last but not least TONE with its Japanese style total bolting solutions and "Good Design" award-winning ratchet/spinner handle of the next generation. This is your great chance if you are looking for creative inventions and solution providers. So let's get started!

One-Stop, All Services

Professional Tool Maker A-Kraft Tools Targeting at "Informatized Management"

www.akraft.com.tw by Tanya Shih, Fastener World

Led by general manager Louis Chen, A-KRAFT TOOLS MANUFACTURING CO., LTD. is located in Wufeng District of Taichung City and has been established for 30 years! The company makes good use of its 16,529 m² plant, manufacturing professional-grade and industrial hand tools like high quality sockets, wrenches, accessories, and ratchet handles. With excellent quality and adequate R&D capability, it can supply the world's tool market in small lot and diversity. It sells products to the global markets including Europe, Australia, South Africa and the Middle East through "consolidated shipment" service rarely seen in the market. It currently works with multiple European renowned tool makers to provide OEM and ODM service. Recently it successfully introduced an information management system, making smooth "One-Stop, All Services" business model and achieving 10% annual growth!



Creating Financial Benefits with Informatized Management

A-Kraft Tools has acquired ISO 9001:2008 certification and highly regards the use of patent to protect products, earning trust from clients. Chen said, “We have a strong R&D team and quality control system. Nevertheless we have to remain cautious when we face market competition. How do we increase the competitiveness of the whole company? How do we assist clients in selling the products? These have been all made possible ever since we introduced informatized management. In the past we could not imagine store products directly shipped from factories, and importers and exporters could not display the products without stock management. With the implementation of our informatized management, ‘stock management’ is done in the production process.



This earns maximized financial benefits for both supply and demand, not only eliminating the rental cost for stocking but also reducing the time required for products to reach the market for marketing.

Brand Making is an Arduous but Inevitable Path

Chen said, “The company works smoothly with renowned brands to manufacture products and has got the perfect spot for

stable growth in the target market. Honestly, we have been through a bumpy ride in order to promote good products. Production is not difficult. The difficult part is how to motivate end-users to take ‘A-KRAFT’ products from our product shelf. The establishment and offering of stable quality as well as the corporate image of professional service represent a milestone in the transformation of a tool company. Through professional marketing talent

training and business strategy based on corporate image marketing, the company is training the whole employees to be client-oriented. This is not an easy path but an inevitable one in the pursuit of transformation.”

What is an Impeccable Marketing Strategy?

The company holds product recommendation meeting every week where everyone in the sales department takes turns to come up with a sales plan for any product manufactured by the company. Besides the chief speaker, others play as clients and make various demands. A series of simulation gives birth to an impeccable product sales plan. As the company brings along the sales plan right after production as per clients’ order, “Doing what clients should

have done” gradually becomes the impeccable service of the company. When it comes to price negotiation, “Always Say Yes!” Chen gave us an example, “Yes, I agree with what you said. Our product price might be different from our rivals, but think about our material, product durability, responsible after-sale service and so on.” Communication through identification and product value is the best way to a successful deal.

Looking beyond the 30th year, this tool company targeting at “One-Stop, All Services” has unlimited potential! This year the company has confirmed to attend the International Hardware Show Cologne in March (Booth D12 at Hall 4.1), Automechanika 2016, and Taiwan Hardware Show. Welcome to get to know this company through visiting its stands at shows or contact them directly.

96 KHC Taking the Lead in Screwdriver Bits Manufacturing

www.khc-bit.com.tw

King Ho Change Co., Ltd. (“KHC”), is a renowned bits maker in Taiwan, producing professional bits and various bits related products. With the business principles and the insistence on quality from the president, Mr. Bell Hsu, the company has been growing since 1995. Most of its clients are throughout Europe (mostly in Germany). Brand names, importers, trading companies, OEM and ODM are all their business types.

Globally Certified

KHC is certified by Versuchs- und Prüfanstalt (VPA) for their quality. The custom-made CNC machines, up-to-date testing instruments and extensive training programs for the employees are all indications to show its persistence on quality. KHC also takes social responsibility seriously. It is a member of the BSCI (Business Social Compliance Initiative).

More than Accessories

The patented Color Ring Bits and Color Ring Bits Sets are certainly KHC's signature products. Thanks to the modern CNC machines, it is now able to turn many of its concepts into actual products like the Torsion Impact Bits, T-Extractors and Color Ring Bits with Magnetic Holders.

Trend Maker in the Business

10 years ago, KHC created a brand new bits set that was both functional and aesthetic. Its original Color Ring Bits with a newly developed box had changed the face of the bits set industry. The 32pc Color Ring Bits Set was a huge success and even today it is still doing well. Millions of pieces have been sold. Almost every brand name has once purchased this set. Since then, KHC has been constantly actualizing great ideas into the field. In recent years, it



has focused more on special tools. Its T-Extractor can finish the job of taking out a damaged T-screw with only one step, which can save a lot of time when facing such a problem. In addition, the brand new Color Ring Bits with Magnetic Holders is certainly one of its best. The simple mechanism which involves magnets and bits will help you do your screwdriving job comfortably.

Loh Torng Hardware's New Darko Impact Range

www.lotto-tools.com.tw

Established in 1989, Loh Torng Hardware Machine Co., Ltd is a professional Taiwanese hand tool maker mainly producing screwdriver bits, ratchet handles, L-type hexagonal wrenches, Europe-Type T-handles, sockets, tool accessories, and various tool sets for specialized fastening applications. Its products are used and preferred in European, Canadian, U.S., Singaporean, and Australian markets.

“Darko Impact” range is the latest product the company released in 2015. The range includes: Darko impact bits, magnetic screw holders, easy drill bit chucks, impact-resistant magnetic nut setters and pre-drilling & countersinking tools. Here is brief introduction on the most recent patented products from the team.

1. The magnetic screw holder solves the problem of unstable or insufficient magnetic force when using a traditional magnetic screwdriver bit to hold a screw. Using the Darko magnetic screw holder on Darko impact bits can achieve firm holding of the screw and accurate insertion of the screw into the hole.

In addition, the Darko impact bits perform longer life than standard products in the market.

- 2. The impact-resistant magnetic nut setters:** People see more & more issues with traditional magnetic nut setters against impact driver usage. Most of the issues are related to fallen magnet or broken magnet. The new patent design are made of engineering plastic material, the anti-impact design delivers longer life against impact driver usage.
- 3. The pre-drilling and countersinking tool** for decking work & other woodworking. The product features free spinning collar and adjustable countersink to protect the wood surface.
- 4. The patented hexagonal wrench set** is made from SNCM+V alloy steel which is better than the commonly used chrome vanadium steel and silicon steel; therefore, the tool will only rupture and will not show brittle failure. The sudden injection due to brittle failure will cause concerns on users' safety. The rotatable belt buckle provides convenience for carrying and accessing the tools.

“Our goal, along with our top-notch quality policy, is to improve fastening efficiency, save costs, focus on appearance design, and stick with ergonomic product design” said the company.



The Most Reliable Total Bolting Solution Provider

TONE CO., LTD.

www.tonetool.co.jp by Dean Tseng, Fastener World

As a public listed bolting solution company, TONE provides hand tools (such as socket wrenches), electric & pneumatic tools, torque managing device, bolting equipment and tool storage cabinets for all bolting solutions. It is also a comprehensive tool maker which has already set foot in fields like assembly (of automobile, aircraft, etc.) as well as maintenance for construction, bridges, civil engineering, plants, and railways. It offers after-service like repair and inspection, provides advice for product selection and proposal for special products, and has technical consultancy service. Overseas sales account for 25% of TONE's revenue and the proportion increases annually.

An Innovative Tool Inventor & "Good Design Award" Winner

R&D in the tool industry is frequent and every year new tools with groundbreaking features are rolled out. Overseas Div. Assistant Manager Mr. Keisuke Watanabe told Fastener World Magazine, "The most long-standing and popular tools are those with high performance, stable quality,

simple and universal design. Indeed, specific tool functions tailored to certain markets (e.g., car/bike maintenance) and workplaces are important as well, but it is most important to capture the need of customers and speedily commoditize it. TONE combining R&D and sales rolls out several new products every year and the sales proportion of new products increases annually."

Most notably, TONE's "Next Generation Tool Series" (ratchet handles & spinner handles) received Good Design Award in 2014. The tool series are built for comprehensive and multiple purposes. The reason we won the award is because the entire company including our R&D, production, sales, and project teams are particular about brand logo design, color, texture, weight balance, quality, and product lineup. This concept is rooted in the mindset of TONE's employees and also applies to our office building, warehouse, equipment, staff outfit, business card, envelop, etc."

Global Strategic Deployment Via Taiwanese & Vietnamese Subsidiaries

"Global expansion and strategic planning are important policies to us. In order to grasp the global market share from ASEAN, Eastern Asia, North America, South America, to Europe, we set up a branch in Taiwan which produces and sells hand tools and equipment," said Keisuke. The Taiwanese branch cooperates with Japan headquarters and utilizes its strength as a comprehensive tool provider not particularly limiting itself to hand tools or electric tools.

With the coming ASEAN Economic Community, increase in population will bring positive prospects for development, and therefore, ASEAN is a very important target region for TONE. The Vietnamese branch (Tone Vietnam Co., Ltd.) located in Đồng Nai Province, comprising office and factory, started operation in June 2015. It is in charge of producing torque managing equipment and sales in Vietnam. Keisuke added, "As ASEAN relatively lacks the awareness and knowledge of torque management, it won't be easy for us to expand business there. Thus, we set up a showroom where everyone can experience our products (such as our shear wrench that tops the world's market share) and a presentation room



filled with technical knowledge. We also adopt the same testing equipment that we use in Japan in order to ensure our products and service are on par with the Japan headquarters." Together with the Japan headquarters, the establishment of the Taiwan branch and the Vietnam branch are part of TONE's mid and long-term global strategy.

A Renowned Brand in the Automotive Market

TONE has been well recognized by carmakers, but in the beginning it was not well known in the after-market. After TONE redesigned and rolled out the next generation series characteristic of sizes (smaller diameter/thinner/diverse length range, better use in narrow and deep places), functions (use at small oscillation angle, no dropping sockets or nuts), and surface treatment (anti-slip), TONE saw considerable acceptance in the after-market of car race, water scooter, D1 Ladies League, etc.

TONE has acquired ISO certificate for 15 years and its ISO-compliant standards and rules have become the unique customer-oriented "TONE management system". Keisuke said, "We are actively looking for new markets and partnership for bolting solutions, new production techniques and sales expansion. Welcome those who are interested to contact us." □

