

# Fastener News

## from Emerging Markets

compiled by Fastener World

### COSCO Adopts All-new CUP Engineering Method for Nut Anti-corrosion

#### 中遠關西引入螺帽 CUP 防腐施工新工藝

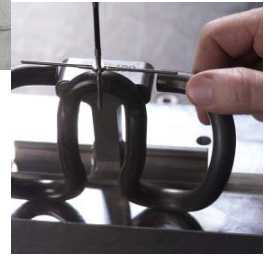
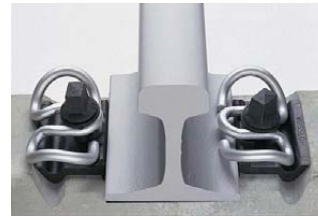
COSCO Kansai Paint & Chemicals Co. Ltd. from China has adopted a new highly anti-corrosive engineering method called "CUP Method" from Japan. The CUP injection method efficiently applies a thick coating to the weak joints of steel bridges for long-term corrosion resistance.

CUP Method is a breakthrough for anti-corrosion engineering of bridge nuts. Through a patented injection cup, the coating applied to the nuts can be as thick as 1,000 mm or more like an armor for the nuts, thus achieving long-term anti-corrosive effect and substantially extending the durability until the next time of bridge maintenance. CUP Method effectively reduces labor and material costs for maintenance.



### Vossloh Wins Additional Large Rail Fastening Systems Order for High-speed Line in China

Vossloh 再獲中國高鐵大量的鐵軌專用扣件訂單



- Order volume of approximately € 50 million
- Shipments to start at the end of 2017

VFSC (Vossloh Fastening Systems China), the subsidiary of Vossloh's Core Components division based in Kunshan, China, has won another supply contract for high-speed fastening systems worth approximately € 50 million. The order is divided into two tranches. Vossloh Fastening Systems China will supply the route from Qingdao City to Ji Nan City, a section of the approximately 700-kilometer connection from Qingdao on the east coast to Taiyuan, southwest of Beijing. The speed of up to 250 km/h is planned for this route. In Ji Nan, the line will be connected to the North-South line from Beijing to Shanghai.

### Wisco and Baosteel Announce the Largest Restructuring Plan in Chinese Steel Industry 武鋼·寶鋼 宣布重組 陸鋼鐵業 最大合併案

Affected by the overcapacity of steel and antidumping/countervailing measures against Chinese steel products, two large Chinese steel manufacturers, Wisco and Baosteel, announced on June 26 that they were considering the strategic restructuring of both companies. However, the final restructuring plan hasn't been determined yet. When it is determined, it still has to be approved by related authorities. Baosteel and Wisco are both large steel manufacturers in China. The average annual production of each company weighs tens of millions of tons. The recent announcement of the "restructuring plan" for both companies this time will be the largest restructuring case in Chinese steel industry.

It is reported that after the merger of these two companies, the total production of crude steel of the company under its new name will reach 60.7 million tons, with the scale only second to ArcelorMittal, making it the largest steel manufacturer in China. The current production of crude steel in China totals 0.804 billion tons (representing 7.5% of the market share). The current steel production has been in overcapacity, so merger for restructuring should be in the must-to-do list. The merger of Baosteel and Wisco can generate capital advantages for both companies. There will be no competition between Wisco and Baosteel, which is actually good for increasing their product prices.



## China Extends the AD Measure Against Certain Iron & Steel Fasteners Imported from EU

中國商務部延長對歐盟進口碳鋼扣件課徵反傾銷稅 5 年

China's Ministry of Commerce (Mofcom) announced on June 28th that its AD measure (imposed on June 29, 2010) against certain iron and steel fasteners imported from EU has been extended for 5 more years and has been effective since June 29th. According to Mofcom, if the AD measure is terminated, the dumping of certain iron and steel fasteners from EU may continue or reoccur, and the certain iron and steel fasteners imported from EU may continue to cause material injury to domestic Chinese suppliers of similar products. However, products involved do not include nuts and other fasteners for the maintenance and repair of aircrafts.

The AD rates for certain companies are listed as follows:

1. KAMAX GmbH & Co.KG- 6.1%
2. All other EU companies- 26.0%

## Chinese Fastener Industry Development Symposium Held in Shanghai

緊固件產業發展論壇在上海舉行

On June 23, the Government of Haiyan County (China) gave the Chinese Fastener Industry Development Symposium at Shanghai World Expo Exhibition & Convention Center, with the attendance of more than 30 fastener entrepreneurs. Chairman Jinyao Feng of The Fastener Sub-division of China General Machine Components Industry Association (CMCA) also gave a presentation on "Innovations in the Fastener Industry." He said, "First, we have to fully understand the challenges the industry is facing now, including too many small-scale enterprises, low-level technology, less capability to avoid risks, unreasonable product portfolios, low added values, equipment and molds & dies level, lack of talented workers to name a few.

On the other hand, China's "Manufacturing 2025" and "One Belt, One Road" policies will force companies to reinforce innovation and technology, accelerate structural adjustment, improve environmental protection, and boost the stable growth of Chinese fastener industry. Chairman Feng also pointed out that the industry should focus on the development of aerospace, automotive, high-speed rail, wind power high-strength bolts, stainless steel fasteners, Ti/Alu alloy fasteners, and carbon steel fasteners.

## Higher Record for Mexico's Automotive Components Export in Q1 2016

第一季度墨西哥汽車零部件出口創歷史新高

In Q1 2016, the automotive components export of Mexico reached a record high level to US\$6.291 billion (YoY: 9.7%), due to the contribution from U.S. and Canadian car manufacturing. The export value of other auto related industries in Mexico dropped by 2.8% from the previous year to US\$20.221 billion. According to AMIA, the new car sales of Mexico in May 2016 reached 121,587 units, up 19.2% from the previous period. The car production in May 2016 reached 279,508 units, down 3.1%. The car export in May reached 226,240 units, down 6.0%.

In the first 5 months of 2016, the total new car sales in Mexico reached 587,320 units, up 16.8%. The total car production in the first 5 months of 2016 reached 1,354,848 units, down 4.6%. In the first 5 months of 2016, the total export reached 1,080,358 units, down 7.1%. To review by region: 820,460 units were exported

to the U.S. (+0.3%; representing 75.9% of the total export volume). 70,862 units were exported to Latin American countries (-30.4%; representing 6.6%). 11,175 units were exported to Asia (-68.6%; representing 1.0%).



## Mexican Ministry of Economic Affairs May Impose Taxes on More Imported Steel Products to Protect Local Industries

On April 21, 2016, a Mexican media reported that in order to prevent the overcapacity of steel products in China from causing injury to local industries, the Ministry of Economic Affairs of Mexico may impose taxes on more imported steel products. Mexico determined to impose the tax of 15% on imported cold/hot rolled steel plates after Oct. 7th last year and this measure has been recently determined to be extended for 6 more months.

Facing the overcapacity of steel products (totaling 0.6 billion tons), The Mexican Department of Industry has asked the authorities to impose the tax of 15-30% on more imported steel products (e.g., wire rods, rebar, steel pipes, etc.). Chairman of Concamin also said that the Department of Industry has already completed some analyses and has reached the unanimous agreement that other steel products should be also included in the list of taxable items.



## 2016 Iron and Steel Licensing Requirements

### 2016 年鋼鐵產品 (含 HS 7318 扣件) 進入歐盟的監督許可證規定

The European Commission has introduced a "Prior Surveillance" import licensing regime to monitor imports of certain iron and steel products into the European Union. Commission implementing Regulation (EU) 2016/670 was published on 29th April 2016.

1. You will need an import license to import any steel products of specified commodity codes (including fasteners) arriving for Customs clearance into Ireland or the EU on or after 31st May 2016.
2. You do not need a prior surveillance import license if:
  - a. your products have a net weight of less than 2,500 kilograms (2.5 metric tonnes), or
  - b. your products were made in the EU, Iceland, Liechtenstein or Norway, or
  - c. your products are imported into Ireland or the EU before 31st May 2016, or
  - d. your products are not entered into free circulation but into a Customs relief scheme (e.g., customs warehousing, temporary import or Inward Processing Relief - If the products are subsequently entered into free circulation a license is required).

#### Applying for a steel prior surveillance import license

1. There is no charge for the issuing of licenses.
2. You will need to provide: Product description / trade name; TARIC code; product volume in kilos; product value in euros on a CIF (Cost plus Insurance plus Freight to the EU border) basis; where the products were made; where the products were shipped from.
3. You will also need to provide a copy of your pro-forma invoice or your sales/purchase contract.

#### Prior surveillance license validity

1. An application for an import license can be made in any Member State and shall be valid throughout the Union.
2. Licenses will have a four-month validity which may be renewed for a further four months if not fully used. Your license remains valid, and does not require amendment, if the unit price and/or net weight of the import is within the 5% tolerance.



### Zyh Yin Enterprise- the Largest Fastener Supplier for IKEA

至盈 IKEA 最大螺絲供應商



Zyh Yin Enterprise is the largest fastener supplier for Sweden-headquartered IKEA. It was established by President Chen in 1980 in Kaohsiung (Taiwan). It is the largest furniture screws manufacturer in Taiwan and its products are exported to more than 60 countries. Zyh Yin is headquartered in Yanchao Dist. of Kaohsiung and is specialized in the manufacture of screws, nuts, and bolts for wooden furniture.

The business philosophy of Zyh Yin is to focus more on marketing and sales, and that is why the company cooperates with IKEA in Europe and HOME PEOPLE in the US. Zyh Yin has strict requirements on the quality of fasteners and all of its products are compliant with DIN and IFI standards.

It also cooperates with an Italian company to co-develop dies used in the production of hardware and related accessories. Zyh Yin's customers can be found in many countries such as South Africa, USA, Mexico, Argentina, Australia, New Zealand, Indonesia, Turkey, Germany, Denmark, Spain, France, Sweden, Slovakia, Ukraine, Canada, Czech, and Italy. Zyh Yin's important customers in Europe and USA are the main momentum of continuous innovation and creativity of the company.

## Grupo CELO Acquires Trident Fasteners Inc in USA (MI)

西班牙 Grupo CELO 併購美國 Trident Fasteners Inc

Grupo CELO acquires Trident Fasteners Inc in USA (MI) to become a global company providing better service to customers is its goal. With the factories in Spain and China, and the logistic bases in Hungary, Poland, Turkey and Mexico, CELO could be near many of its customers. But one step forward in USA was a must for Grupo CELO. This is the reason why it acquired the company Trident Fasteners located in Grand Rapids (MI). Trident Fasteners Inc has a human team with large experience in the fastener industry and the production capabilities of the factory will enlarge the range of products of Grupo CELO.

 **Grupo CELO**



## Fang Sheng Screw Widely Recognized by Global Leading Automotive & Motorbike Manufacturers



芳生螺絲 汽機車大廠採用

Since 1978 Fang Sheng Screw has been specialized in the production of hex socket screws in alloy steels and its "YFS" branded products with high quality (especially Grade 12.9 hex socket screws) are sold to many countries around the world. Fang Sheng has been one of the major manufacturers of hex socket screws domestically and internationally.

Fang Sheng Screw offers the widest range of high quality hex socket screws and one-stop shopping service to customers. It is also one of the few Taiwanese companies which do not move factories to other countries and continues to invest in Taiwan. Its 2nd factory in Gangshan started to operate in 2014 and focuses on automotive fasteners. Fang Sheng is also dedicated to the production of industrial and customized fasteners, which are sold to markets in Europe, America, Japan, S. Korea, China, and Southeast Asia. Fang Sheng has become the only German ICE approved supplier in Asia since 2009. Fang Sheng has been certified to ISO 9001, ISO/TS 16949, ISO 14001, ISO 17025, and TAF and has been also approved by customers including T1 and T2 automotive and truck component suppliers and OEM car manufacturers.

## Atlas Copco Bolt Tightening Solutions Lands Large Order for Major LNG Plants

Atlas Copco 公司螺栓接合部門獲得墨西哥灣主要液化天然氣廠的大量訂單



Atlas Copco Bolt Tightening Solutions has won a major order for a full range of bolting solutions for major work at LNG plants being developed along the Gulf coast of the USA. This new order is worth in excess of \$450,000.

Showing the full international collaboration of Atlas Copco, the CTST topside bolt tensioners were developed in the UK, the design and manufacturing site for the Tentec range of bolt tensioning equipment, while the nut runner guns are made in Sweden and the torque wrenches in the USA.

## SPIROL Brazil Receives 2015 ALBÉA Supplier of the Year Award

SPIROL Brazil 獲頒 2015 年 ALBÉA 供應商獎



SPIROL Brazil is pleased to announce the receipt of ALBÉA's Supplier of the Year Award for 2015. SPIROL was ranked with the best performance among more than 80 suppliers in the combined metrics for quality, logistics, commercial and engineering. The award was received on behalf of the entire SPIROL team by Mario Gioto, Office Manager of SPIROL Brazil.

SPIROL Brazil was evaluated throughout the year for on-time delivery of over 20 million parts. SPIROL was also commended for being a key design partner on ALBÉA's technical and commercial development projects. By having an office in Brazil, SPIROL is able to provide world class customer service to ALBÉA and their

other Brazilian customers as they are able to work together in the local time zone, local language and local currency. This provides seamless communication and increased customer satisfaction.





## Sundram Fasteners Chooses the New Owner for Its German Subsidiary

印度 Sundram Fasteners 退出旗下德國據點經營

Sundram Fasteners has decided to exit from its German operations managed by its wholly owned subsidiary Peiner Umformtechnik and its affiliates. Sundram has chosen Hanse Industriekapital-Hamburg as the new owner in consideration of their experience in the German industry as well as their being a successful private equity player. Sundram believes that the new German shareholder is well suited to meet the needs of Peiner, its suppliers and its customers. We are sure they will competently take Peiner to a successful future.

Sundram is thankful to the Peiner management for its full support during the process of finding a new owner. Sundram wishes the new owner Hanse Industriekapital-Hamburg, the Peiner management team and all the employees all success for a prosperous future.

## Japanese Fastener/Die Maker Sakamura Industries Sets up Thailand Subsidiary

日本扣件與模具製造商阪村產業公司在泰國設立分公司

Sakamura Industries die division has set up a subsidiary named "Sakamura Industries (Thailand) Co., Ltd." in TIP Industrial Park in Samut Prakan Province of Thailand in order to satisfy the local demand for dies. The subsidiary's main purpose is to serve Japanese companies in Thailand. It will utilize its long-developed know-how to precisely understand local die demand and supply various sorts of multiple-color and complex-shape dies.

## Japanese OTC Company Supplies Various Shapes of Fasteners in Thailand

日本 OTC 公司在泰國供應多種形狀的扣件

Okuyama Technical Center (OTC) introduced anti-loosening coating equipment to its subsidiary in Thailand (OTCT). It can supply various shapes of fasteners in large bulk or small lot. The headquarters in Japan mainly produces flange bolts, weld bolts, caulking pins, and long bolts, and plans to replicate its complete technology to the Thailand base. 50% to 60% of its domestic production is exported to overseas bases. In 2012 OTC set up the subsidiary with 70-ton monthly capacity in Rayong Province in southern Thailand where automotive component makers gather. Domestic makers in Japan mostly outsource to coating companies, while OTC directly introduces the "Scotch Grip" automatic coating line to the Thailand plant to increase competitiveness.



## Vietnam Shows Great Demand for Fasteners

越南扣件需求旺盛

In the first 2 months of 2016, Vietnam reported a surplus of USD0.865 billion and the new foreign investment was worth USD2.8 billion (up 135%). A market analyst said, "Vietnam has been one of the fastest growing economies in Asia. The strategic location and rapid growth of Southeast Asia both help make Vietnam one of the most attractive countries for foreign investors." So, what would be the quickest way for fastener companies to tap into the Vietnamese market? The first way is through the machine engineering & related components sector. The total value of the infrastructure construction of Vietnam in the following 10 years will be USD160 billion. These construction projects include the 5,000 kilometers long freeway, 300-400 kilometers long railways, and 12 airports. However, only 6% of metal processing and industrial products are made by Vietnam itself and the remaining 94% are imported. As a result, Vietnam is a very potential market.

The second way is through the automobiles, motorcycles, and related components sector. Motorcycles have been the major transport way for local Vietnamese people. Over the past 5 years, the annual sales of motorcycles in Vietnam were over 2.5-3 million units. Vietnam has become the 5 largest strategic market for motorcycle manufacturing and its government also encourages local companies to assemble and manufacture motorcycles. With the improvement of the infrastructure in Vietnam, the demand for sedans and trucks in cities is also increasing. The economic development in Vietnam is going really well. However,

machines and facilities used in Vietnam are not as state-of-the-art as in other countries, so this is a market fastener companies should focus on.

## Malaysian Total Car Sales in 2015 Grew 0.03%, Reaching a New Peak

### 馬來西亞 2015 年汽車總銷量增加 0.03% · 創歷史新高

Malaysian Automotive Association (MAA) has recently released statistics of Malaysia's total car sales in 2015 reaching 666,674 units, slightly up 0.03% from 2014's 591,298 units (note: 591,298 units were sedans, down 0.5% from 2014's 588,341 units; 75,376 units were commercial cars, down 3.5% from 2014's 78,124 units).



The 2nd largest car manufacturer in Malaysia, Perodua Kancil, has been the champion in Malaysia's car sales for 10 straight years. In 2015, its sales were 213,307 units, up 9.06% from 2014's 195,579 units. Its market share increased from 29.9% to 32%; sales of the 1st largest car manufacturer Proton in Malaysia were 102,175 units, down 11.75% from 2014's 115,783 units. Its market share dropped to 15.3% from 17.4%; Japanese Honda's car sales in Malaysia were 94,902 units and the market share was 14.2% (making it the champion among non-Malaysian car manufacturers); Toyota's sales were 93,760 units and the market share was 14.06%; Nissan's car sales were 47,235 units and the market share was 7.09%.

MAA Chairman pointed out that due to the stability of the economy and job opportunities, positive customers' confidence, new car models with promotion resulting in busy market sales, Malaysian total car sales in 2015 grew 0.035% to reach the highest record. MAA also forecast that Malaysian total car sales in 2016 might drop by 2.5% to 650 thousand units (note: 575,250 units will be sedan and the rest of 74,750 units will be commercial cars) due to global economic slowdown, declining oil price, slowdown of China's economic growth, Malaysia's expected economic growth this year being only 4-5%, continuous depreciation of ringgits against US dollars, and low confidence in business activities and consumption. ▣

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