

# Machinery & Tooling Consulting Solution Provider Beyond the Limits of Trading

## CHUM YUAN CO., LTD.



Chum Yuan (CYC) is one of the most unique among the numerous traders and distributors in the Fastener Industry. CYC offers an all-inclusive product line of machinery and tooling, from Bolt/Nut Formers to secondary operation machine tools, or wire processing machinery to sorting/packing machines. It also offers complete tooling lines and spare parts in complements to all machines they supply. CYC is an export oriented company which focuses on Standard and Automotive Fastener Industry in countries like Brazil, India, USA, Europe, Turkey, and Thailand. General Manager Ray Hsieh studied Information Technology and used to work at IBM in Canada. He took the management responsibility of CYC in 2004 and in the last 16 years, he has turned the company from a conventional trader to an all-in-one specialized consultant!

### Conventional Trader vs. Consulting Solution Provider

Ray began reforming the corporate structure as soon as he took his position. To him, the business model of conventional trading and distribution is no longer congenial to the market demand of this generation. “We can’t just pick up an overseas order and then let our service stop at the point of completing the delivery. Today’s consumers demand delicate, customized and all-inclusive service. That’s why we provide pre/after-sale service arranging logistics, machine parts supply and warranty for customers thoroughly. We have sales and technical quality staff in our customer service division standing by for 48-hour reply, and coordinating our partnering suppliers to send people to customers’ site for machine repair if necessary.” Rather than a trader and distributor, it’s better to say CYC is a specialized consultant integrating up/mid/downstream industries. Ray took advantage of his IT specialty and developed a Customer Relationship Management (CRM) system to facilitate transparent order information by clearly laying out machine serial numbers and production/shipment/warranty status. The system has a “trade alarm” function that can intelligently calculate timings and pop up alerts to notify salespeople of confirming production status with suppliers to guarantee punctual delivery. He says he wants a sense of “transaction transparency and security” embodied in his brand image. “Customers would naturally think of us because we provide transparent product information and quality packaged services.”

### Introducing “High Speed Bolt Pointer HC-P14”

This year, CYC is very happy to introduce High Speed Bolt Pointer HC-P14 to the market. Often the industry either processes bolt point using lathes or has the points forming chamfers inside a die. However, the lathe method is very inefficient, and the drawback with the die method is with limited chamfer angles for point forming and reduced die life. Now, with HC-P14, which is developed by Hai-Chiuan Machinery (HC) and exclusively distributed by CYC, it can eliminate the drawback by increasing capacity, efficiency and flexibility. The features include: (1) Processing screws in 3-15mm diameters and 12-150mm lengths; (2) Coping with

various special bolt shapes; (3) Quick tool change; (4) Stable control powered by servomotors; (5) Much lower price compared to European models.

Ray says: “A little over a decade ago overseas customers had been looking for this type of machine in Taiwan because it was manufactured only by European countries at a high price. HC Pointers are price-competitive to overseas customers. Distributing them is the best example of CYC creating its corporate values because we want to fill up the manufacturing gap by distributing this machine and introduce it to the market.

### Ray: “Conventional Industry Has Largest Potential for Innovation Opportunity”

Taiwanese companies in the fastener field are mostly family owned, nowadays we are in an era where the 2nd/3rd generations start to take over. In Ray’s opinion, he thinks the critical factors for the next generations to succeed in taking over the business is with technology, quality and rebranding of conventional industry image. “By definition, a conventional industry is the foundation for other industries and it is irreplaceable. Technicians are highly respected in overseas countries because they feel proud of their high technical capabilities. The next generation of Taiwanese companies needs that kind of self-value. They have to apply the advanced technology into Taiwanese conventional factories that is parallel with the Europe, Japan, and the U.S. In order to attract new talents into the industry, the next generation needs to overturn the negative impression on conventional industry by applying New Media, Innovation, and modern working environment in order to build a high-tech image in the Fastener Industry.

As an example for conventional industry innovation, CYC combines with IT, software, supply chain management and suppliers across Taiwan to offer global customers genuine one-stop solutions.

