Fastener World News

Association News

Hristijan Georgievski Elected YFP President for 2025

Hristijan Georgievski of IFE Americas has been elected as the 2025 president of the Young Fastener Professionals. Zech Williams of Wurth Industry USA will serve as vice president, and Craig Beaty of Beawest Fasteners will remain on the Board as immediate past president. Continuing on the YFP Board are Jake Glaser of Sherex Fastening Solutions, Mallory Nichols of Advance Components, and Nihar Sinha of AmeriSteel Fastener.

The YFP Board is laying the groundwork to provide YFP involvement and support to all areas of the industry.

Latest on CBAM & Carbon Price

台灣電力公司
Taiwan Power Company

"RE30" Low Carbon Electricity to be Rolled Out in July in Taiwan

To help exporters reduce their carbon tax cost, Taiwan Power Company's "RE30" low-carbon electricity program will be officially launched on July 1. This batch of electricity contains 1.66 billion KWh, with 30% coming from renewable energy sources, targeting small and medium-sized enterprises for purchase. The minimum purchase amount is 1 million KWh, with a maximum limit of 100 million KWh. The price is expected to exceed NTD 5 per KWh. Taiwan Power emphasizes that this price setting is to avoid competing with the private renewable energy market. Last year, Minister of Economic Affairs introduced the concept of "tiered electricity pricing," categorizing electricity based on carbon emissions into three types: pure green electricity, low-carbon electricity (containing 30% green electricity), and regular electricity. Taiwan Power's RE30 low-carbon electricity primarily utilizes its own offshore wind, solar, and small hydroelectric power as green energy sources, blended with fossil fuel-based electricity in a 3:7 ratio. This combination reduces the carbon emission coefficient to 0.337 kg per KWh, lower than the 0.494 kg in 2023.

The initial 1.66 billion KWh of RE30 low-carbon electricity will be available for sale in July, including 500 million KWh of green electricity. The sales method has been changed to corporate registration, with excess portions determined by drawing lots to prevent large corporations from monopolizing purchases. Taiwan Power will set purchasing qualifications to prioritize small and medium-sized enterprises.

The RE30 low-carbon electricity features 24-hour full-time green electricity, guaranteeing that each KWh has a green energy certificate without generating surplus electricity. This product targets two customer groups: exporters such as fastener companies facing the EU's carbon tax in 2026 and non-exporting companies in the financial and insurance sectors with ESG sustainability goals.

Taiwan Power positions RE30 as supplementary green electricity, encouraging companies to purchase green electricity first from private sources and then buy from Taiwan Power for any shortfall. It is expected that the supply of RE30 will increase to 10 billion KWh by 2027.

Taiwan to Launch Its Own CBAM by Year-end If All Goes Well

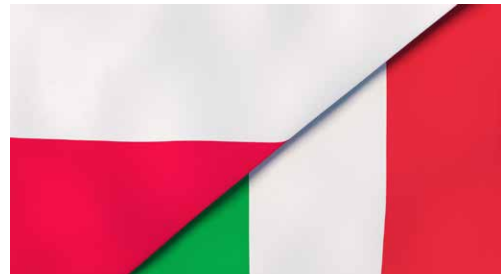
Taiwan is expected to initiate its own version of CBAM by the end of this year, following the European Union's anticipated release of CBAM details in July or August. The Environment Minister announced that the initial focus will be on products like steel and cement, aligning with the EU's approach. The Ministry of Finance and the Ministry of Economic Affairs will collaborate on the initiative.

Taiwan has been invited to join the EU's CBAM network, allowing it to synchronize its legal procedures with the EU's regulations. However, the government is also closely monitoring the US tariff policies to ensure compatibility. CBAM's relationship with the WTO rules will also be closely examined once the EU releases the final text.

Local steel and cement industries have been advocating for the implementation of a Taiwanese CBAM. The government has already begun compiling a list of products to be included, with imports of cement from Indonesia and Vietnam, which account for about one-third of the domestic market, being a key target.

Starting this year, imported products are required to declare their carbon footprint, mirroring EU regulations. The Ministry of Environment has identified three key challenges: defining high-carbon leakage products, establishing the legal framework through sub-laws under the existing Climate Change Response Act, and determining the execution details, such as whether to offer similar carbon fee discounts to imported products as those provided to domestic industries.

Italy, Poland Among Other Nations Submit an Informal Document for CBAM Amendment to EU



To maintain Europe's competitiveness in key manufacturing sectors, support the green transition of energy-intensive industries, and achieve strategic autonomy while preventing industry exodus, Italy and Austria, Bulgaria, Poland, among others, have submitted an "informal document" proposing amendments to CBAM to the EU. This informal document was jointly promoted by Adolfo Urso, Minister of MIMIT (Ministry of Enterprises and Made in Italy), and Gilberto Pichetto, Minister of Environment and Energy Security. It suggests that the European Commission advance the clause review to 2025 to allow for improvements before the full implementation of CBAM in 2026. The document addresses four key areas: simplifying administrative burdens, strengthening measures against carbon leakage and dumping practices, avoiding the inclusion of indirect emissions in CBAM—which could lead to increased electricity costs in decarbonization—and introducing mechanisms to protect European exporters to ensure fair competition in markets without a similar "EU Emissions Trading System (ETS)." Additionally, it proposes delaying the gradual elimination of free ETS allowances for energy-intensive industries to mitigate uncertainties and risks associated with the implementation of CBAM. The proposed amendments by the Italian government are also part of a strategy to protect the domestic steel industry, focusing on revitalizing four major steel production bases: Taranto, Terni, Piombino, and Acciaierie del Nord. Italy is now seen as a successful model in Europe, as 85% of its domestic steel production is generated through electric arc furnaces using recycled scrap steel—significantly higher than the European average of less than 50%.

Ukraine May Lose 6.4% of GDP by 2030 Due to CBAM

Ukraine could face significant economic challenges due to the EU's CBAM, potentially losing 6.4% of its GDP by 2030, according to a recent report from CMD-Ukraine. The export decline may reach 6.3%, with exports to the EU dropping by 9.8%. The steel industry, which constitutes a large portion of Ukraine's exports, will be particularly affected, as CBAM applies to 15-17% of these exports. In the first year of full CBAM implementation in 2026, export losses could amount to US$202 million, escalating to US$1.4 billion by 2030. The report highlights that the financial burden from CBAM could hinder Ukraine's recovery and integration into the European economy, especially as it struggles with ongoing war-related challenges. Ukrainian businesses are calling for government support, including staff training and access to low-interest loans, to navigate these new regulations effectively.

Industry Development

Trump Signs 25% Tariff on All Steel and Aluminum Products

On Feb./10, U.S. President Trump signed an executive order imposing a 25% tariff on steel and aluminum products imported into the U.S., regardless of the source of import. Trump said there will be no exceptions or exemptions to this order. According to statistics, the U.S. current major steel import partners are Canada, Brazil, Mexico, South Korea and Vietnam. Trump emphasized that the reason for imposing a 25% tariff on all countries is quite simple: "Because they tax the U.S., the U.S. should tax them," he said.

Previously, the U.S. only imposed additional tariffs on steel and aluminum products from specific countries, such as China. This executive order also represents a major adjustment to the U.S. tariff measures on steel and aluminum products, which will inevitably cause different degrees of impact on many countries that export steel and aluminum products to the U.S. It is worthwhile to observe the ripple effect that will be produced in the future.

Low Priced Fastener Orders Redirected to Taiwan Due to China-U.S. Trade War

The effects of Trump's tariff war are intensifying, with concerns in the Taiwanese steel market about the U.S. imposing high tariffs on China. A massive order for 50,000 tons of screws, originally supplied by China, has been redirected to Taiwan. However, the price is only USD 1 per kilogram, which has shocked the Taiwanese market, especially when compared to Taiwan's usual export price of USD 3 to USD 4 per kilogram. Experts say that this large order being shifted to Taiwan indicates that Trump's tariff war has disrupted the supply chain structure but in turn has highlighted Taiwan's industrial competitiveness, allowing Taiwan to secure these orders. Some professionals are concerned that this could damage the image of Taiwan's fastener industry and believe it's not worth encouraging. After Trump became president, long-time American buyers who sourced from China grew worried about high tariffs leading to increased costs. They transferred a massive 50,000-ton order, originally intended for China, to Taiwan, distributing it among five Taiwanese companies, including a publicly traded steel factory in southern Taiwan, which have begun shipping the products. Industry insiders point out that this order from an American retailer for household fasteners was originally processed in Taiwan but was later taken over by China at lower prices. Even if Taiwan has reclaimed this order, it's a "bitter victory," with prices completely changed, reflecting a struggle among Taiwanese businesses.

Australian Government

Department of Industry, Science, Energy and Resources

Australia Initiates Anti-dumping and Anti-subsidy Investigation into Chinese Friction Bolts

On December 19, the Australian Anti-Dumping Commission initiated an anti-dumping and anti-subsidy investigation into friction bolts imported from China. The investigation period spans from October 1, 2023, to September 30, 2024, with a harm assessment period starting from October 1, 2020. The deadline for initial submissions was February 3, 2025. The products under investigation are hollow steel bolts used for ground support in mining, tunnel, and civil engineering projects. These friction bolts, made from hot-rolled coil steel (HRC), have specific dimensions: an outer diameter between 44 mm and 48 mm, lengths between 2.2 m and 2.5 m, and a base metal thickness between 2.8 mm and 3.4 mm. They may include a welded ring and are designed to expand slightly when inserted into rock holes, creating friction to stabilize rock structures. Australian manufacturers claim their products are functionally equivalent and can fully replace Chinese imports. However, bolts with solid core reinforcement and locking systems, known as mechanical anchor bolts, are excluded from this investigation.

India Drops Anti-Dumping Probe on Chinese Fasteners Due to Lack of Evidence

The Directorate General of Trade Remedies (DGTR), the investigative arm of India's Commerce Ministry, has terminated its anti-dumping investigation into fastener imports from China. The probe, initiated in September 2023, covered a wide array of fasteners, including screws, bolts, nuts, concrete nails, and various industrial staples and clips used in construction, automotive, and other sectors. The DGTR concluded that there was insufficient evidence to prove that Chinese fasteners were being dumped into the Indian market at prices below their normal value, nor that these imports were causing injury to domestic manufacturers. Dumping, in international trade, refers to exporting products at prices lower than their normal value in the target market, which can harm local industries. Notably, the investigation was self-initiated by the DGTR, rather than prompted by complaints from domestic producers. This unusual move reflected a proactive effort to support India's fragmented MSME sector, which might lack the resources or knowledge to navigate trade remedy procedures. The DGTR acts as a quasi-judicial body, aiming to ensure fair trade practices and maintain a level playing field for domestic producers. However, the probe was ultimately dropped due to a lack of conclusive data.

Companies Development

Sheh Fung Expects Stable Market Demand in Americas

Sheh Fung noted that despite the influence of the Lunar New Year holiday and fewer working days in January, its revenue was recorded at NTD185 million, marking a month-over-month decrease of 8.1% and a year-over-year decrease of 11.8%. However, major customers in the Americas, particularly in the DIY home renovation and construction industries, continue to show strong demand for bi-metal screws, cement board screws, and other diverse screw product lines. On another front, in response to the reconstruction needs following the California wildfires in the U.S., the company stated that with its Vietnam factory now fully operational, it can flexibly adjust production capacity to meet new order demands there. The company is also actively expanding customer orders in Europe and the Americas, deepening local business operations, and expanding product lines. Sheh Fung further emphasized that in order to fully leverage the competitiveness of its Vietnam factory, it is continuously introducing advanced digital production systems and intelligent customer and supplier support systems. These efforts aim to enhance the overall production capacity utilization and delivery performance of the Vietnam factory.

SPEC Products to Be Listed Over the Counter at Taipei Exchange in March

President Zephyr Chang stated, as a result of President Donald Trump's decision to impose a worldwide 25% tariff on steel and aluminum imports, as well as "reciprocal tariffs," with no exemptions for any country, SPEC Products is relatively more competitive. Analysts predict that SPEC Products' revenue this year will reach a new high, with double-digit growth. The primary beneficiaries of this tariff policy are domestic U.S. manufacturers of screws and bolts. Since the fastener industry is labor-intensive and technologically demanding, many U.S. fastener factories have gradually exited the market over the past 30 years, resulting in about 70% of U.S. demand relying on imports. Under the new tariff, companies worldwide face the same competitive conditions, to which SPEC Products is not concerned. Regarding Trump's newly proposed "reciprocal tariffs," the company believes that since automotive fasteners account for 90% of SPEC Products' exports, and since the U.S. plans to impose higher tariffs on European cars starting in April, customer purchases may increase, benefiting SPEC Products. The company analyzed that Taiwan imposes a 5% tariff on screws imported from other countries, while the U.S. imposes tariffs ranging from 6.5% to 8% on screws imported from Taiwan. If reciprocal tariffs are implemented, Trump might reduce the tariff on screw imports to match Taiwan's 5% rate, which could actually improve export conditions for Taiwan's fastener industry. In terms of market strategy, the company has already diversified its risks and is not worried.

Brighton-Best International Likely to Outperform the Previous Year

Brighton-Best International (BBI), a subsidiary of Ta Chen International, has been operating steadily recently after the U.S. Federal Reserve initiated interest rate cuts. Analysts believe that Brighton-Best International is likely to benefit from Trump's tariff policies and the Fed's rate cuts, with its operations expected to grow compared to 2024. BBI's main products include carbon steel, stainless steel, and alloy steel fasteners, with its primary business being the trading of screws and bolts. As a major player in the U.S. fastener industry, the company's sales are predominantly in North America, accounting for over 90% of its market share. Analysts note that BBI was affected by previous interest rate hikes in the past years, causing many of its customers to reduce their inventory levels significantly. Currently, customer inventory levels are only about 1-2 months, far below the typical 5-6 months seen in the past. Additionally, President Trump's tariff policies are expected to increase demand for domestic manufacturing in the U.S., while the Fed's rate cuts may encourage downstream customers to replenish their inventory.

SUMEEKO's Business Likely to Grow This Year with U.S. Plant Contributing Momentum

SUMEEKO Industries' revenue in Q4 last year was affected by the European car market's slow recovery. Q4 profits are expected to be the lowest for 2024. Looking ahead to 2025, SUMEEKO is optimistic that as the contributions from U.S. manufacturers gradually increase, both revenue and profits will grow compared to 2024. SUMEEKO Industries has production bases in Kaohsiung and Pingtung (Taiwan), Germany and the U.S., allowing it to provide localized services to customers. In response to the trend towards flexible production, SUMEEKO's plant in the U.S. has begun production and is undergoing certification by customers, with revenue contributions expected to start in Q1. The U.S. plant is currently planned to produce highly automated standard products and have secured orders worth approximately USD 10 million. In terms of sales regions, Europe is SUMEEKO's largest market (including exports from Taiwan and its European operations), followed by the Americas. Other markets account for single-digit percentages.

GWR Fasteners Invests in British Manufacturing with New CNC Machine

Shropshire-based GWR Fasteners, a manufacturer and distributor, has significantly boosted its production capabilities with the acquisition of a state-of-the-art Citizen Miyano BNA-42DHY3 7 CNC Machine. This investment underscores the company's commitment to British manufacturing and its ability to meet the increasing demand for UK-made fasteners and specialist components. The new CNC machine will enable GWR Fasteners to produce more complex parts and increase overall production capacity. The BNA-42DHY3 boasts a 42mm bar-fed capacity and compact sub-terrain, enabling superimposition machining that will shorten cycle times and streamline the manufacturing process. Its ease of use and quick changeover times will further contribute to efficiency. "This upgrade in equipment means we are able to grow with our customers and supply them with more intricate and tailored solutions," said Tom Ellis, Commercial Manager at GWR Fasteners. "This investment ensures we can meet the demands of our customers. By increasing the efficiency of our manufacturing process, we can ultimately pass on any savings we will make to our customers without compromising on quality." A key driver for the investment is the growing demand for GWR Fasteners' captive screws, which are modified in-house and designed for easy disassembly without complete removal. This feature enhances safety and accessibility, making them increasingly popular.

TriMas Aerospace Secures Multi-Year Fastener Contract with Airbus

TriMas Aerospace, a subsidiary of TriMas Corporation, has been awarded a multi-year global contract to supply fastening solutions to Airbus. The agreement encompasses a range of Airbus's civil and military aircraft, including the A320, A350, and A220 models, marking an expansion of TriMas' role in Airbus' supply chain.

The contract includes next-generation fasteners and newly qualified products designed to optimize robotic assembly processes. Manufacturing will take place at TriMas Aerospace facilities in California and Kansas. The company emphasizes its dedication to delivering high-performance fastening solutions and advancing manufacturing technologies.

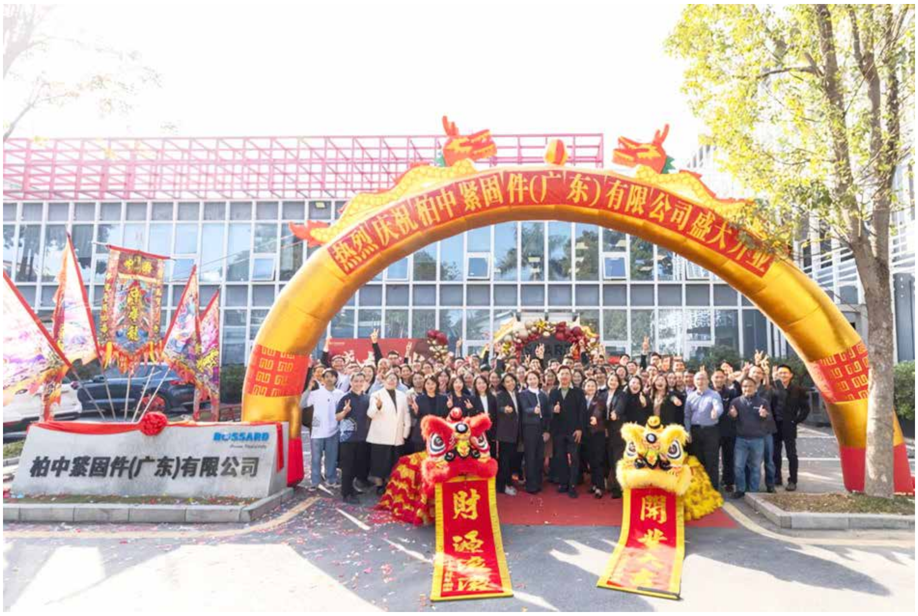
TriMas Aerospace is known for its precision-engineered fasteners and components used in commercial aircraft and by the U.S. military. Parent company TriMas operates across consumer products, aerospace, and industrial markets, employing approximately 3,400 people globally.

Swiss Automotive Giant Feintool to Close German Factory and Lay Off 200 Employees

On December 4, 2024, Swiss automotive supplier Feintool announced plans to close one of its factories in Germany and lay off up to 200 employees. This decision comes amid weak demand for electric vehicles and uncertainty surrounding the transition to renewable energy. According to Reuters, German automakers and suppliers are facing challenges such as soft demand, high production costs, competition from Chinese manufacturers, and slower-than-expected electric vehicle adoption. Feintool noted that this restructuring will primarily impact its earnings in 2024. The company reported a net loss of CHF 3.2 million for the first half of 2024.

Feintool, founded in 1959 and headquartered in Switzerland, has grown into a leading global fineblanking and tool manufacturing company. It operates 17 production facilities and technical centers across 7 countries on 3 continents, employing approximately 3,500 people worldwide.

Bossard Fastening Solutions (Guangdong) Now Officially Established



Bossard Fastening Solutions (Guangdong) is a wholly-owned subsidiary of the Swiss Bossard Group established in China, located in Shenzhen. It is the latest addition following the establishment of Bossard Fastening Solutions (Shanghai) Co., Ltd. and Bossard Fastening Solutions (Tianjin) Co., Ltd. Serving as the regional headquarters for South and West China, it integrates customer service, warehousing and logistics, engineering applications, and quality testing laboratories into a comprehensive provider of fastening and assembly technologies.

The establishment of Bossard Fastening Solutions (Guangdong) marks a significant step for the Bossard Group in the Chinese market, aiming to offer localized product solutions and professional technical services to customers in South and West China more effectively. This move reflects Bossard's commitment to enhancing its presence in the region and improving service delivery to meet the specific needs of local clients.

Acquisitions

US Anchors Acquired by Kinderhook Industries

US Anchors (USA), a manufacturer of construction anchors and fasteners, has been acquired by private investment firm Kinderhook Industries. The terms of the transaction were not disclosed. Founded in 1968, the company is the parent company of well-known brands such as TOGGLER, Wej-It, and Heckmann, along with its distribution division, Gotham Building Supplies. Jordan Eisenberg will become the CEO and partner with the Garfield family, the company's founders, to continue the success of the company. The Garfield family will retain an ownership stake, and Ted Garfield will join the board of directors. Kinderhook Industries, established in 2003, has raised USD 8.5 billion in capital and completed approximately 450 investments and follow-on acquisitions. This acquisition marks Kinderhook's 31st light manufacturing/automotive platform investment. Kinderhook Principal Nate Druckenmiller expressed eagerness to collaborate with the Garfield family and the USA team, with an aim to accelerate the company's growth through customer service, product availability, and both organic and inorganic geographic expansion. He also emphasized preserving the culture and commitment to excellence, which have been vital to the company's achievements.

Bossard Completes Acquisition of Ferdinand Gross in Germany

On January 7, 2025, the Bossard Group completed its acquisition of the German Ferdinand Gross Group. Headquartered in Leinfelden-Echterdingen, Ferdinand Gross had been expected to achieve net sales of approximately €80 million for the 2024 fiscal year and currently employs around 260 people. The company is one of Germany's leading distributors of fastening technology and has branches in Hungary and Poland. Through this acquisition, Bossard aims to further increase its market share in Germany and Eastern Europe, solidifying its global presence in the industrial fastening technology sector. The integration of Ferdinand Gross with Bossard Germany will enable the combined entity to offer a more comprehensive range of customized fastening technologies and solutions to customers in Germany and Eastern Europe. This strategic move enhances Bossard's ability to serve its existing customers more effectively while expanding its offerings in the region. ■

compiled by Fastener World