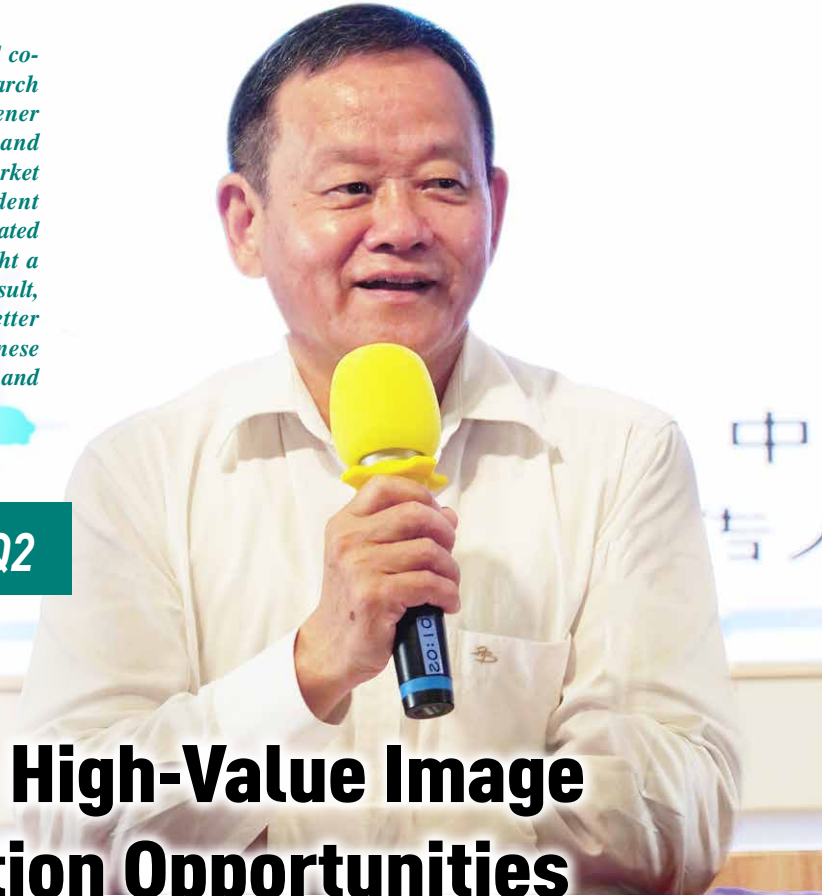


Taiwan Industrial Fasteners Institute (TIFI) and Taiwan CSC co-organized a meeting with the fastener industry for Q2 2025 on March 4 in Gangshan (Kaohsiung). In recent months, Taiwanese fastener industry has been facing various challenges in both domestic and export markets. Whether it's changes in customer orders or in market supply & demand, the EU's CBAM measures and U.S. President Trump's global tax hikes, regional tensions, or tech- or market-related competition with other industry players, all of them have brought a great deal of pressure on Taiwanese suppliers' operations. As a result, the corporate reps attending this meeting all hoped to find better ways and opportunities to enhance the competitiveness of Taiwanese fastener industry via viewpoints sharing of many industry experts and face-to-face exchanges with reps from Taiwan CSC and TIFI.



Taiwan CSC Industry Meeting for Q2

TIFI Chairman Tsai: Consolidate Taiwan's High-Value Image & Grasp Reconstruction Opportunities

In this meeting, TIFI Chairman Yung-Yu Tsai, with a wealth of business experience and observation, reminded the industry of paying attention to the possible negative impact on future orders of Taiwanese fastener industry by accepting orders at ultra-low prices, and on the other hand, encouraged the industry to pay more attention to the changes of international situations and grasp the opportunities of cooperation with potential customers in the supply chains.

Ultra-low-price Orders May Influence Taiwan's Hard-earned, High-Value Image

It is reported that a few Taiwanese companies have recently received orders from U.S. customers originally made to China at surprisingly low prices, which has not only aroused different viewpoints from the market, but also led to further discussions in the industry about the possible effects that may follow. "The fastener industry is now facing unprecedented challenges, including a possible change in the seemingly imminent Russian-Ukrainian truce, Taipower's possible increase in electricity tariffs this April, labor shortages in industries, and market outlook uncertainties, especially President Trump's imposition of a 25% tariff on the entire world, etc. Therefore, industry players must be more prudent in their order intakes, in order not to suffer a big loss for a little gain," Chairman Tsai commented. Tsai added that the impact of Trump's tariffs is so comprehensive that the industry doesn't need to compromise on price reductions in order to get orders.

Chairman Tsai emphasized that Taiwanese fastener industry has continued to demonstrate high value and differentiation in the international market over the years. In his opinion, Taiwanese fasteners are already of high quality, and are often used in many European and American medium and high end applications after being purchased by customers. It is obvious that Taiwanese fasteners have already distinguished themselves from their counterparts in other countries such as China, Vietnam, Malaysia, Thailand or India, and are definitely comparable to their German and Japanese counterparts in terms of technology and product quality. He encouraged **the industry should work hard to enhance the image of Taiwan as an industrial-grade fastener source, consolidate and maintain the high-value positioning of their own products**, as only on such a basis can they capture the loyalty and adhesion of customers and become dominant in determining which order to take, instead of being controlled by customers.

Taiwan Shouldn't Miss Opportunities for Major-power-led Reconstruction

Many of U.S. President Trump's "America First" statements since he took office have made it clear that the U.S., the world's





most powerful country, is going to play a leading role in the post-war reconstruction projects for Ukraine and the Gaza Corridor, and in other issues involving U.S. global strategic investment and deployment. Regardless of which participating country will ultimately benefit, there is no doubt that the U.S. companies will definitely be one of the main beneficiaries.

“Taiwanese suppliers should think about how to seize any opportunities to firmly establish cooperative relationships with customers from U.S.-related supply chains. If they bet on the right side, another golden decade for Taiwanese fastener industry will definitely come,” Chairman Tsai added. Tsai also pointed out that the operating costs of Taiwanese fastener suppliers have not been able to compete directly with China, Vietnam or other Southeast Asian countries that have an advantage due to the signing of tariff reciprocity agreements, as a result, Taiwanese suppliers will have to come out of their own way in the future and make the most appropriate adjustments according to the characteristics of different markets or regions.

Accelerated Supply Chain Regionalization May Benefit Industrial Order Intake

The rep of Taiwan CSC also addressed to the audience that the external and internal business environments have changed, coupled with the ever-changing international situations, the overwhelming taxation by the U.S., and the consecutive AD and anti-countervailing impositions or investigations on Chinese products around the world, so the challenges faced by the steel industry will become more and

more formidable. **In the past, the industrial supply chains were more globalized, but now they are becoming more and more regionalized.** The rep of Taiwan CSC believes that the new balance of industrial supply chains created by this trend may be a positive development for the industry. Although the process of change may be difficult, it is believed that it will finally go smooth after active adaptation and adjustments.

As for the industry's concerns about labor shortage, increasing operating costs, and rising water & electricity fees, Taiwan CSC's rep thinks that these are all inevitable phenomena under the changing environment, and it is up to the wisdom of individual industry players to find the most appropriate strategies to cope with the situations. Looking back at the past 2-3 decades, many companies have experienced the impact of the Financial Crisis and Covid-19, but most of them still successfully survived.

Regarding the industry's greatest concern about next quarter's wire rod pricing, Taiwan CSC rep emphasized that Taiwan CSC Pricing Conference has always emphasized one major direction, which is how to develop a pricing result that can help the industry receive more orders, and that whether the price goes up, down or flat, the industry's opinions will be taken into consideration and discussed thoroughly, so as to make the decision most favorable to the industry's development. ■

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