

Chairman Anchor T. H. Chang

Prospects of the Global Fastener Market

by Tanya Shih, Fastener World Inc.

This article combines my phone interview with Chairman Chang and his speech in the meeting. Looking ahead to the prospects of the international market conditions, Chang said, “Even with sluggish global market conditions and decreased order intakes of some companies, some European fastener companies boldly predicted that the global fastener market value will grow 80% from USD 72 billion in 2013 to USD 120 billion in 2023. Moreover, the latest industrial fastener market report released by Grand View Research also pointed out that the global industrial fastener market demand will reach USD 104 billion by 2020. With the national economic and manufacturing growth in the U.S., China, Brazil, Russia, Poland, and India, the building industry in these countries will continue to grow and drive the demand for fasteners.”

The Sustainable Path for the Fastener Industry “Innovative R&D/Upgrade/Transformation to Build Taiwan as an Automotive Fastener Kingdom”

Taiwanese fastener industry has safely been through the global financial crisis and electroplating plant shutdown crisis. Each crisis led our industry to the path of growth and

made us become more flexible! Taiwan’s materials and electroplating costs are on average 20%-30% higher than those of its competitors, and thus its general fasteners will gradually lose market competitiveness unless the affected companies decide to relocate westward or southward to maintain competitiveness. Chairman Chang thinks that all companies should learn some things from these crises: “For the future, I suggest everyone should enhance R&D based on respective core capability and upgrade or transform to create higher-end products such as automotive fasteners and other products with market segmentation, or they can make long-term transformation plan to develop aerospace and medical products to increase added values.”

The world’s largest fastener cluster is in Taiwan. Taiwan’s fastener R&D capability and manufacturing techniques of wire rod, wire drawing, production, machinery, surface treatment, inspection, packaging and shipment have been all recognized by the world. Chang said, “Taiwan is known as the Kingdom of Fasteners. Compared with other fasteners in the global supply chain, Taiwanese fasteners are at the intermediate-to-high level, which means there is still room for improvement. Automotive fasteners account for as high as 28% of shares in global usage. In the future we will focus our development on the automotive industry and build Taiwan as an “automotive fastener kingdom” to level up the brand value of Taiwanese fasteners.”

Innovative R&D/Upgrade/Transformation is the only way to industry sustainability. Chang suggests member companies should get prepared in advance and actively turn to in-plant development (such as acquiring certificates and patents) during the time when purchase orders are less. Chang stressed the importance of members’ attention to the development of anti-dumping measures and their compliance with Certificate of Origin regulated by the government to avoid EU’s suspicion on the validity of certificates of origin issued for Taiwanese fasteners. The future of Taiwanese industries requires everyone’s mutual efforts and cooperation! ■

