

After five years of hiatus, the 6th edition of Taiwan International Fastener Show returned to Kaohsiung Exhibition Center with an online plus physical exhibition. According to the show organizer's post-show report, the show attracted nearly 300 exhibitors and used around 850 booths, as well as nearly 8,000 buyers from 60 countries on May 3-5. Overseas buyers were mainly from India, the U.S., Japan, Germany, and Thailand. During the event, the show organizer also gave lots of industrial forums, procurement meetings and the "Manufacturers Win" podcast, attracting many industry experts and scholars to share their experiences and achievements. Another highlight of this year's event was the new "Raw Materials, Dies and Hand Tools Zone", connecting through the entire fastener ecosystem.

The "Global Fastener Forum" held on the first day of the show invited the presidents of the U.S., German and Italian fastener distributors associations, as well as speakers from domestic leading companies to talk about net zero, international market analyses, smart manufacturing, electric vehicles and other issues, attracting over 200 domestic and overseas companies in attendance.



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Taiwan International Fastener Show 2023

High Quality Charm of Taiwan Fasteners Attracts Global Visitors

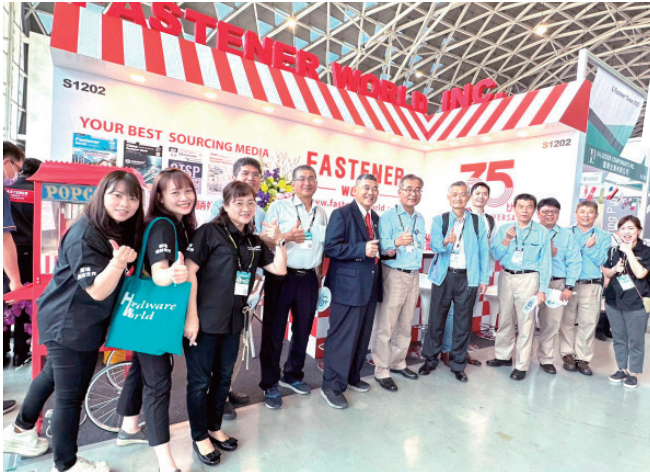
The show organizer also invited 49 international buyers from 18 countries, including Mexico, Germany, the United Kingdom, France, Brazil, New Zealand, Finland, the U.S., Canada, and the United Arab Emirates to participate in 152 one-on-one procurement meetings with 24 industry players, in order to facilitate business matching and opportunities.

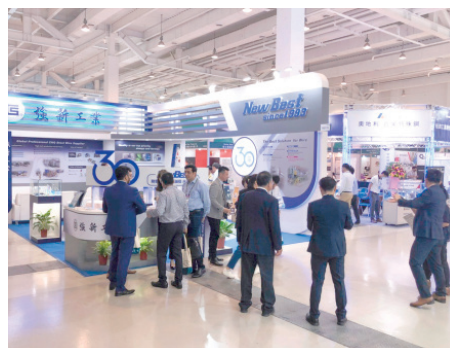
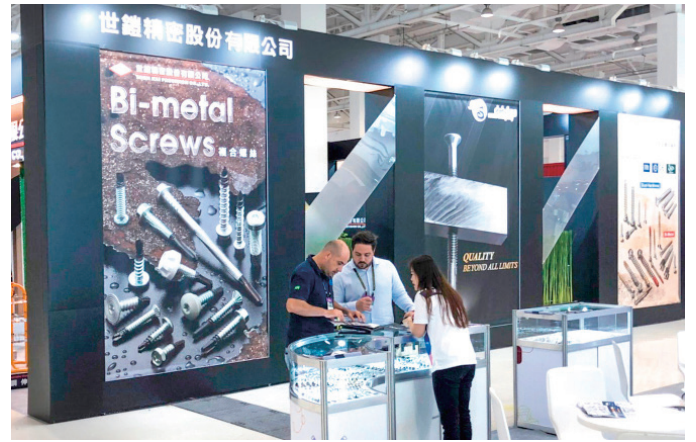
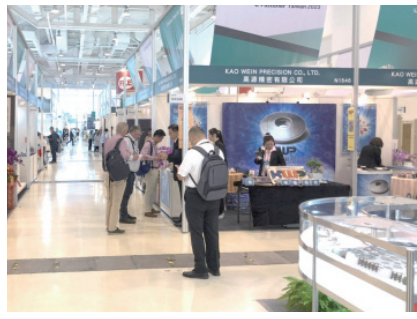
Fastener World's booth used the bar theme as the design concept, coupled with a popcorn machine to provide freshly popped popcorn, as well as bread, hot-pressed sandwiches, and beverages for visitors to take a break and to match with fastener suppliers from Taiwan and many other countries through Fastener World. We also met pipe related companies from the U.S. eagerly looking for high quality threaded rods, nuts and washers from Taiwan, as well as Japanese distributors looking for fasteners from Taiwan, and European fastener stockists

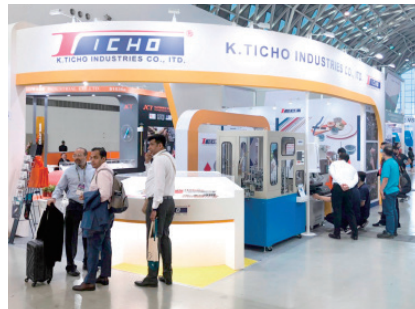


looking for new and existing customers. During the three days, Fastener World's stand was crowded with lots of customers. These overseas visitors unanimously expressed to us that although Taiwan is facing inflation and cost pressure together with the rest of the world, the high quality charm of Taiwan fasteners is still irresistible.

The show organizer has also made its announcement after the show that the 2024 edition of Taiwan International Fastener Show is dated to be given at Kaohsiung Exhibition Center on April 16-18. For more info about the show, please always keep yourself updated through reading Fastener World magazines and official website at www.fastener-world.com.







Where Quality Sets the Pace



Taiwan Int'l Fastener Show Opening Night Party Gathering Guests from Home and Abroad

On May 03, the organizer of Taiwan International Fastener Show held a grand opening dinner gala at Kaohsiung Marriott Hotel. All exhibitors and VIPs from home and abroad were invited to the event, hoping to heat up the interaction between exhibitors and VIPs from home and abroad in a relaxing way, and to increase the possibility of future cooperation. Kaohsiung City Mayor Chi-Mai Chen, Taiwan CSC Chairman Chao-Tung Wong, U.S. National Fastener Distributors Association (NFDA) President Nick Ruetz, European Fastener Distributor Association (EFDA) President Andreas Bertaggia, Italian Union of Fastener Distributors (UDIB) President Riccardo Bonalumi, as well as many other guests from relevant industries and government officials were also present.



“Congratulations to all of you who have finally gone through the epidemic and can interact with each other face to face without wearing masks. Although Taiwan fastener industry mostly consists of small and medium-sized enterprises, every year it still earns for Taiwan a lot of foreign exchange due to the high export oriented attribute. Even though it was not easy to operate during the previous epidemic and the cost of materials and processes was high, Taiwanese companies still maintained good production efficiency, which is worthy of recognition. Last year, Taiwan exported more than 6.2 billion U.S. dollars worth of fasteners, or 1.67 million tons, ranking 2nd in the world by weight, and playing a pivotal role in the fields of construction, industry, military, defense, electronics, 3C, automotive, aerospace, medical materials, and wind power. As the second international professional fastener exhibition in Asia, we believe this exhibition will strengthen the two-way communication between the global fastener industry and exhibitors, and bring business opportunities to the fastener industry,” said Director of BOFT Kaohsiung Office Mrs. Hui-Chu Lu.



“Taiwan fastener industry has powerful strengths with high-tech, high production value and high-end production as its main features, and enjoys the reputation of “Kingdom of Fasteners” in the international market. While many factories around the world were shut down during the epidemic, Taiwan’s fastener factories remained in normal operation, attracting buyers to turn to Taiwan for procurement. The importance of Kaohsiung in the fastener industry cannot be underestimated, as more than 1,000 out of 3,000 fastener factories in Taiwan are located in Kaohsiung, and after overseas buyers come to Kaohsiung, they can also visit fastener factories less than an hour away by car, and even place orders.” said Taiwan Industrial Fasteners Institute (TIFI) Chairman Tu-Chin Tsai.

As this exhibition returned to be a live event again after 5 years of postponement due to the epidemic, and it was also the most important industry event for Taiwan fastener industry to show the soft power of fastener production to global buyers, the opening dinner gala on that day was particularly meaningful.



Kaohsiung Mayor Chi-Mai Chen was invited to give a speech on stage and said, “Taiwan is the 3rd largest fastener exporter in the world. Many European manufacturers have praised Taiwan fasteners as the product they would prefer to use in important construction projects. Of the 3,131 fastener factories in Taiwan, 30% are located in Kaohsiung, accounting for 53% of Taiwan’s NT\$229.6 billion fastener output. Taiwan fastener industry, combined with the help of major material manufacturers such as Taiwan CSC, forms a complete supply chain in the upstream, midstream and downstream. In addition, the price of Taiwan fasteners has increased in recent years, and local manufacturers have also extended into the fields of medical materials, electric vehicles, offshore wind power, and aerospace technology. With the growing demand for customized products, Taiwan-made high value-added products will also bring industrial opportunities for Taiwan fasteners, and the global fastener industry will have more diversified and strong development in the future. When the EU



Global Fastener Forum 2023 Experts Gather Together to Discuss Int'l Market, Energy Saving and Carbon Reduction Trends

The international fastener market is ever-changing, and for the Taiwanese industry, most of the sales are exported, so it would be helpful for them to understand the changing needs of the global fastener industry and keep up with the international trend to develop more markets and expand their customer base. In order to let Taiwanese companies get a head start in the competitive market, the organizer of Taiwan International Fastener Show (Fastener Taiwan) arranged a "Global Fastener Forum" in the morning of the opening day, inviting Nick Ruetz, President of National Fastener Distributors Association (NFDA), Andreas Bertaggia, President of European Fastener Distributor Association (EFDA), Riccardo Bonalumi, President of Italian Union of Fastener Distributors (UDIB), Chun-Te Chu, Executive Assistant to President of Shuenn Chang Fa Enterprise, and Peter Wu, Greater China Product Marketing Supervisor of Atotech Taiwan Limited, as speakers of the forum to give their thematic speeches on the international market, industry trends, industry applications and zero carbon reduction, and other important issues, hoping that through the insightful views of "senior industry observers" attendees could better understand the current situation and hot trends in different regions and the competitiveness of Taiwan fastener industry could be promoted and move towards a more forward-looking future.

"More than 90% of Taiwan's fasteners are exported, and about 70% of them are exported to Europe and the U.S. The export unit price has grown 31% from US\$2.9 per KG in 2018 to US\$3.8 per KG last year, which is an important contribution to Taiwan's economy. Taiwanese fasteners are widely used in various industries around the world, which shows that Taiwanese fasteners have been recognized worldwide.

In addition, with the increasing global emphasis on environmental protection, net zero emission is not only an environmental issue, but also an inevitable trend of global economic development and an important issue for the international competitiveness of Taiwanese industry. In the future, stainless steel, anti-corrosion and composite energy application fasteners will demonstrate developmental potential. The industry can actively introduce recycled materials, green manufacturing and energy-saving and carbon-reducing products. The government will also assist the industry in low-carbon transformation to secure more international orders," said Director of BOFT Kaohsiung Office (MOEA) Ms. Hui-Chu Lu.



"The show this year attracted 300 domestic and foreign exhibitors from steel materials, wire, finished fasteners, machinery, tooling, and hand tools industries, fully demonstrating the strength of Taiwanese industry. Not only the EU will initiate the trial run of CBAM measures in October this year, but the U.S. is also drafting a related bill, making carbon neutrality and carbon trading an issue that the industry must actively implement," said Director of Exhibition Department (TAITRA) Ms. Emilia Shih.



Highlights from the Forum

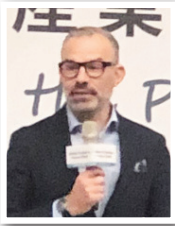
NFDA President Nick Ruetz: N. America Industrial Fastener Market to Reach 4.5% CAGR by 2030

In his report, President Nick Ruetz pointed out the important trends in the N. American market today. The N. American fastener market was once estimated to be worth more than US\$18 billion by 2021, with major demand coming from the automotive, trucks, heavy equipment, general industrial, and construction sectors. To solve the current labor shortage problem, U.S. manufacturers are actively looking for suppliers to help them remove time from applications through engineering, supply other OEM components and offer value-added services such as Vendor Managed Inventory (VMI) & Kitting. The industrial fastener market in North America is expected to reach a CAGR of 4.5% by 2030 (compared to a pre-epidemic forecast of 2.5%), and the fastest growing fastener markets in North America are electric vehicles, solar energy, raw material processing, food machinery and construction. In addition, growth trends in the lightweight metal and plastic fastener markets are expected to contribute to the lightweighting of vehicles. Because of the supply chain disruptions caused by the epidemic, many U.S. companies are reshoring or nearshoring their business, which has led to a 150% increase in new job opportunities in the post-epidemic era. However, U.S. manufacturers also leverage a variety of distribution channels to ensure continued access to overseas-produced components and to provide a buffer in the domestic supply chain. According to Ruetz, good partnerships are key to mutual success, as key relationships between distributors and manufacturers can ensure new manufacturing projects can be supported and reduce lead times through better planning and sharing information. The industry must think of new ways to be most efficient in business relationship through automation and technology to create mutual success, connect distributors/manufacturers/suppliers together to help solve problems, and train new generation of workers in fasteners and manufacturing.



EFDA President Andreas Bertaggia:

Taiwan is a Very Important Partner for EU Fastener Imports



In this era of volatility, uncertainty, complexity and ambiguity (VUCA), EFDA already has as many as 2,500 major distributor members across Europe, employing over 44,000 staff and with an annual turnover of 10 billion euros, making it a very important sales target for Taiwanese suppliers. Data show that the weight of fasteners imported by the EU from Taiwan reached about 460,000 tons in 2017, and although it dropped to about 380,000 tons in 2020 due to the epidemic, it slowly rebounded in the following years and exceeded 500,000 tons in 2022, a new high since 2017. President Andreas Bertaggia mentioned in his presentation that there are many major challenges in the market today, such as geopolitical tensions, the Sustainable Development Goals (SDGs), the latest regulatory measures in the EU supply chain (e.g., CBAM, CSDDD, EU Forced Labour Regulation, etc.) and the increasing diversification of supply sources, but these challenges can also create many business opportunities. It is important to note that many customers in the marketplace now require standards that are even more stringent than the regulations, and fastener distributors often evaluate suppliers based on compliance with these standards, and some EU fastener distributors are beginning to evaluate Taiwanese suppliers based on their direct and indirect carbon emission data.

**UDIB President Riccardo Bonalumi:
Italian Fastener Market Faces
Cost and Regulatory Challenges**

According to UDIB President Riccardo Bonalumi, the Italian fastener market has about 300 distributors and 300 manufacturers, with an annual turnover of 2.1 billion euros, of which 80% is contributed by distributors (30% of which are from UDIB members). Currently, Italian fastener distributors are facing many new challenges, such as the anti-dumping duty imposed by the EU on imports of specific carbon steel fasteners from China, increased inspections by the Italian Customs on tax circumvention, regulations restricting the use of certain materials, significant increases in material and energy costs, etc. The anti-dumping imposed by the EU makes it more difficult to find the products and results in delivery delays and cost increase (as the minimum anti-dumping duty on China is still 39.6%). To address this issue, Italian fastener distributors began to look for new sources, while increasing purchases from Vietnam (+30%), Malaysia (+15%), Taiwan (+15%), Turkey (25%), Croatia (+10%) and local markets (+5%). The anti-circumvention checks have resulted in longer container clearance times (at least 1 week instead of the previous 2-3 days) and increased Customs clearance costs. In addition, REACH regulations on the use of related materials have been updated, and there are new regulations and requirements for packaging and labeling. Data show that material and energy costs for fasteners in Italy increased significantly in 2021 and 2022, but showed some signs of decline in early 2023.



**Executive Assistant to President of Shuenn Chang Fa
Enterprise Chun-Te Chu:
Carbon Reduction Can be Carried Out
Without High Costs**



Mr. Chu believes that energy saving and carbon reduction do not necessarily require high costs, and can be carried out through new technologies developed by the company itself or according to the characteristics of the product. But first of all, a strategic schedule must be drawn up, and the part required by CBAM can be included first, and the carbon inventory and related certification can be started. At present, the fastener industry often adopts green power, power saving, smart manufacturing and Industry 4.0 process, combined with software and hardware to meet the requirements of energy saving and carbon reduction, but this requires capital investment, it is recommended that the industry can also obtain subsidies through MOEA, MIRDC and EPA's counseling program. A large portion of the carbon emissions from the manufacture of fasteners comes from the production of wire rod and the electricity required to manufacture fasteners. If these upstream factories do not make efforts to reduce carbon emissions, it is very difficult for the fastener industry to reduce carbon emissions, but the industry can still reduce carbon emissions from the perspective of technology, materials, packaging materials and personnel, such as using low-carbon materials, developing products allowing less electricity consumption, using environmentally friendly or lighter weight packaging materials, etc. In particular, Chu mentioned that "aluminum" is a very suitable material for energy saving and carbon reduction because it is only about 1/3 the weight of low carbon steel in the same volume, which can significantly reduce fuel consumption and carbon emissions during transportation. He also mentioned that by developing screws that consume less electricity when locking, considerable power consumption can be saved when screws are used in large quantities. Or, in the packaging material part, it can also reduce the use of packaging materials by negotiating with customers. In this way, the fastener industry will be able to maximize profit without excessive investment costs, and at the same time can achieve the purpose of carbon reduction. Chu said that the industry should consider CBAM an opportunity and achieve energy saving and carbon reduction through a more diversified approach.

**Greater China Product Marketing Supervisor
of Atotech Taiwan Limited Peter Wu:
New Solutions Save Energy Consumption and
Increase Productivity at the Same Time**



Mr. Wu mentioned that during the epidemic, the industry was faced with the volatility of ocean shipping and metal prices, the war between Russia and Ukraine, and soaring prices of daily necessities, so it was particularly important to maintain economic efficiency, reduce costs, and achieve energy saving and carbon reduction goals. In response to these issues and the trend of global manufacturers starting to require downstream surface treatment vendors and supply chains to be net-zero, Mr. Wu suggests that industry players should introduce better solutions in terms of process and equipment to save energy and increase productivity. Atotech has also recently developed four new solutions for surface treatment processes (including Uniprep®, a long-lasting low-temperature degreaser that reduces the use of heaters; Zintek® ONE HP, which reduces the coating process; Zintek® TOP XT; an auxiliary device that reduces the direct contact between the electroplating solution and the anode to reduce by-products; a recycling system for plating solution; and a trivalent chromium passivation solution recycling system) in order to assist the industry in achieving the goal of energy saving and carbon reduction quickly. Wu also said that Atotech will continue to research and develop newer processes and related auxiliary equipment to provide customers with options to use.



Pro Power

Optimistic about the Challenges from Foreign Wire Rods and Carbon Tax

Pro Power is a world-renowned leading manufacturer of construction and do-it-yourself screws offering lower price, fast delivery and exceptional quality. They also provide clients with OEM service of many ICC and ETA certified products. They mainly supply all kinds of wood screws under 10mm in size and 150mm in length, with a monthly production capacity of about 4,000 tons. President Chris Chen told Fastener World in an onsite interview that he wanted to promote his drywall tapping screws and market his brand by exhibiting in this show. When asked about his expectations for the show and overseas buyers, he said Taiwan is one of the world's critical hubs for fastener manufacturing. Overseas buyers coming to this show can find many Taiwanese fastener manufacturers in one place; therefore, Taiwan takes an important position in the hearts of these overseas buyers.

In addition, China's mission to the World Trade Organization has raised concern over Taiwan's ban on the import of China-made wire rods and over 2,000 other products, a move that may make it possible for Chinese wire rods to enter the Taiwanese market next year. To that, Chris reacts with optimism. He thinks Taiwan has a small domestic market and relies mostly on export. If it comes down to impacting the survival of Taiwan fastener industry, it may bode ill for the upstream industries and the government. With the impending possibility of China's wire rods knocking on the door of Taiwan market next year, he believes that Taiwan should make good use of the material resources from China and turn them into cost-competitive factors in favor of Taiwanese manufacturers.

Lastly, regarding the trial run of EU carbon tax coming up this October, Chris pointed out that there hasn't been a clear, transparent and uniform standard for EU's carbon tax regulations, which makes it more difficult for Taiwan manufacturers to comply and causes inconsistent competitiveness across companies. If the EU publicizes the standard in detail, officially implements the carbon tax and strictly examines the proof of carbon reduction submitted by manufacturers, the cost for each manufacturer will be the same and will make for fair competition. Therefore, Taiwanese fastener companies are eager for the announcement of a unified standard. Pro Power's products are highly recognized by customers in the US and Europe. In light of the increasing demand for construction and do-it-yourself fasteners in the U.S., they will continue to expand sales in the U.S. in the future to provide customers with higher quality and more affordable products.



Linkwell Industry

Stable Supply of Fasteners to the World from Multinational Factories

As one of the earliest fastener traders in Taiwan, Linkwell Industry, known as a one-stop fastener hub, has expanded into fastener manufacturing with factories in Vietnam, Malaysia, Indonesia, Thailand, China and Taiwan, supplying a variety of fasteners to the global machinery, construction and automotive industries.

When asked about the current market situation, President Kosky Yen mentioned that the inventory level of companies in different countries is too high these two years, and therefore, the demand is low. In addition, there is intense price competition. Despite China being subject to a 25% tariff imposed by the U.S., the price of carbon steel and stainless steel originated from China is still much lower than the said steel originated from Taiwan, and therefore,

many European buyers are now turning to China to buy stainless steel small screws. He said the recovery of the whole economy will probably set in from the fourth quarter this year.

During the exhibition, Linkwell Industry's booth was livened up with a large number of visitors. President Yen said that his company has a reputation over 46 years, and all kinds of screws are supplied or made in house, and favored by his customers.





Hung-Yin Enterprise

Straightening Machine Leader Holds the Lion's Share of the Market

Hung-Yin is a well-known and highly reputable straightening machine manufacturer, with 90% of their machines exported worldwide. Domestically, they are known for sales to many Taiwanese mainstream fastener companies. Hung-Yin straightening machines own a unique technology that is unmatched by other manufacturers in the world. These machines can straighten 50 screws per minute and up to 20,000 screws every 8 hours. The biggest feature is that the straightening process does not damage threads at all. General Manager Chang of Hung-Yin said he met an overseas customer who at start did not

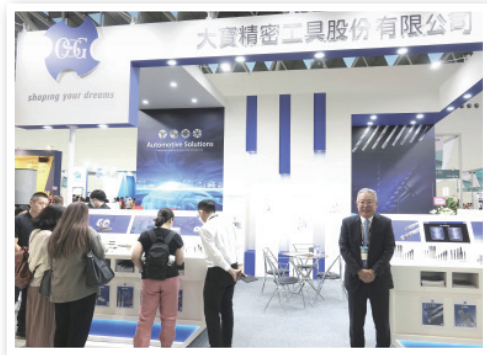
believe there is no harming threads in the straightening process. This customer went to his factory and was able to see in person, and became a loyal customer after purchasing the first machine. There were other customers who purchased a total of 9 straightening machines before this show. General Manager Chang said some customers from India, Poland, and Turkey indicated that they found Hung-Yin straightening machine in Fastener World's reports and on Fastener World search platform. He expressed heartfelt gratitude to Fastener World for contributing to the fastener industry.

Taiho Tool Mfg. Co., Ltd. (OSG Corporation)

Japan-Quality Thread/Bolt/Punch Processing Tool Expert

The parent company of Taiho Tool, namely OSG Corporation, is a world-renowned manufacturer of thread processing tools, bolt processing tools, and punch processing tools located in Japan. General Manager Matsuo Naohiko said the Taiwan branch Taiho Tool, established in 1969, is located in Gangshan District of Kaohsiung City with a history of 59 years as well as many regular customers in Taiwan. Their exhibiting is to maintain relationships with existing customers and explore new customers.

The general manager said that the dies and punches used in the production of fasteners are very rigid. His company has introduced end mills for these dies and punches, which are in mass production in Japan. At present, there are customers from India and other countries who purchase products through the Taiwan branch and the future market demand is worth anticipating. He added that previously the pandemic blocked face-to-face interaction, but now as the pandemic has come to a close, he is glad to meet customers in this show and looks forward to more opportunities to exchange information with them in the future.



Klimas -

First-time Exhibitor to This Show as A Rising Star in Wood Screws

Klimas is a well-known Polish manufacturer of injection molding technology, insulating plugs, heavy-duty anchor bolts and wood screws such as screws for flat roofs. They offer a one-stop manufacturing process including heading, threading, zinc flake coating, packaging, and more. For the fastener market in Taiwan, they focus on providing long thin wood screws. Their purpose of exhibiting is to find customers outside Europe, including distribution partners from Taiwan, the United States, New Zealand, Japan and other parts of the world. Director Pawel Klimas said they are very conscious of eco-friendly manufacturing process and have already

adopted a new coating, namely the more environmentally friendly zinc flake coating. They have started to provide products made with this coating in response to customer requests. In the future, they will be able to sell the product on a larger scale after passing the certification for this coating.

"We are confident in our own quality, price, production capacity and competitiveness. We will be able to manage even if our customers place orders for as many as 50 containers. That's why we are exhibiting here for the first time," Pawel stressed. He added that Klimas will be a good source for traders from all over the world in the face of the future EU carbon tax. They had customers from Taiwan, India, Australia and Hong Kong visiting their booth, and they were very satisfied with the number of orders received. Pawel said he plans to return to the show next time.

