



## Interview with CMCA Fastener Subdivision President Mr. Xue Kang Sheng

### As innovation and business transition continue to catch on in the market, what new features will the fastener industry present?

The fastener industry, which is in the process of structural adjustment and business transition driven by innovation, will present some new features: (1) Innovation will drive and promote the strategic transition, upgrade and development of enterprises, (2) Intelligent manufacturing in the fastener industry is developing, (3) There is further progress in "IoT" application, (4) The fastener industry reinforcing green manufacturing, (5) Enterprises reinforcing their work on quality control, branding, etc. All these features help consolidate the base for steady growth of the industry.

### How's the current development of Chinese economy and its manufacture in 2017? What kind of role does CMCA fastener subdivision play in such a trend?

The Chinese economy in 2017 continues to grow steadily and investments in infrastructure like high speed rail and urban transport systems are also on the rise. The automotive, wind power, agricultural and IT industries remain a better upward growing trend. As the Chinese manufacturing industry continues to grow steadily, it provides opportunities for the Chinese fastener industry.

Since 2017 the Association has focused more on strengthening industrial development, energy saving/environmental protection, solving overcapacity, innovating corporate technology and increasing quality/efficiency within the industry, in order to be a truly responsible organization and continuously make positive contributions to the industry. At the same time, we reinforce our ability to assist enterprises in brand establishments and go further to do our job and fulfil the commitments of the Association.

### What is the main focus of the current development of Chinese fastener industry? Are the issues observed in certain manufacturing bases of China crises or opportunities?

Green manufacturing has been one of the main focuses of many Chinese fastener enterprises in recent years, which includes the R&D of new technology to save energy and reduce carbon emission, the promotion of low-carbon economic development in all industry sectors, the improvement on waste management and recycling, the promotion of greener electroplating methods and the use of non-tempered new steel types, etc. All these trends are becoming the target for Chinese fastener enterprises to upgrade themselves to the level of green manufacturing.

Guided by the green manufacturing policy "The 3-year Plan to Upgrade Haiyan Fastener Industry" proposed by Haiyan Government, Haiyan fastener industry, usually dubbed "a manufacturing heartland of ferrous parts," has been working hard to fill all requirements of the Plan and solve the problem of environmental pollution caused by the local fastener industry. Since May 2017, the Yongnian (Hebei) authorities has begun to implement a stricter policy for the sake of environmental protection and has officially forced a few small enterprises to halt operation, effectively lifting the green manufacturing level of the local fastener industry.

### What are the changes that the industry may face in the future and what could be the solution?

For the time being, the economic development in China is still influenced by various parameters and there still exist many uncertainties to the world's economic recovery. The adjustments of macroeconomic policies in certain countries have generated some variants and newly emerging countries are also encountering new difficulties, so the global economy will continue to undergo deep adjustments and the international competition will be fiercer as well. The conditions supporting China's economic development are also on the way to significant changes and the internal contradictions are also revealed. Hence, enterprises also face extremely high pressure and issues like low demand in the market, increasing costs for environmental protection and labor force, shrinking profit margins, lower possibility to get bank loans, etc. Accordingly, we suggest the entire industry make more efforts to create a better and reasonable economic development margin and keep stepping forward for a stable and healthy development.

Regarding the international trade, China has established trade relations with more than 160 countries and regions. For this reason, we have to increase the technique and quality level of our products and offer better service for the sake of the global economic development. We'll continue to advocate honest and fair international trade regulations and accelerate the market structural adjustment of our exports. We will require the entire industry to establish better trade relations with other partnered countries (incl. the EU), and facilitate healthy negotiations in export trade. Organizations, industries and enterprises should learn to make the most of international trade laws and strategies to prevent themselves from being affected by "trade protectionism" and keep pace with the policy of "One Belt One Road Initiative." We should work together to avoid misunderstanding and misinterpretation, remove interventions, follow the trend and go hand in hand to fight against the new trade protectionism.

### What do the future and prospect hold for Chinese fastener industry in 2018?

In 2018, we should continue to innovate and make adjustments, grasp the opportunities brought by "Made in China 2025" and "One Belt One Road" initiatives and consolidate our presence in the current development of major industries and construction projects. These industries with substantial fastener demand will definitely offer the fastener industry great business opportunities. In addition, we should also pay more attention to the development of new warm forging and cold pressing complex forming technique, new technology and new materials and promote the combination of IT technology and Internet technology, which can help improve fastener manufacturing technology and broaden the current product portfolio to well-engineered mechanical fastening parts. We should also study hard and study the change that Industry 4.0 and IoT could bring to the fastener industry, in order to facilitate the change in our ways of production and sales and create a bigger and stronger fastener industry.

### Does the association have any plans or prospect for 2018?

The new Board of Directors feels honored to take on such important tasks and we must reinforce the structure of our organization, increase our work quality, improve our capabilities and continuously upgrade the management quality of the entire industry.

As a result, the Association has determined to hold "International Fastener Show China" in Shanghai in Oct. 2018, which aims at achieving the sustainable development of Chinese fastener industry and which is also of the main interests of the industry. In this event, we will demonstrate the history and achievements of Chinese fastener industry and the great fastener demand of Chinese market and provide a trade platform for local and overseas companies to exchange views. We hope that fastener professionals from all around the world can establish a stronger views exchange network and mutual trust, facilitate multilateral collaboration and work together to create a beneficial win-win through attending this show. Finally, we hope to see companies from any country to register their participation as soon as possible and show visitors their unique features directly at the show. □

## Our screws are rigorously tested by instruments from Taiwan and Japan

- High quality screws for electric appliances, mountain bikes, sports equipments and motor vehicles.
- PPAP and APQP control systems to ensure stable quality.
- 7-day sample lead times
- Ikea, Siemens and Hasegawa source from us
- Certified to ISO/TS 16949:2009, ISO 9001:2008 and ISO 14001:2004
- DIN, BS, ASME, ANSI, EN, PEN and JIS, standard screws
- OEM/ODM orders welcome

To learn more about our products, contact us today.



Lathe parts, milling machine parts

Epoxy-coated screws

Screws for motor vehicles

### JIA SHENG Hardware (H.K.) Limited Dongguan City Aoyi Hardware Co., Ltd.

5 North 3<sup>rd</sup> St., Banhu, Huangjiang, Dongguan, Guangdong 523753, China  
Tel: (86-769) 8211 8001 • Fax: (86-769) 8355 9960

E-mail: sales01@dgaoyi.com

Website: www.dgaoyi.com  
www.jiachengcn.com

