

SECURING THE FUTURE

European Fastener Distribution in the 21st Century





Without

FASTENERS

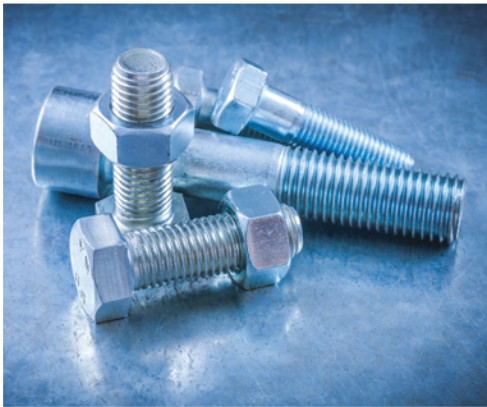
things would simply fall apart.

Without

DISTRIBUTORS

industry would collapse.

Securing the future



For decades wholesale distribution was about supplying goods to other businesses in larger quantities than supplied to final consumers but in smaller quantities than purchased from manufacturers.

Twenty-five years ago that was a reasonable definition of the role of most fastener distributors. Fasteners used in Europe were generally manufactured in Europe. Distributors purchased in manufacturing quantities, held inventory, and supplied in smaller quantities to local resellers or users.

During those years, though, manufacturing, retailing and construction have changed dramatically, driven by the relentless need to improve efficiency and reduce costs.

In the face of its customers' increasingly complex demands, the distribution industry has also evolved radically.

Still fulfilling its traditional wholesaling duties, fastener distribution has refined and extended its capabilities into an infinitely more complex, multifunctional and multidisciplinary force that provides vital cohesion between a now global supply chain and the strategic manufacturing industries of Europe.

Today, fastener distributors hold the industries of Europe and the world together, and make a significant contribution to the employment, wealth and revenues of European economies.

A huge business, active in every part of Europe

European distributors supply more than


130,000

different fastener and fixing articles.

Products range from precision micro screws for mobile phones to the mega bolts that secure offshore wind turbines.

Wherever fasteners are used they fulfil an indispensable role. Wherever fasteners are needed, distributors also fulfil an indispensable role.

Fastener distribution is an important employer, a huge investor in the future and development of European industry, and a major contributor to the success and tax revenues of the European economy.



"Fastener distributors provide essential know-how, services and jobs for Europe."

Volker Lederer,
EFDA President

There are more than 2,500 major fastener distributors across the EU. Together they:

hold more than

2,000 m

euros of inventory

employ more than

44,000

people

have a total annual turnover in excess of

10,000 m

euros

Try finding an industry sector where fasteners are not needed

A modern car will have more than

1,000

fasteners.

many specifically designed and critical to the vehicle's performance and safety. In fact, around a third of all the billions of fasteners produced globally end up in vehicles.

Fasteners are seldom thought about – until they are not there when needed – but they are everywhere.

Washing machines, televisions, computers, mobile phones – appliances taken for granted every day are held together by myriad, often minute but always critical, fasteners.

At the other end of the scale, mega structures require massively strong fasteners to ensure they stand for decades.

European fastener distributors ensure the right fastener is there at the right time for all industries – aerospace, car, truck and bus, agricultural and off-highway, construction, electronic and domestic appliances, light and heavy engineering, furniture, wooden structures, DIY and craft work.

European industry would not stand as tall as it does today without fasteners – or without fastener distributors to ensure they are in place, on time.



Industry demands
the right fastener,
in the right place,
at the right time.



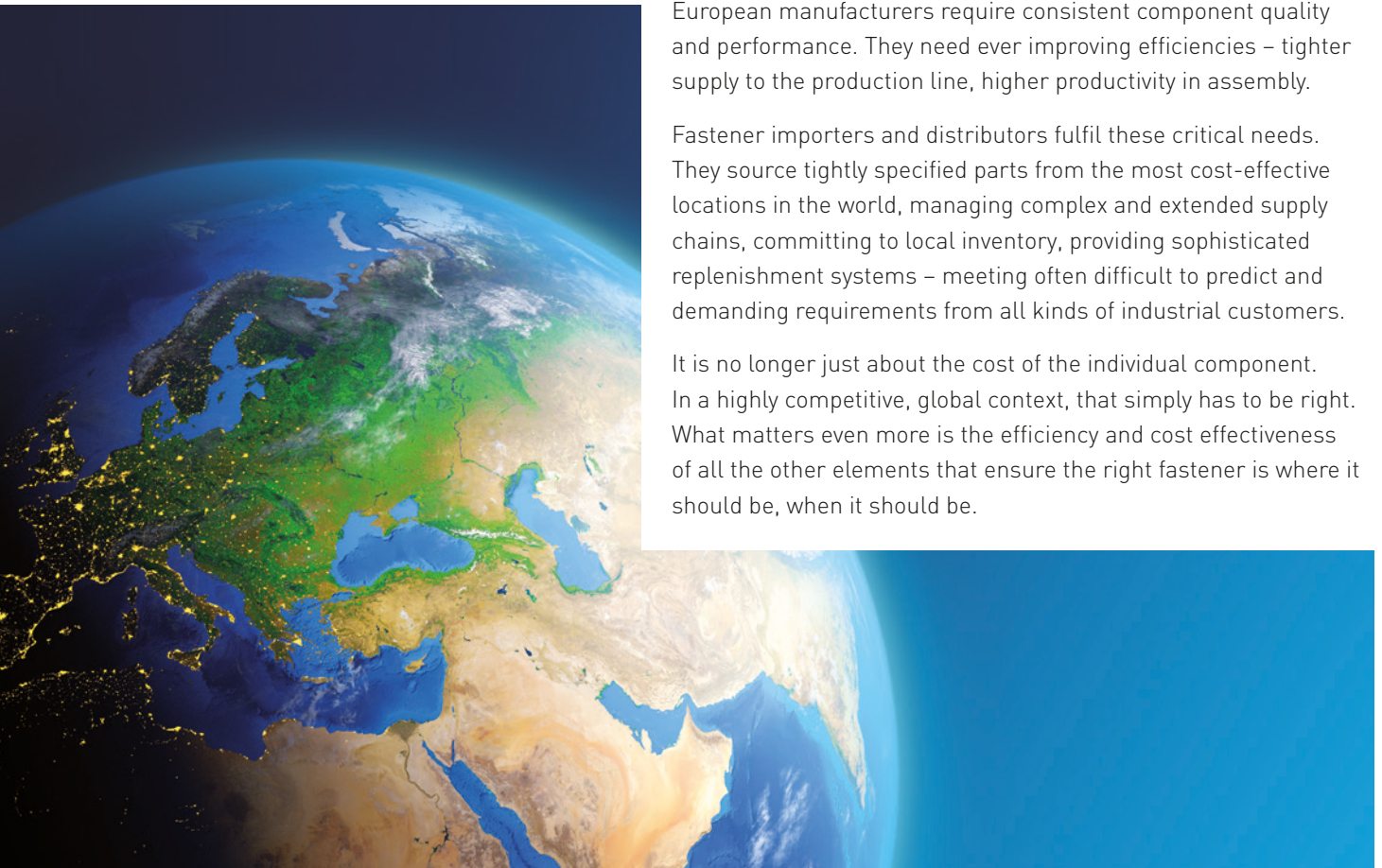
It's a small world, with big logistical challenges

Globalisation is a fact of modern industrial life. European consumers demand better and better products at ever-lower cost.

European manufacturers require consistent component quality and performance. They need ever improving efficiencies – tighter supply to the production line, higher productivity in assembly.

Fastener importers and distributors fulfil these critical needs. They source tightly specified parts from the most cost-effective locations in the world, managing complex and extended supply chains, committing to local inventory, providing sophisticated replenishment systems – meeting often difficult to predict and demanding requirements from all kinds of industrial customers.

It is no longer just about the cost of the individual component. In a highly competitive, global context, that simply has to be right. What matters even more is the efficiency and cost effectiveness of all the other elements that ensure the right fastener is where it should be, when it should be.

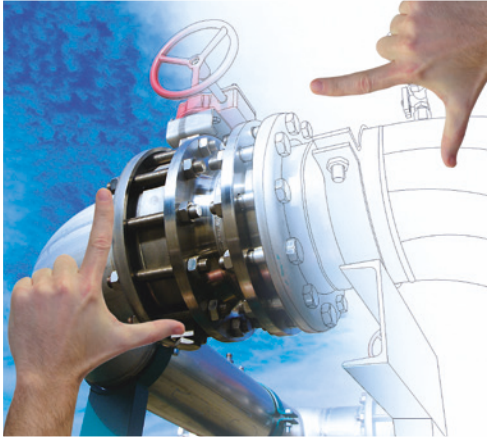


Modern fastener distributors make

A GLOBAL COMMITMENT

They provide total support to their customers, wherever in the world they operate.

Identifying the right engineered solution



Billions of standard fasteners, produced to international norms, are supplied every day. Fastener distributors have long played an important role in providing knowledge on joining technologies, ensuring correct product specification and supply.

Increasingly, though, the productivity and performance requirements of European industrial processes require a very special fastener design. Today's front line fastener distributors have dedicated engineers, working closely with counterparts in industry to identify and design the optimum fastener solution for a particular application.

This solution engineering not only ensures the effective performance of the fastener once in place, it also often provides significant productivity advantages in installation and assembly.

"Getting it right from the beginning - ensuring it stays right for a life time."

Consistent quality doesn't come by accident

It's no fun if a simple screw breaks half way into the wall. For many fastening components in critical applications, though, it's lives not bookshelves that hang on their performance.

QUALITY

is crucial – whatever the application.

Performance reliability combined with the demands of automated assembly systems mean more and more industrial fastener users demand close to zero-defect supply.

Fastener importers don't just have to select reliable and cost effective manufacturing facilities, they also have to ensure their consistent and reliable performance, batch on batch.

That starts with thorough assessment and regular audit of manufacturers' capabilities, wherever in the world they are located. Continued quality assurance comes through systematic and stringent inspection of every fastener batch.

Quality assurance facilities in many leading fastener distributors rival those of any manufacturer. Indeed, the sheer range and diversity of fasteners often means the distributor needs a more extensive range of capabilities to assure material specification, strength, performance, dimensions, corrosion resistance and correct installation.



Assured quality takes
knowledge, technology
and commitment.





“Imports are essential to the functioning of the economy and the competitiveness of EU companies.”

European Commission,
DG Trade

Increasingly complex, global supply chains must be

EFFECTIVELY MANAGED

Wherever the fastener is sourced it is a core distribution responsibility to ensure it arrives at the right place, at the right time, at the right quality.

Increasingly complex, global supply chains must be effectively managed. Reliable manufacturers must be provided with efficient production volume that can be consolidated to cost-effective shipment quantities. Manufacturing and shipment lead times can easily add up to twenty-six weeks and, in an uncertain world, the list of potential disruptions is always growing.

Ensuring continuity of supply is a complex, demanding responsibility, requiring skilled and knowledgeable personnel, many constantly travelling the world.

Making sure it is on the shelf

For example, one fastener logistics centre holds more than

100,000

stocking units

despatching

20,000

order lines

totalling

300

tonnes – every day.

Inventory management has always been a fundamental role for distribution. Fastener distributors maintain massive stockholding to ensure high levels of availability in response to often rapidly fluctuating demand across an extraordinary variety and range of parts.

For a local distributor servicing the day-to-day demands of a small town, that might easily mean 5000 off-the-shelf items supported by daily deliveries from its wholesaler or central warehouse.

For Europe's leading wholesalers and front line distributors it now means vast, highly efficient, automatic warehouse operations, holding millions of euros of inventory, deploying sophisticated location and picking systems, automated packaging operations, and despatching hundreds of cartons or pallets every day.

It's no longer just about the investment in millions of euros of inventory. It requires commitment to the systems, equipment and people that ensure seamless, effective support to customers wherever in the world they are located.



Bins, bar codes and chips



To support site based operations, distributors assemble and pack dedicated parts kits so all the relevant components are immediately to hand at the point of installation.

CONNECTING

inventory to assembly.

Supporting the industrial fastener customer is no longer about picking a few boxes, loading them on a van, and delivering to the factory back gate.

Today assembly facilities do not have warehouses. Inventory is held directly on the assembly line, sufficient only for a few days' production.

The responsibility for ensuring timely and accurate supply of fasteners, and many other so-called C-parts, increasingly now rests with the distributor.

This is Vendor Managed Inventory – a crucial distribution contribution to the efficiency of many European industries, from car assembly line to construction site.

VMI utilises bin systems to ensure replacement inventory is in place as soon as in-use stock is depleted. Often these systems require specialist packing by the distributor. They incorporate demand-monitoring tools ranging from bar code scanners, optical and weight sensors, to RFID tags.

Production operations are linked to the VMI distributor through dedicated online systems that monitor demand and trigger replenishment so that assembly never has to stop. The same systems contribute to administrative efficiency by eliminating paperwork and streamlining transactional relationships.



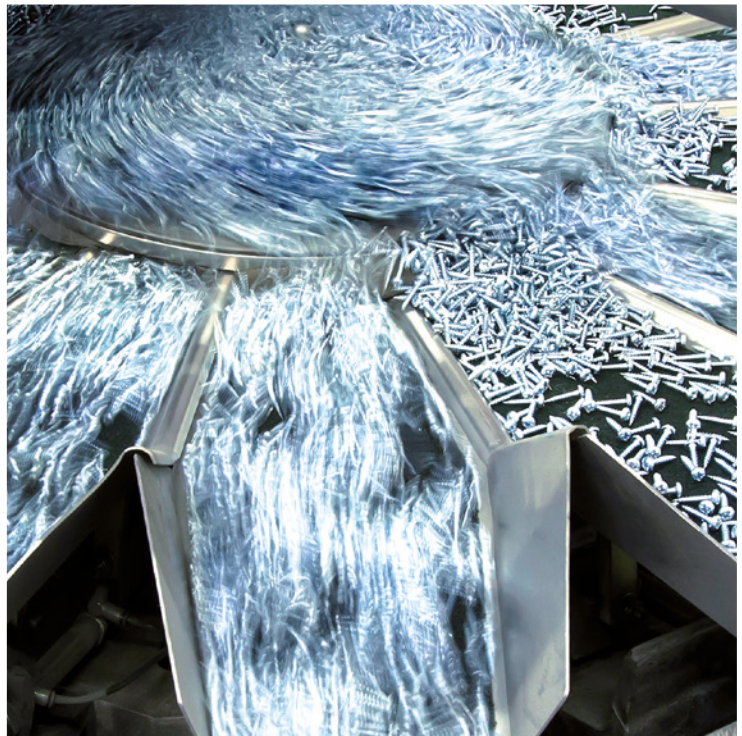
Pack it, rack it and replenish it

Many of the distribution competences critical to supporting industrial fastener consumers are equally relevant in ensuring consumers can meet their DIY and home maintenance needs.

Behind the shelves of mass retailers, local hardware outlets or e-commerce specialists it is often fastener wholesalers that deliver global supply chain management, quality assurance, stockholding, and replenishment systems.

Specialist distributors also provide the packaging, branding and merchandising capabilities that allow the retailer to offer convenience and choice to the consumer.

“Only a wholesaler can provide a comprehensive program, compellingly branded, packed to match the customer’s needs.”



The future of European industry is secured by the professionalism, efficiency and total dedication of modern fastener distributors.

WE HOLD INDUSTRY TOGETHER.

The cost of the individual fastener represents a quite small proportion of the value provided by modern fastener distribution.

It is no longer a simple, low skill process that keeps a few boxes on the shelf, splits them and puts them on a truck to the customer.

It is an increasingly sophisticated and systemised industry, investing strategically in technology and skills, to meet the ever more stringent demands of European industrial consumers, wherever in the world they decide to produce and supply their product.

Fastener distribution provides the crucial, reliable link between cost efficient global manufacturing sources and worldwide industrial consumers. It underpins the efficiency and ultimate profitability of an extraordinary spectrum of European industries.

Testament to its effectiveness is the responsibility fastener distributors now take for the accurate and timely supply of an ever-increasing range of high volume, low unit value 'C-Parts'.

European fastener distributors invest and work tirelessly to provide precisely engineered and defined solutions that ensure every sector of European industry can continue to lead the world.



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The quote on page 9 is taken from the Commission's Communication "Trade for all – Towards a more responsible trade and investment policy" from 14 October 2015.



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European fastener distributors act globally.

We bring them together.

EFDA

EFDA represents the interests of fastener distributors at European and global level. As an umbrella organization we bring together national associations and a growing number of independent fastener distributors from other European countries.

Our competences:

- Bringing together the European fastener distribution sector.
- Maintaining a global network with international partner organizations.
- Promoting the value of fastener distributors as integrated logistics partners for European industry.
- Representing the distribution sector at European and global level.
- Promoting free and fair trade in an open marketplace.

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