



European Association for Machine Tools, Tooling and Technologies

CQ NEWS

MARCH 2014

MESSAGE FROM THE PRESIDENT



Welcome to our latest Newsletter; I hope you will find something of interest in the following pages.

Last year was a mixed one for our sector in Europe; some countries saw business growing or stable at a high levels, while others continued to struggle in the face of weak financial markets which restricted

the availability of finance and, therefore, companies willingness to invest. Despite this, many customers remained busy and this is reflected in the better outcome for many companies in the tooling sector.

2013 was a busy year for CELIMO with the mission to India at the start of the year and our Council meeting in London in June which included the gala dinner in the Houses of Parliament. During EMO we held our traditional international meeting which was attended by 70 delegates from 16 different countries; there was a real buzz about this meeting, especially in the informal discussion over lunch.

An important activity over the past year has been our new guidelines for Agency Contracts; this document sets out the issues which need to be considered when agreeing a contract with a supplier. We are now developing a parallel document for Distribution Agreements and this should be launched at the Council meeting in Barcelona in May of this year.

As the end of my term as President of CELIMO approaches, I hope that there will be a good attendance at our Council meeting this year. The agenda will include our annual economic review and we are working on a possible factory visit; however, I have always said that the most important part of our meetings is not the formal agenda, but the opportunity to meet and chat with colleagues from across Europe and the Council meeting provides a great opportunity for building your network and sharing experiences.

We were sad to hear of the death of Lothar Markowitsch; he was a delegate from Austria for many years and is remembered for his good company and his always immaculate appearance.

I hope to see you in Barcelona and wish you a busy and, hopefully, prosperous 2014.

DATES FOR 2014

Please make a note of the dates for CELIMO meetings and events and plan to attend if it is appropriate to you. You can get more details on these events from your association.

Thursday 15th to Saturday 17th May - Council meeting in Barcelona, Spain (includes the Board meeting on Thursday 15th)

Friday 10th October - Board meeting (Milan)

Friday 31st October - Tooling Group (date and venue to be confirmed)

NEWS FROM CELIMO MEMBERS

Belgium: AGORIA has announced that Mr Jef Seghers has taken over responsibility for the Metal Alliance group from Mr Peter Perremans.

France: SYMOP has announced that it has appointed Mr Jean Tournoux as its General Representative; he succeeds Mr Vincent Schramm as the chief executive of SYMOP. Mr Tournoux has extensive experience of industry having been Chief Financial Officer and then General Manager of SKF France over a period of 21 years.

Turkey: TIAD Vocational Test Centre (TIAD MTM, www.tiad-mtm.com) got accreditation from TURKAK (Turkish Accreditation Agency) on 12 December 2013.

After the authorisation by MYK (Turkish Vocational Qualifications Authority) in March 2014, TIAD MTM will start issuing Vocational Qualification Certificates for the after-sales personnel working primarily in Machine Tools and Accessories Sector and then in other industrial sectors in Turkey. The certificates will also be recognised by the EU Member States in the future.

Secretariat Office

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TIAD MTM, having ISO 9001 and ISO 17024, makes two theoretical and implementation tests to the candidates before issuing the certificates. Only the candidates who achieve 70% in theoretical test are eligible to take the implementation test and the passing grade for this second step is 100%.

Turkey: MAKTEK Eurasia Fair, the Meeting Point of the Sector in Eurasia Region, will be held between 14 - 19 October 2014 at TUYAP Fair, Convention and Congress Centre in Buyukcekmece, Istanbul. This is supported by the Ministry of Science, Industry and Technology, Machine Tools Industrialists & Businessmen Association (TIAD) and Association of Machinery Manufacturer (MIB) of Turkey.

In 2012, MAKTEK Eurasia 2012 hosted 59,600 visitors from 65 countries and 73 cities in Turkey, 1,000 company and company representatives and 3,000 trade marks in 12 halls; as there are two new halls, the fair is expected to grow by 20-30%, both in number of participants and the visitors.

For more information: www.maktekfuari.com/ and maktekeurasia@tuyap.com.tr.

OBITUARY - MR LOTHAR MARKOWITSCH

We were sad to hear that Mr Lothar Markowitsch passed away in May 2013 at the age of 78.

He was President of "Bundesgremium Maschinenhandel" (the Austrian Federal Association of Wholesalers and Retailers of Machines, Computer Systems, Technical and Industrial Goods) from 1995 to 2010 and was a regular attendee at CELIMO meetings for much of that time.

We send our sympathy to his family and to his colleagues in the Austrian association.

EMO INTERNATIONAL MEETING

As is our custom, CELIMO organised a meeting for delegates from around the world. Although the presentations are the "hook" to attract the delegates, the real value is in the networking opportunity over lunch. This year, there were 4 presentations:

- The CELIMO Secretary looked at Europe;
- Mr Hiroshi Usami, Executive Director of JMTDA covered the situation in Japan;
- Mr Pat McGibbon, Vice-President of AMT spoke about the USA;
- Mr L Krishnan, President of IMTMA covered the situation in India and also outlined the capabilities of the Indian industry as a follow-up to CELIMO's successful mission to that country earlier in the year.

All of the reports and presentations are available from your national secretariat.

OTHER ASSOCIATIONS NEWS

CECIMO: During the Autumn General Assembly meeting, CECIMO elected Mr Jean-Camille Uring as its new President, to serve for the next two years. Mr Uring is an Executive Board Member of Fives, the French based group which manufactures automation, assembly equipment, machining centres and grinding machines. He is planning to centre CECIMO's strategic priorities on the European Commission's Industrial Policy communication's 4 pillars of:

- Investment in innovation;
- Better market conditions;
- Access to finance and capital;
- Human Capital and skills.

Most, if not all, of these are topics on which CELIMO would have some input and we will be looking for ways in which we can be involved in these discussions.

CECIMO / European Commission: CECIMO has welcomed the EC communication "For a European Industrial Renaissance" which urges member states to recognize the central role of the manufacturing sector for economic growth and jobs. The European Council is setting a target of increasing the share of manufacturing in the EU to 20% of GDP by 2020 and has set out a series of policy priorities to achieve this. You can find out more about this in CECIMO's press release which is available on their web-site at www.cecimo.eu.

CMTBA: The Chinese Machine Tool Builders Association (CMTBA) has announced that Mr Chen Hui ren will be their President and CEO in succession to Mr Wu Bailan who remains involved as Honorary Chairman of CMTBA.

KOMMA: The Korea Machine Tool Manufacturers' Association (KOMMA) has announced that Mr Jong-Hyeon Shon, Chairman of Namsun Machinery Corp has been reappointed as Chairman of KOMMA. He will serve a three year term through to February 2017.

INTERNATIONAL EXHIBITIONS

EMO: The round-up from EMO is that there were over 2,100 companies from 43 nations exhibiting on a net exhibition area of over 180,500m². Just under 40% of the exhibitors were from Germany, with the remaining 60% coming from 42 other countries; 430 firms were from Asia.

The organisers reported 142,800 visitors from over 110 different countries. More than 40% of these were from outside Germany, with a sharp increase in European visitors; Italy, Switzerland, Sweden, the Netherlands and Russia topped the attendance figures from Europe, while Chinese people were the largest contingent of visitors from Asia. One-fifth of visitors reported placing an order at the exhibition with a similar number intending to finalise purchases afterwards.

Shortly after the exhibition, CECIMO confirmed the cycle of EMO through to 2027; following the 2015 event in Milan, it will continue through two further 6-year cycles of Hannover-Hannover-Milan. The 2015 event will be on the theme of "Let's build the future" and a record number of visitors is expected as EMO takes place during the final part of Expo Milan 2015 and because the Italian government has agreed to refinance its "Sabatini" law which will boost domestic investment spending.

CELIMO TOOLING GROUP

The 2013 Tooling Group meeting took place at the premises of Plansee Ceratizit, Reutte in the Tyrol, region of Austria. The group was welcomed by Mr Andreas Graff, the Sales Director for Ceratizit; he introduced the activities of the group and the delegates were given an extensive tour of the manufacturing facilities.

The main topics of discussion at the Tooling Group meeting this year were:

- The CELIMO Secretary gave an update of the economic situation in Europe, with the delegates adding comments on their own country situation;
- A discussion on the relationship between manufacturers and distributors;
- The Secretary gave a summary of a couple of presentations on the US economy.

All of the reports and presentations are available from your national secretariat.

CELIMO WEB-SITE

The CELIMO web-site at www.celimo.com; has been re-launched. Please take a few moments to look at it and, if you see something that needs to be changed, please let the Secretary know.

EUROPEAN LEGISLATION

RoHS2: As reported in CQ News 28, the recast RoHS2 European Directive 2011/65/EU and subsequently published FAQ guidance from the EC confirms the status of most industrial machine tools as large-scale industrial tools (LSIT) outside the RoHS2 scope. However sub-systems and components, when marketed separately for non-exempted applications, remain within scope and must not contain the banned substances.

(WEEE): The WEEE Directive targets discarded electrical and electronic equipment (EEE) and the environmental impact of EEE at end-of-life. The recast WEEE2 Directive 2012/19/EU, published on 4 July 2012 and transposed by 14 Feb 2014, introduced:

- a wider scope for the range of products covered;
- the concept of a producer's authorised representative in an effort to lower the regulatory and cost burdens on business;

- increased emphasis on re-use;
- new tools to fight the illegal export of WEEE
- the introduction for the first time of a 'one for zero' take back requirement with respect to small items of WEEE in retail outlets of a certain size;
- the introduction of higher collection and recovery targets and a changed methodology for calculating the WEEE collection rate.

As with RoHS, industrial machine tools are largely excluded from the original WEEE scope and it was expected that the industrial machine tools LSIT exclusion from WEEE2 would be similarly continued.

However an EC public consultation was published in 2013 with the following proposed wording for FAQ guidance:

"...as a rule of thumb, the following criteria may be applied in the case of large-scale stationary industrial tools (LSSIT) to define the term 'large':

- minimum weight of 3 tons
- dimension of at least 2.5 m x 2.5 m.

In other words, LSSIT that do not exceed these dimensions/weight should not be considered 'large-scale' and therefore not be covered by the exclusions.

Examples for LSSIT, including installed parts/partial equipment:

- CNC machining centres
- industrial placement machines (e.g. SMD)
- stationary industrial drilling, grinding of milling machines. "

This wording is strongly opposed by industry since it suggests many industrial machine tools could be within the WEEE scope for the first time.

Eco-Design Directive - Machine tools: Following the DG Envi/Fraunhofer working group reports the Commission's next step of an impact study report from consultants Bio Intelligence is now due in April. The key decision by legislators will be taken in May on legal implementing measures or CECIMO's self-regulation initiative (SR).

Electromagnetic Fields (EMF): Plans for transposition and implementation of the directive have been adopted. On 29 June 2013 the EC repealed Directive 2004/40/EC and published Directive 2013/35/EU, giving member states three years, until 1 July 2016, to transpose the directive into national law.

REACH: The EC will follow up on the registration requirements for substances in weights between 10 and 20 tonnes and the impact of REACH on innovation and report back by January 2015. It will also set out milestones, deliverables and division of work to place all known SVHC on the candidate list by 2010. On 4 Sept 2013, ECHA published the final report of the 2nd enforcement project which focused on level of compliance of downstream users. It was found that 67% of 1181 companies were out of compliance.

More details on these various topics are available from the Secretariat via your national associations.

CELIMO EXECUTIVE BOARD

The Board met in October 2013 and March 2014 with a range of topics for discussion including:

- The Distributor Agreement guidelines which will parallel the Agency Agreement version that we launch last year;
- Recruiting Associate Members;
- The CELIMO web-site - more about this at the Council meeting.

STATISTICS

CELIMO Trends Survey: The report of the 4th quarter of 2013 survey is available to those associations who participated in the survey.

Gardner Research World Machine Tool Output and Consumption Report 2014: The latest report from Gardner, which is compiled from inputs mainly from Trade Associations, covers 27 countries, converted to US\$, shows a reduction of -9% in machine tool output compared to 2012 to US\$68.65 billion.

One change this year is the treatment of China; the researchers have adjusted the raw data to take account of the non-CNC machines that are "universally produced and consumed in China"; the methodology chosen reduces the value of Chinese machine tool production in 2013 from US\$24.98 billion to US\$8.74 billion, putting them 3rd in the overall list behind Germany (US\$14.69 billion) and Japan (US\$12.33 billion).

Imports of machine tools into the 12 CELIMO countries were worth US\$9.7 billion in 2013, -4% lower than in 2012. This is better than the figures for all of the 27 countries which show machine tool imports down by -12%, driven by large reductions in China (-25%) and the USA (-11%).

You can get the Report from their web-site at <http://www.gardnerweb.com/articles/2014-world-machine-tool-output-and-consumption-survey>.

European Commission Quarterly Manufacturing Survey, January 2014: The European Commission (EC) gathers together data from surveys in the EU countries that look at issues such as confidence, orders trends and capacity utilisation. For the EU, the overall sentiment index increased by 0.5 points in January (compared to December), although confidence weakened in the manufacturing sector.

In the latest quarterly data (described as Quarter 1 2014 because it is carried out in January, but really referring to data about the final period of 2013), the Commission reports an improvement in capacity utilisation to stand at 80.0 for the euro-zone and 80.1 for the EU as a whole (compared to the previous quarter when the readings had been 78.4 and 78.3 respectively).

More details of these results can be found in the report of the EC Business and Consumer Survey under the [Economic Sentiment Indicator \(ESI\) link](#).

EXHIBITION DIARY

Here is a list of exhibitions in Europe in 2014.

Austria: INTERTOOL, 06-09 May 2014, Vienna

Bulgaria: Machine Building, 29 September to 04 October 2014, Plovdiv

Croatia: BIAM/WELDING, 09-12 April 2014, Zagreb

Czech Republic: IMT and MSV, 29 September to 03 October 2014, Brno

Finland: FinnTec 14, 06-08 May 2014, Helsinki

France: INDUSTRIE, 31 March to 04 April 2014, Paris-Nord Villepinte

Germany: USETEC, 05-07 May 2014, Cologne

Germany: AMB, 16-20 September 2014, Stuttgart

Germany: EuroMold, 25-28 November 2014, Frankfurt

Hungary: MACH-TECH, 27-30 May 2014, Budapest

Italy: LAMIERA, 14-17 May 2014, Bologna

Italy: BI-MU/SFORTEC, 30 September to 04 October 2014, Milan

Norway: Tekniske Messen, 25-28 September 2015, Lillestrøm

Poland: MACH-TOOL, 03-06 June 2014, Poznan

Poland: TOOLEX, 30 September to 02 October 2014, Sosnowiec (Expo Silesia)

Poland: EUROTOOL and BLACH-TECH-EXPO, 14-16 October 2014, Krakow

Portugal: EMAF, 19-22 November 2014, Porto

Romania: TIB, 15-18 October 2014, Bucharest

Russia: METALLOBRABOTKA, 16-20 June 2014, Moscow (Expocentre Fairgrounds)

Russia: mashex, 28-31 October 2014, Moscow (Crocus Expo)

Slovakia: International Engineering Fair, 20-23 May 2014, Nitra

Spain: BIEMH. 2-7 June 2014, Bilbao

Switzerland: PRODEX, 18-21 November 2014, Basel

Turkey: KONMAK Metal Processing Fair, 24-27 April 2014, Konya

Turkey: MAKTEK Eurasia, 14-19 October 2014, Istanbul

Turkey: Burse Metal Processing Fair, 04-07 December 2014, Bursa

United Kingdom: MACH, 07-11 April 2014, Birmingham

If you know of any other events that we have missed, please let the Secretary know so that we can update the list.