

## MESSAGE FROM THE PRESIDENT



I am delighted to welcome you to our newsletter. Whether you are a new reader or a long-standing member of one of our Associations, I hope you will find something of interest.

I am delighted to welcome Eduard Farran to the role of Vice-President of CELIMO following his election by the Council meeting. Eduard is currently President of our Spanish Association (AIMHE) and he has been on the CELIMO Board since 2014 when he took over as Chairman of the Tooling Group. I am looking forward to working with him this year.

Our Council meeting was held in Nice and I would like to thank our colleagues at SYMOP for hosting this event – our base at the Negresco Hotel was an experience we won't forget in a hurry; having breakfast surrounded by galloping horses from a Carousel is something quite unique!

The main topic of discussion at our Council meeting was the use of social media in business-to-business marketing. Use of sites such as Linked-In and You Tube are quite common amongst the delegates alongside more traditional forms of electronic communication such as e-mail and web-site feedback forms. Some of the delegates said that they are using Twitter and Facebook and one has an Instagram account.

At the start of this year, I was warmly welcomed by our colleagues at the Indian Machine Tool Manufacturers Association at their IMTEX exhibition. As part of this visit, I participated in the "International Buyer-Seller Meet" - a sort of speed-dating for businesses.

This gave an excellent opportunity to meet Indian manufacturers in our sector - I had over 40 companies come to see me during the two sessions of this event - and if you get the opportunity in the future, I would strongly recommend it to any distributor who has an interest in representing companies from India in your market.

I also have to thank my predecessor, Martin Wirth, who kindly took up an invitation to speak at the first CMTBA Distributor Summit. At the EMO in Milan we had a discussion with the China Machine Tool Builders Association (CMTBA) about ways in which they could represent distributors in their organization and following on from this, the Distributor Summit was the launch of their new membership section. He spoke about the types of business models used by distributors in Europe and the challenges of dealing with market trends.

Finally, CELIMO will have a presence at EMO this year; we will be hosting our traditional International meeting and I look forward to seeing you there.

## DATES FOR CELIMO MEETINGS

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.

**Wednesday 20<sup>th</sup> September – International Meeting at EMO (Hannover)**

**Friday 27<sup>th</sup> October - Board Meeting (Barcelona)**

**Friday 10<sup>th</sup> November - Tooling Group meeting (Stockholm, Sweden)**

**Friday 25<sup>th</sup> May 2018 - Council Meeting (Helsinki, Finland)**

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## NEW CELIMO DIRECTORY

Our new Directory is being launched at EMO. It gives contact information for our member organisations, as well as some useful data about the machine tool industry in Europe.

We are grateful for the support of exhibitions from India, Netherlands, Spain, Turkey and the USA in taking advertisements and we would urge you to consider attending these events.

## CELIMO WEB-SITE

We have made some updates to the CELIMO web-site at [www.celimo.com](http://www.celimo.com) recently, including placing links to the exhibitions that have supported our new Directory.

We would encourage you to come and take look now, but also to check back on a regular basis over time.

If you see something that needs to be changed, please let the Secretary know.

## EUROPEAN LEGISLATION

**REACH:** The European Chemicals Agency (ECHA) published its final revised guideline on 'requirements for substances in articles'. This is the most important guide for equipment manufacturers and importers. The document aims to clarify obligations for companies that import and produce articles under REACH, notably communication with customers and notification to ECHA when substances of very high concern (SVHCs) are contained in the article.

According to the Court of Justice ruling of 10 September 2015, these legal obligations apply to articles that are present in complex products – for example, a component of a lawnmower, car or washing-machine. Readers will be aware that some substances used in the coating of tooling are covered by the REACH Directive.

However, the guidance does not provide solutions to practical difficulties faced with communication obligations for "very complex" articles. Further discussions on practical implementation are foreseen with competent authorities.

You should also note that the two-year transition period to comply with the Classification, Labelling and Packaging (CLP) Regulation has ended. This means that all chemical products on the market need to be labelled with the new red and white diamond-shaped pictograms since 1 June 2017.

## Eco-Design Directive - Machine tools:

Following the update on this that Filip Geerts, Director-General of CECIMO gave to our Council meeting in Istanbul (2015), there has been relatively little progress to report to members. CECIMO continues to press the point that complex equipment such as Machine Tools should not be covered by this directive, while working in parallel with the consultations issued by the European Commission (EC).

The EC has employed various consultants to develop schemes by which improvements in energy efficiency could be monitored, but the principal problem remains that this depends on so many factors - materials being machined, speeds and feeds, hours of work, etc. - that this is almost impossible to measure on a consistent basis. Beyond this, there will be a need to link the calculations back to an assessment of the impact on the competitiveness of the European industry.

We will continue to monitor progress on this topic and keep members updated with any significant developments.

**European Union Trade Mark:** A new Regulation on the European Union trade mark was published in the Official Journal.

The Amending Regulation is part of a reform that includes the replacement of the existing EU Trade Mark Directive. It upgrades and streamlines the current legislation by making trade mark registration systems across the EU more efficient in terms of lower costs and complexity, greater predictability and legal security.

There are currently two main ways to register a trade mark in the EU. It can either be registered at national level at the industrial property offices of EU countries, or at EU level as a 'European Union trade mark' (EUTM) at the European Union Intellectual Property Office (EUIPO). National and EUTMs coexist and complement each other as the same trade mark can be registered at EU and national level.

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

## OTHER ASSOCIATIONS NEWS

**CECIMO:** Following its General Assembly in July, CECIMO announced that it expects European machine tool production to grow by +4% in 2017 to more than €25 billion.

Although they see European demand boosted by the modernisation of production equipment, they go on to suggest that “the levels of investment necessary to modernise manufacturing with digital ready equipment are still insufficient”.

They point out that while European companies favour data-driven solutions to improving machine performance in the new digital world, it is essential that public policy does not impose top-down regulations on access rights. It will be important European institutions take this into account in designing policies on data rights so that optimisation of digital information in the complex manufacturing environment is not blocked by unnecessary restrictions.

**CECIMO:** New guidelines for CE Marking on milling machines have just been published by CECIMO. This is the 3<sup>rd</sup> in a series of documents aimed at supporting the assessment of conformity of machines with existing European product safety law. This new guide will be launched during the Safety Day for Machine Tools at EMO (19<sup>th</sup> September) and can be downloaded from the publications section of the CECIMO web-site.

**KOMMA:** KOMMA, Korea Machine Tool Manufacturers' Association, announced that Mr. Young-Doo Kwon, President and CEO of Hwacheon Machine Tool Co., Ltd, was elected as the 17th Chairman of the Association for a three-year term (2017~2020) at the general assembly meeting earlier this year.

In an inauguration speech, Mr. Young-Doo Kwon said that “I will lead the development of Korea’s machine tool industry to overcome current global economic recession. Regarding international network, I would make an effort to have an active interchange among machine tool producers as well as consumers in the world”.

**AMT:** Our colleagues in the USA have announced their new Board of Directors and the Officers of the Association for 2017-18. The new Chairman is Ronald S. Karaisz II, who is president of three companies: Kar Enterprises, Inc.; Hydromat of Michigan LLC; and Novi Precision Products, Inc., all located in Brighton, Michigan.

He will be supported by Steven R. Stokey, Executive Vice President/Owner, Allied Machine & Engineering Corp. who has been appointed as First Vice Chairman of AMT (and is also the current President of the United States Cutting Tool Institute).

## STATISTICS

### European Industrial Production, July 2017:

Data published by Eurostat showed a small fall in output compared to June, but over the past year, total production has grown by +3.2% in the Euro-zone and by +3.1% for the EU28.

On the same basis, output of the Capital Goods industries - which includes most of the important customer industries - grew by +4.3% in the Euro-zone and by +4.6% in the EU28.

The fastest growth in total industrial production over the past year was recorded in Slovenia (+9.2%) and Latvia (+8.9%); only 3 countries saw a fall in output, with Ireland (-9.2%) being the most significant.

This data can be accessed via the Eurostat web-site at [www. http://ec.europa.eu/eurostat](http://ec.europa.eu/eurostat).

### European Purchasing Managers' Index (PMI), August 2017:

The Euro-zone PMI matched the 74-month high that was recorded in June at 57.4. Of the 8 countries covered by the IHS Markit report, only Spain saw its PMI reading fall compared to July although it remains well above the key 50 mark.

Austria, Netherlands and Italy had their highest readings for 6½ years and France was at a 74-month record; the PMI for Germany was also very high and amongst the best since early-2011. In general, August saw a strong increase in production levels as robust orders and rising employment in the manufacturing sector underpinned a solid improvement in operating conditions.

Among the other European countries, most are operating at strong levels, with Switzerland at 61.2 leading the way and the UK is close to its record at 56.9. Although the PMI for Sweden has dropped off from its recent peak it remains above 54 - we also find Turkey, Czech Republic and Hungary at similar levels.

The IHS Markit PMI reports can be accessed on their [web-site at www.markiteconomics.com/Survey/Page.mvc/PressReleases](http://www.markiteconomics.com/Survey/Page.mvc/PressReleases)

### European Commission Quarterly Manufacturing Survey, July 2017:

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.

The July data shows a consolidation of the new high that was reached with the sharp increase in June, although there was a further small improvement for the EU28 measure.

Industrial confidence in the Euro-zone was flat, but at a good level, with all of the components of the indicator - order books, stocks of finished products and production expectations - virtually unchanged compared in July. The slightly better level for the EU28 was reflected in industrial confidence also edging up, mainly due to the UK (the largest non-Euro economy).

As this is a quarterly report, we get an update on capacity utilisation rates; for the Euro-zone, there was an improvement to 83.2%, which is well above its long-run average, while the rate across the whole of the EU28 also improved, in this case to 82.9%. Both of these represent the highest level of capacity utilisation since the 3<sup>rd</sup> quarter of 2008.

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

## CELIMO COUNCIL MEETING

This year's meeting took place in Nice and we would again like to thank our colleagues at SYMOP for their organisation of this event. The 2018 meeting will be held in Helsinki on Friday 25<sup>th</sup> May and will include the usual accompanying programme; this coincides with the 100<sup>th</sup> anniversary celebrations of the Finnish Association and we look forward to sharing in their celebrations.

## EXHIBITION DIARY

Here are some of the exhibitions taking place in Europe over the next year or so: we have highlighted the exhibitions who have kindly supported us by advertising in our new Directory, including two from outside Europe.

**Belgium:** MNE 2018, 07-08 February 2018, Kortrijk Xpo

**Bulgaria:** MACHINE BUILDING, 25 to 30 September 2017, Plovdiv

**Croatia:** BIAM/WELDING, 24 to 27 April 2018, Zagreb

**Estonia:** INSTRUTEK, 15-17 November 2017, Tallinn

**Finland:** TECHNOLOGY'17, 10-12 October 2017, Helsinki

**Finland:** ENGINEERING WORKS 2018, 20-22 March 2018, Tampere

**France:** SIANE, 24-26 October 2017, Toulouse

**France:** SIMODEC, 06 to 09 March 2018, La Roche-sur-Foron

**France:** INDUSTRIE Paris, 27-30 March 2018, Paris

**Germany:** BLECHEXPO 07-10 November 2017, Stuttgart

**Germany:** METAV 20-25 February 2018, Dusseldorf

**India: IMTEX, 25-30 January 2018 (metal forming) and 24-30 January 2019 (metal cutting), Bangalore, [www.imtex.in](http://www.imtex.in)**

**Italy:** MECSPE, 22 to 24 March 2018, Parma

**Italy:** LAMIERA, 14 to 17 May 2018, Bologna

**Netherlands: Techni-Show, 20 to 23 March 2018, Utrecht, [www.technishow.nl](http://www.technishow.nl)**

**Poland:** EUROTOOL, 28 to 30 November 2017, Krakow

**Poland:** MACH-TOOL, 05 to 08 June 2018, Poznań

**Romania:** TUB, 11-14 October 2017, Bucharest

**Russia:** MASHEX, 24 to 26 October 2017, Moscow

**Russia:** METALLOBRABOTKA, 14 to 18 May 2018, Moscow

**Spain:** METAL MADRID, 15 to 16 November 2017, Madrid

**Spain: 30-BIEMH, 28 May to 01 June 2018, Bilbao, [www.biemh.bilbaoexhibitioncentre.com/en/](http://www.biemh.bilbaoexhibitioncentre.com/en/)**

**Sweden:** ELMIA VERKTYGSMASKINER, 15 to 18 May 2018, Jönköping

**Switzerland:** SIAMS'18, 17 to 20 April 2018, Moutier

**Turkey: MAKTEK Eurasia, 02 to 07 October 2018, Istanbul, [www.maktekfair.com](http://www.maktekfair.com)**

**UK:** MACH 2018, 09 to 13 April 2018, Birmingham

**USA: IMTS, 10-15 September 2018, Chicago, [www.imts.com](http://www.imts.com)**

If you know of any other events that we have missed, please let the Secretary know so that we can update the list (note - our next issue will cover more of the 2018 events).