

# General Hardware



December 2009 US\$395



## Essential sourcing intelligence for buyers

### China manufacturer profiles

Detailed profiles of 32 suppliers with verified manufacturing and export credentials

### Product & price trends

Prices and specifications of 144 top-selling export products

### Supply centers & market trends

Coverage of leading and emerging supply centers, plus insight into capacity, output and R&D

global sources

**40**  
YEARS

Quality Buyers  
Verified Suppliers

[www.globalsources.com](http://www.globalsources.com)

[www.ChinaSourcingReports.com](http://www.ChinaSourcingReports.com)

# GENERAL HARDWARE

## *Supplier capability in China*

### EXECUTIVE SUMMARY

China's general hardware industry has an optimistic outlook for the coming year. Despite the lingering effects of the economic slowdown and increased anti-dumping restrictions, suppliers are looking forward to better sales in 2010.

For exports, many are forecasting growth of at least 10 percent in the next 12 months. After seeing overseas demand for the line plummet more than 30 percent in the first three quarters of 2009, companies expect orders to pick up steadily as the economic recovery gains momentum.

To accelerate the rebound, makers are exploring opportunities in various end-user and geographic markets.

The following are some of the key trends we see in China's general hardware industry as suppliers seek to achieve greater competitiveness in their chosen segments.

- The product selection will become more diversified. Aiming for better sales and margins, companies are releasing a greater number of high-performance models for general and special applications. Many are looking into alternative materials and surface treatment to accomplish this.

- In terms of target destinations, the Asia-Pacific region, the Middle East, South America and Africa will gain increased importance. Several suppliers focusing previously on North America and the EU have begun redirecting efforts to these areas in past months when orders from their two traditional markets slowed down. For the fastener sector, the anti-dumping duties were another factor that encouraged the shift.

- A number of manufacturers will strengthen their foothold in the domestic market as well. Several began looking within China to offset the decline in overseas orders. They were encouraged to further expansion at home as consumption of general hardware surged with the government's stimulus plan.

- North America and the euro zone, however, will remain key targets.

Although demand is weaker, it is still considerably large and is expected to become stronger as major economies recover. In the nine-month period ending September 2009, the two markets accounted for more than 40 percent of China's export revenue from general hardware.

- Maintaining competitive prices will become more challenging in the months ahead with the rising cost of metal and other key manufacturing inputs. To minimize adjustments, suppliers will be enhancing operating efficiency and generating cost savings.

The report covers the major exports of China's general hardware industry, namely fasteners, door, window and furniture fittings, mechanical and electronic locks, safes, tape and adhesives, and rope and twine.

The categories are discussed in separate sections. For each product, details about the different types offered, their common features and price determinants are provided.

The latest trends in design and materials are also discussed. Information on the supplier base and key hubs can likewise be found.

The Industry Overview illustrates the effects of the global economic downturn and anti-dumping restrictions on export sales. It also identifies the common strategies manufacturers are employing to sustain exports and become more competitive.

To reflect the industry structure, the majority of the suppliers featured in this report are local, privately owned enterprises. The rest consists of Hong Kong-, Taiwan- and foreign-invested businesses.

Over 70 percent of the companies are based in Guangdong, Zhejiang and Jiangsu. These provinces account for more than 60 percent of China's general hardware exports.

### In this report

- 32 in-depth company profiles
- 144 top-selling export products
- Supplier demographics
- Supplier survey
- Industry statistics & charts

### METHODOLOGY

To produce this report, Global Sources surveyed a wide range of suppliers. Rather than focus simply on high-profile makers, we compiled a representative sample of large, midsize and emerging manufacturers. All profiled companies are export-oriented professional suppliers that may or may not be clients of Global Sources.

The selection of suppliers is designed to reflect the composition of the industry in China in terms of geographic spread, business type and company ownership.

For in-depth company profiles, our research teams interviewed senior executives and export managers who discussed their recent performance and provided R&D, production and export forecasts for the next 12 months. The interviews were done in person, by phone or e-mail.

In each case, companies were required to answer specific questions designed to verify their manufacturing and export credentials, including their production and export statistics, and a breakdown of exports by product type and market. Our production checklist details the product-specific manufacturing capability of each supplier.

All profiled suppliers participated in a survey designed to provide insight into product and price trends, and challenges facing the industry. All survey questions are single choice. Results were calculated based on the actual number of valid responses to each question.

### CONTENTS

<b>INDUSTRY OVERVIEW</b> .....	<b>7</b>
Supplier summary	
Main production centers	
Supplier demographics	
<b>Fasteners</b> .....	<b>11</b>
<b>Door, window &amp; furniture hardware</b> .....	<b>13</b>
<b>Locks &amp; safes</b> .....	<b>16</b>
<b>Tape &amp; adhesives</b> .....	<b>15</b>
<b>Rope &amp; twine</b> .....	<b>22</b>
<b>Supplier survey</b> .....	<b>24</b>
Export prices, export sales, target markets, capital expenditure, challenges, capability, R&D focus	
<b>SUPPLIER PROFILES</b> .....	<b>29</b>
Supplier locations	
Industry composition	
Exporter ranking	
Supplier matrix	
Production checklist	
Supplier profiles	
<b>PRODUCT GALLERY</b> .....	<b>105</b>
Top-selling export products	

**Copyright 2009 Trade Media Limited.** All rights reserved. Reproduction in whole or in part in any form or medium without express written permission of Trade Media Holdings Limited and Trade Media Limited is prohibited.

Published by Publishers Representatives Limited (on behalf of Trade Media Limited)  
4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322 SMB, George Town, Grand Cayman, Cayman Islands  
c/o 22/F Vita Tower, 29 Wong Chuk Hang Road, Aberdeen, Hong Kong

ISBN 978-988-18626-0-0

Disclaimer: Any recommendation contained in this report may not be suitable for all investors or businesses. Moreover, although the information contained in this report is obtained from sources believed to be reasonably reliable, the accuracy or completeness of such information cannot be guaranteed. The author and the publisher of this report (and the publisher's affiliates, agents, sales representatives and service contractors) do not make any representation or warranty whatsoever (whether express or implied) in relation to any of the contents of this report (including any information, opinion, recommendation or conclusion contained in this report) (collectively, "Contents"), whether as to the accuracy, completeness, quality, fitness, suitability or reliability of such Contents (or any portion thereof) or otherwise, and shall not be liable under any circumstances whatsoever for any error, omission, defect or deficiency in, or for any use of or reliance on, such Contents (or any portion thereof).

All product images are provided by the companies interviewed and are for reference purposes only. Those product images featuring products with trademarks, brand names or logos are not intended for sale. Products that are not the specific topics of editorial articles are shown for illustrative and/or demonstrative purposes only. We, our affiliates, and our affiliates' respective directors, officers, employees, representatives, agents or contractors, do not accept and will not have any responsibility or liability for product images (or any part thereof) which infringe on any intellectual property or other rights of a third party.

## INDUSTRY OVERVIEW

China's general hardware industry is priming for a better year, with suppliers actively pursuing new growth avenues to facilitate recovery.

Between January and September 2009, export sales remained slow as effects of the financial crisis lingered. Keeping a tight rein on budgets, clients still sourced conservatively during those months, even while they replenished inventories.

Customs statistics show that aggregate shipments of fasteners, door, window and furniture hardware, locks, safes, tape, and rope and twine actually plunged 34 percent year on year to \$7 billion. Volume was also down 34 percent at 3.7 billion kilograms.

Even though there are no concrete signs yet of exports rebounding, suppliers are generally positive of a turnaround in 2010. Of the companies interviewed for this report, more than 90 percent expect revenue to rise in the next 12 months. Most of them see an increase of at least 10 percent.

The primary factor fostering this optimism is the gradual resurgence in orders from major markets. Demand is projected to pick up steadily as the global economic recovery gathers pace, with buyers not only filling the need to restock but also regaining market confidence.

The Asia-Pacific region is currently the line's biggest importer. It absorbed nearly 30 percent of China's shipments or more than \$2 billion worth of general hardware products in the first nine months of 2009.

North America was the second-largest destination with a 23 percent share of sales at \$1.6 billion. The euro zone generated 19 percent of revenue, with exports to member states totaling \$1.4 billion.

### Makers tap high-growth segments

To accelerate the projected rebound in sales from traditional markets, companies are concentrating efforts

on more promising segments.

Many lock manufacturers, for instance, are shifting to commercial and industrial applications to obtain higher margins.

Meanwhile, businesses that prefer to focus on home-use models are targeting the repair and replacement sector rather than the new-building market. Demand for locks used in home maintenance and renovation has grown stronger because of rising interest in structural security upgrades. Orders from the real estate and construction industry, on the other hand, are far from bouncing back to precrisis levels.

Geographically, suppliers are also taking serious steps toward exploring alternative destinations. Several of these companies have recognized the value of diversifying following the wave of consolidation that hit the industry between the latter part of 2008 and early 2009. Most of the enterprises that closed shop during the period found it hard to recoup profits because they relied heavily on only one or two markets for revenue.

To ensure long-term viability and support stable production, most makers are establishing their presence in economies outside of North America and the EU.

The Middle East is among the top prospects, with its still-active construction sector sustaining demand. Shipments will target mainly the UAE and Saudi Arabia.

Another emerging alternative is South America. Companies are prioritizing Brazil specifically, as the national government there is working to support infrastructure investment through its ongoing acceleration program.

In the fasteners category, the choice of export targets is primarily dictated by a need to offset losses from countries with anti-dumping policies.

Steel threaded rods exported to the

### Supplier summary

Suppliers surveyed	32
Export sales	\$293.7mn
Export ratio	65%
OEM business	50%
Capacity utilized	68%
Annual R&D spending	9.4mn
Full-time employees	8,913

Data: All surveyed suppliers

US have been subject to 70 to 206 percent taxes since October last year. In Canada, up to 170 percent levies have been imposed on carbon steel screws beginning February. During the same month, the EU enforced tariffs reaching 87 percent on carbon steel fasteners.

For most suppliers, the duties negated their price advantage in the aforementioned markets. As a result, many clients turned to other hubs for their sourcing requirements.

A number of buyers, for example, have shifted to Taiwan. Final prices of products from that area are now 5 percent lower than those from mainland China due to the additional levies.

Wary of price markups, customers from countries that have initiated anti-dumping investigations are already canceling orders. Mexico began a probe on China-made carbon steel nuts in February 2009, while Russia has been doing the same for imported steel nuts, bolts and washers from all countries since May.

Fastener exports, as a result, suffered the greatest out of all product groups in the first three quarters of 2009. Shipments of steel, iron and aluminum models fell 41 percent year on year to 1.8 billion kilograms. Sales were 47 percent lower at \$2.4 billion.

To keep revenue from plummeting further, companies are redirecting exports to Asia, South America and the Middle East.

Most go for markets that will enable them to optimize resources. To illustrate, models originally bound

## Cana (Tianjin) Hardware Industry Co. Ltd

Specializing in nails, Taiwan-invested Cana generated sales of \$8.6 million in 2008. Exports accounted for the majority of revenue.

The company shipped a monthly average of 800 metric tons, or 98 percent of its total output. North America was the largest market, absorbing 65 percent of products sent abroad. Europe, the Asia-Pacific region and the Middle East were the other destinations.

OEM orders constituted 60 percent of exports. The rest consisted of models under ODM agreements.

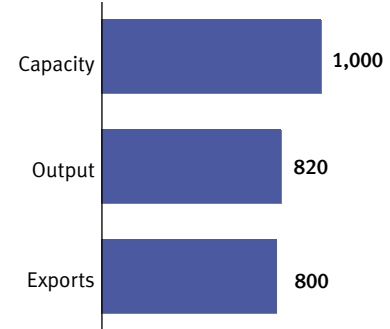
Cana operates an 11,000sqm factory capable of turning out 1,000 metric tons monthly. The plant houses mold-making, electrogalvanizing and collating machines. It is also equipped with facilities for metal analysis, hardness evaluation and salt-spray testing.

The company has 170 full-time employees. Of this workforce, eight conduct QC inspection and testing according to ISO 9001:2000 guidelines. An 18-member team specializes in R&D, which has an annual allocation equivalent to about 3 percent of sales.

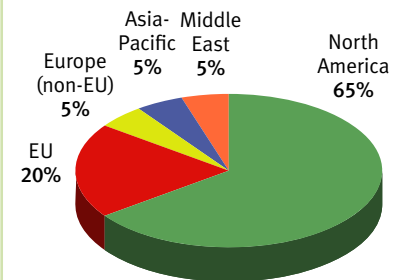
### Profile

#### Production

metric tons/mth



#### Export markets



#### Contact details

##### Business contact

ZHENG Leo

##### Phone

(86-22) 8228-9660

##### Fax

(86-22) 8228-4755

##### E-mail

cana@tjcana.com

##### URL

www.tjcana.com

www.globalsources.com/tjcana.co

##### Address

South of Jinyu Road, Shangmatai Twon Industrial Zone, Wuqing, Tianjin, China

### Company facts

Year established	1993
Business type	Manufacturer
Company ownership	Taiwan-invested
Head office location	Tianjin
Number of factories	1
Factory location(s)	Tianjin
Total factory area	11,000sqm
No. of full-time employees	170
No. of R&D/design staff	18
No. of QC staff	8
Annual sales (all products)	\$8.6mn
Annual R&D spending	\$258,000
ISO certification	Yes

### Sales & output: General hardware

Annual sales	\$8.6mn
Share of total sales	100%
Annual export sales	\$8.4mn
Total monthly capacity	1,000 metric tons
Average monthly output	820 metric tons
Capacity utilized	82%
Average monthly exports	800 metric tons
Export ratio	98%
OEM % of exports	60%
ODM % of exports	40%
OBM % of exports	—

Capability

Production checklist

Makes molds in-house	Yes
CNC machines	2
Cutting machines	—
Punching machines	—
Plastic-forming machines	—
Automatic coating machines	2
Assembly lines	—
Metal analyzers	5
Salt-spray testing	Yes
Rockwell, Vickers hardness testing	Yes

Exports by product

Fasteners	100%
Door & window hardware	—
Furniture hardware	—
Mechanical & electromechanical locks	—
Electronic locks	—
Safes	—
Tape & adhesives	—
Rope & twine	—

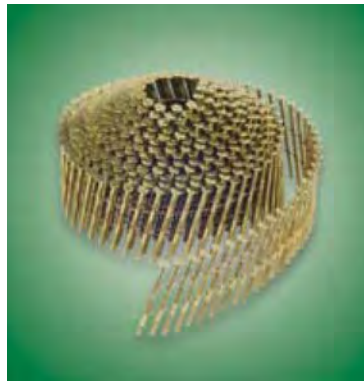
Exports by market

North America	65%
European Union	20%
Europe (non-EU)	5%
Asia-Pacific	5%
Middle East	5%
Other	—

Survey

- **Export prices**  
Increased
- **Export price increase**  
Less than 5%
- **Export sales**  
Stay the same
- **Target market**  
Middle East
- **Capital expenditure**  
No increase
- **Major challenge**  
Price competition
- **Export capability**  
Improve operating efficiency
- **R&D focus**  
Performance upgrades

Popular export models



Fastener

Model	Coil Wire Nail
MOQ	18 metric tons
Packaging	Carton
Delivery	35 days
Price	•

**Description:** Iron or steel; electrogalvanized or vinyl-coated finish; for pneumatic tools



Fastener

Model	Placement Paper Strip Nails
MOQ	5 metric tons
Packaging	Carton
Delivery	35 days
Price	•

**Description:** AISI 1045 steel; hot-dip galvanized or electrogalvanized finish; for pneumatic tools



Fastener

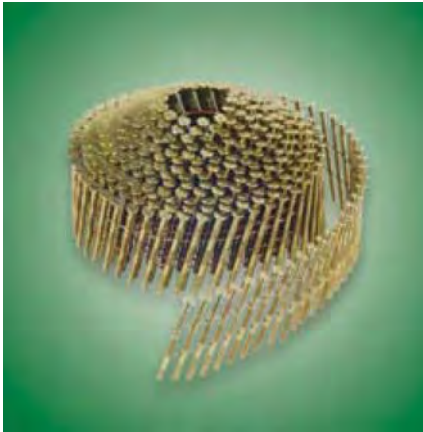
Model	ST Nails
MOQ	2 metric tons
Packaging	Carton
Delivery	35 days
Price	•

**Description:** AISI 1045 steel; for pneumatic tools

• Information not disclosed

## PRODUCT GALLERY

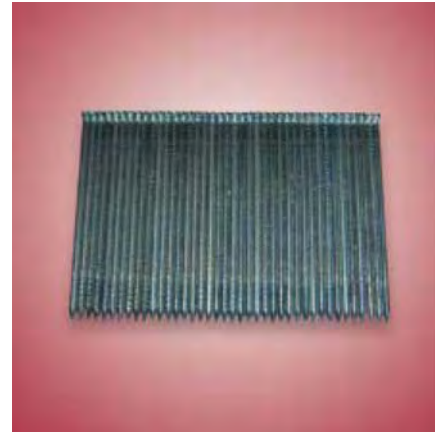
### Fasteners



**Cana**  
(profile page 38)  
**Model:** Coil Wire Nail  
**MOQ:** 18 metric tons  
**Packaging:** Carton  
**Delivery:** 35 days  
**Price:** •  
**Description:** Iron or steel; electrogalvanized or vinyl-coated finish; for pneumatic tools



**Cana**  
(profile page 38)  
**Model:** Placement Paper Strip Nails  
**MOQ:** 5 metric tons  
**Packaging:** Carton  
**Delivery:** 35 days  
**Price:** •  
**Description:** AISI 1045 steel; hot-dip galvanized or electrogalvanized finish; for pneumatic tools



**Cana**  
(profile page 38)  
**Model:** ST Nails  
**MOQ:** 2 metric tons  
**Packaging:** Carton  
**Delivery:** 35 days  
**Price:** •  
**Description:** AISI 1045 steel; for pneumatic tools



**Cixi Zhencheng**  
(profile page 40)  
**Model:** SDS01  
**MOQ:** 200,000 pieces  
**Packaging:** Carton  
**Delivery:** 40 days  
**Price:** •  
**Description:** Self-drilling/tapping screw; C1018 or C1022 carbon steel; zinc-plated finish; 3.5 to 6.5mm diameter; 1 to 12mm drilling capacity for steel roofing, tapping for wooden materials; ANSI, DIN 7504K, GB



**Cixi Zhencheng**  
(profile page 40)  
**Model:** SDS02  
**MOQ:** 200,000 pieces  
**Packaging:** Carton  
**Delivery:** 30 days  
**Price:** •  
**Description:** Wafer screw; carbon steel; zinc-plated finish; 2mm drilling capacity; 4.2x19mm; 2.09g; DIN



**Cixi Zhencheng**  
(profile page 40)  
**Model:** SDS03  
**MOQ:** 200,000 pieces  
**Packaging:** Carton  
**Delivery:** 30 days  
**Price:** •  
**Description:** CSK screw; carbon steel; zinc-plated finish; 5.5x32mm; 4.23g; DIN; for wooden materials

• Information not disclosed

# Yes! I'd like to order the full version of the following China Sourcing Reports

For faster service, order online at [www.ChinaSourcingReports.com/pdfts](http://www.ChinaSourcingReports.com/pdfts)

## A Please send me

	Report Title:	US\$
1)		
2)		
3)		
4)		
5)		

Total amount US\$

## B Please send my reports by

- E-mail (PDF format)       Air courier (printed copy)

## C My contact details

Mr  Mrs  Ms \_\_\_\_\_  
Family Name                      Given Name

Job Title \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_  
 \_\_\_\_\_

City \_\_\_\_\_ State/Province \_\_\_\_\_

Country \_\_\_\_\_ Postal/Zip Code \_\_\_\_\_

E-mail \_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_

Mobile/Cell Phone \_\_\_\_\_

For faster service, order online at  
[www.ChinaSourcingReports.com/pdfts](http://www.ChinaSourcingReports.com/pdfts)

### For other inquiries

E-mail: [service@globalsources.com](mailto:service@globalsources.com)  
 Telephone Hotline: (65) 6547-2800

## D My payment method

- US\$ check/bank draft payable to **GLOBAL SOURCES**,  
 drawn on a US bank located in the USA

- Please debit my credit card



Amount (US\$) \_\_\_\_\_

Card No. \_\_\_\_\_

Expiry Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

## E Return this form by

**Fax** North and South America (1-480) 951-4197  
 Worldwide (65) 6547-2888

**Mail** Global Sources, c/o Media Data Systems Pte Ltd  
 Raffles City PO Box 0199, Singapore 911707

**Thank you for your order.**