



European Association for Machine Tools, Tooling and Related Technologies

CQ NEWS

DECEMBER 2008

WELCOME FROM THE PRESIDENT



Welcome to this issue of CQ News. It includes a round-up of our Council meeting held at the end of May and the Tooling Group meeting in September. One thing you may have noticed is the new picture - I would like to introduce myself as your new President.

I was born in 1960 in the City of Salzburg, Austria - the place where I still live and where, incidentally, our Council meeting in 2009 will be held.

My business life goes back to 1981 when I began as sales manager of my parents, while I completed my technological education in welding and cutting

In 1984 I became the owner of Böhm Schweißtechnik in Salzburg and Vienna (which I still retain) and in 2001 I also became the general manager of Böhm Trading for technical gases in Salzburg and Innsbruck.

Many of you will also know that I am active in Politics in Austria; this began in 1995 and since 2000 I have been a delegated member of the chamber of commerce in Salzburg and WKÖ - The Austrian Chamber of Commerce for Machinery and Trade.

Since 2001, I have been delegated to the supreme court for trading affairs (Kommerzialrat) and from 2002 to 2006 I was delegated to the Houses of Parliament, specialising on laws for tax, finance, budget and external affairs.

In 2005 I was delegated by the Austrian Chamber of Commerce to CELIMO and in 2006 I became a member of the Board.

My hobbies include skiing, mountain climbing and sailing, as well as music by Wolfgang Amadeus Mozart. In books, I am interested in psychology for company owners, managers and politicians.

However, perhaps what will interest you most is my Credo; this is to find the right solutions in the triangle of commerce, lobbyism and politics.

My target is to create an education for young people to make trade and technology for machines more sexy!

I am really looking forward to serving you as your President for the next couple of years and if you have any views and ideas on what CELIMO should be doing for you, please let us know - I would love to hear from you!

Finally, can I take this opportunity to wish you all a peaceful Christmas and a profitable New Year - despite the economic situation!

NEW CELIMO WEB-SITE

The new CELIMO web-site is now live. After many problems with the web-address, it has a new location - www.celimo.eu.com - so if you have links to it from your own association site (and if you don't perhaps you can include one now!), please update those links.

The new CELIMO web-site includes

- Contact details for each Association with a link to your home page - if you prefer a link to your members list, please let us know the web-address for this..
- News - the latest issue of CQ News will be here, with an archive of previous issues also available.
- Meetings - Details for the Council Meeting, Tooling Group Meeting and EMO International Meeting. Also the opportunity to request the papers and presentations from our meetings.
- Calendar of events to include relevant exhibitions in Europe, with web-links
- A list of Board members so you can contact your representatives
- Useful links - web-site addresses of other Associations and any other organisations which might be useful; suggestions welcome!

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DATES FOR 2009

The following CELIMO meeting dates for 2009 have been agreed - please note in your diary and plan to attend if it is appropriate to you:

27 February - Board meeting, Paris

28 May - Board meeting, Salzburg

29 May - Council Meeting, Salzburg

At the end of this newsletter, you will find a list of dates for exhibitions in Europe for 2009 - there are no so many this year as it is an EMO year.

CELIMO COUNCIL MEETING

The 2008 Council meeting was hosted by our Swiss colleagues in Lucerne and based at the Hotel Montana.

There were a number of new delegates to the meeting this year and they introduced themselves at the start of the meeting. Mr Okcu, as President, reported on the activities in the past year which had included our International Meeting and Reception during EMO and a workshop with the Indian Machine Tool Manufacturers Association. He had also attended SIMTOS in Korea and, while there, had given a brief speech on behalf of CELIMO.

The Treasurer's Report included proposals for a new structure for the fees which the Board had been working on for some time. The objective was to align the fees paid more closely with the size of the association and its machine tool market as one or two countries were significantly out of line. These were agreed and will be phased in during 2009 and 2010 (to avoid a large increase in one year).

The Meeting then elected our new President, Mr Franz Xaver Böhm and he has introduced himself at the start of this edition of CQ News. He thanked Mr Ocku for all his work over the past 2 years as President of CELIMO. There was also one change to the Board with Mr Willi Schneegaß replacing Mr Stegemann as the German delegate; Mr Stegemann was thanked for his contribution to CELIMO and especially over the past 5 years on the Board.

The Secretary presented the results of the Annual Economic Survey (copies can be requested via the new web-site at www.celimo.eu.com) and there was some discussion around new and developing markets.

The Secretary launched the new web-site - slightly prematurely as it has turned out although it is now available on its new address at www.celimo.eu.com - and guided delegates through the main pages.

The meeting concluded with a presentation by Martin Wirth about tecnoswiss.

There was also a presentation by Dr Kurt Meier on the Swiss Manufacturing sector - Dr Meier had recently retired as head of the Machine Tool Division of SWISSMEM, the machinery manufacturers group. He talked about the importance of the manufacturing sector and described its' involvement in getting a pot of Yoghurt on the supermarket shelves.

He went on to speak about customer sectors in terms of 5 basic needs - Nutrition, Living, Mobility, Communication and Health & Safety and then to highlight the particular strengths of Swiss Machine Tool manufacturers. His presentation also covered the SWISSMEM apprenticeship programme and the challenges of the new economy.

He concluded with a look at the opportunities which the sector has to address in the future. These include addressing product costs, increasing profitability by making less mistakes and growing by developing services which support the machine tool. These services are often profitable and can help develop a brand loyalty among customers.

CELIMO TOOLING GROUP MEETING

The 2008 Tooling Group meeting was hosted by our Dutch colleagues and held in Maastricht in the Netherlands, but only just - the Culinary Expedition on the Saturday morning ended in Belgium!. Although the attendance was a little lower than in recent years with 19 delegates, this was a lively and encouraging event.

The meeting took place at the premises of Jabro Tools; this is a subsidiary of Seco Tools and is the global product centre for solid carbide end-mill tooling. Their Managing Director gave a presentation on the company and the group was taken on a tour of the factory, although one delegate was rather distracted by the Harley Davidson on the computer wallpaper of the engineer who was demonstrating the virtual manufacturing system used by Jabro.

The group noted the death of two of its members in the past year, Mr Reginald Lamarche from Belgium (in May) and Mr Georgio Badino from Italy (just before the meeting). Tribute was paid to these gentlemen and the meeting kept a minute of silence in their memory.

The Secretary gave 2 presentations. The first was an outline of the general economic situation, based on exchanges which took place during IMTS which was only a couple of weeks before the Tooling Group meeting. The second presentation covered the data on the tooling sector, some macro-economic indicators (GDP and inflation) and the output trends for 4 key end-user sectors (motor vehicles, other transport equipment, machinery and metal goods).

The meeting dealt with these country-by-country, which gave the opportunity for delegates to give additional information about the latest situation in their country; in 2 cases, the delegates gave a formal presentation of the figures for their country and two others talked about their own company's activities and structure.

There was also a presentation from a delegate about cost savings in machining by reducing waste that can be generated through the latest work-holding techniques.

The Secretary gave an update on the REACH regulations covering hazardous substances.

In closing the meeting, Mr Boske indicated that he would serve as Chairman of the Tooling Group for one more year, but that a new Chairman should be elected at the 2009 meeting.

EUROPEAN LEGISLATION

We hope that the following paragraphs will give you an overview of the status of the key pieces of European legislation which impact on our sector.

The most important of these, at least in terms of requiring action, remains the REACH regulations - there is more detail in the paragraphs below.

A new issue is the Optical Radiation Directive which affects certain technologies such as laser cutting and most types of welding equipment.

- **REACH:** Since June, there has been a requirement to pre-register substances used in excess of 1 tonne per year in the EU. However, with the exception of substances of very high concern (SVHCs - see below), this is generally of concern only if substances are supplied separately or are intentionally released from articles. Orgalime has updated its guidance document on this subject - you can download this from the public area of their web-site at www.orgalime.org
- The real problem is that the "candidate list" of SVHCs has not yet been published by the European Chemicals Agency (ECHA) and the pre-registration period ended on 01 December 2008. For the tooling sector, this could include substances such as cobalt, while in the machinery field, it is possible that PTFE (which is used in slideway lubricants), might be on the list.
- **Eco-Design for Energy Using Products (EuP):** We will know in the next couple of months whether or not machine tools (this will be a broad definition including machines for working various materials, not just metal) are to be included under the scope of this directive as a "high priority product group".
 - If they are, then by 2011, the implementing measures will be in place and companies designing machines will need to meet the life cycle requirements in the Eco-Design Directive in order to continue applying the CE mark. As well as covering the energy use of the machines in operation, it will cover issues such as energy cost in construction and end-of-life recyclability.
 - **Machinery Safety Directive:** New official guidance from the European Commission on this directive is emerging in a consultation phase with Orgalime. Two remaining areas of difficulty are the retention of guard fixings when guarding is removed and the application of a new standard on functional safety of control systems.
 - **Waste Electrical & Electronic Equipment (WEEE) and Restriction of Hazardous Substances (RoHS):** Substantial reviews of these 2 directives by the European Commission have just taken place; at the moment they are linked by virtue of having the same scope, but this may change as a result of the reviews.
 - Most importantly for us, it appears that the current exemption for large-scale stationary industrial tools - which includes large metal working machine tools - is under scrutiny, which could mean that many products from our sector would be drawn into the new scope(s).
 - Another issue of concern arising from these reviews is a change in the placing of the burden of proof. At the moment, the regulating authority has to prove non-compliance; one option being considered by the European Commission is to reverse this so that, when challenged, the product supplier has to prove that their product complies with the Directive!
 - **Electromagnetic fields (EMF):** There have not been any developments on this Directive, but the period of the postponement (until April 2012) is passing and the European Commission is due to begin the revision process. Welding is the sector likely to be affected most by this issue.
 - **Marketing of Goods Package (The New Approach):** This could be important as it strengthens the application of the CE mark and the enforcement of CE legislation. As always, the question remains of who will pay? It has been adopted by the Council of Ministers and is likely to appear in the Official Journal during August. It will apply from 01 January 2010, although this will depend on the legislation being incorporated into the existing directives when they are revised.

- **Artificial Optical Radiation Directive:** This affects light emitting technologies such as lasers and welding. This is a work-place safety directive and not part of the CE Mark, so is primarily aimed at employers rather than machine suppliers. However, suppliers will need to provide relevant information about the optical radiation emissions from their products so that the end-users can use them safely. The implementation date is 27 April 2010.

More details of web-links on these various topics are available from the Secretariat.

STATISTICS

CELIMO Trends Survey, 3rd quarter 2008: The results of the latest Trends Survey showed a sharp decline in business across the CELIMO area. This is usual for this time of year which covers the summer period, but the other indicators suggest that this is not the cause this time. The main one of these is that the 4th quarter is expected to be at about the same level as the 3rd period and not to see the usual, post-holiday increase in business.

Tooling Group Exchange: Copies of the presentations from the Tooling Group meeting these are available on request via the new CELIMO web-site at www.celimo.eu.com

CELIMO EXECUTIVE BOARD MEETING, DECEMBER 2008

The topics discussed by the Board included:

- The appointment, pending formal election by the Council meeting, of Mr Didier Bouvet to the Board as the representative from SYMOP and to him taking over as Treasurer from Mr Alain Chambrillon;
- The launch of the new CELIMO web-site at www.celimo.eu.com;
- A discussion with Mr Filip Geerts, Secretary-General of CECIMO, about cooperation between the two organisations;
- Plans for our Council meeting in Salzburg on Friday 29 May 2009;
- Reports on IMTS and JIMTOF and the prospects for the market in 2009.

NEWS FROM ASSOCIATIONS

SYMOP - France: SYMOP has announced that Vincent Schramm has been nominated as the General Manager of SYMOP, the French association for manufacturing technologies, to succeed Jean-Paul Bugaud from 01 July 2008. Vincent is well known to CELIMO members as he was previously General Manager of SYMO before its merger with the manufacturers association.

All at CELIMO send their congratulation to Vincent on this appointment and are pleased that we will continue to have the opportunity to work with him.

MTA - UK: MTA has elected a new President in Mr Bob Hunt. Mr Hunt is one of the MTA delegates to CELIMO and is a member of the CELIMO Board. We congratulate him on his election.

Exhibition Reports: We are introducing a new feature which will give a review of the exhibitions which have supported the CELIMO Directory by taking adverts. These take place during 2008 and this review covers some of those which occurred in the first half of the year.

SIAMS 2008: In the Kingdom of Microtechnics and Technologies - Switzerland: The 11th SIAMS has taken place in Moutier, in the French speaking part of Switzerland from the 20th to the 24th May 2008. It was an overall view of the presented products and technologies as:

- MACHINES - MACHINES TOOLS
- EQUIPMENT
- AUTOMATION OF PRODUCTION
- SEMI - FINISHED GOODS - MATERIAL
- SCREW – CUTTING
- SUBCONTRACTING
- FINISHED PARTS - ASSEMBLED PRODUCTS
- 480 EXHIBITORS
- MORE THAN 15'500 VISITORS
- 45 EXHIBITORS FROM OUR ASSOCIATION TECNOSWISS

MACH 2008 - UK: MACH 2008 had 21% more visitors than the 2006 event, a welcome sign for the 500 companies who exhibited at the show.

Despite media talk of an economic downturn and the credit crunch, MACH 2008 bucked the trend with visitors turning out in their thousands to see the latest innovations in manufacturing technology at the UK's premier show for the sector. Over 27,000 people came through the doors during the week-long show organised by the Manufacturing Technologies Association (MTA).

There was little evidence of economic woes at MACH 2008 and the MTA's Exhibition Manager, Graham Shearsmith, said MACH 2008 "is incredibly positive for the industry and is certainly bucking the trend. In addition there have been some massive orders at the show, with one exhibitor taking an order for £10m and there were plenty of examples of large orders throughout the week. We hosted almost 500 exhibitors and around half were showing new products or services.

As the show closed on Friday there was a definite buzz around the exhibition halls."

In addition the exhibition recently won the Exhibition of the Year Award at the Trade Association Forum Best Practice Awards 2008.

INDUSTRIE Paris 2008: From Monday 31 March to Friday 4 April 2008 at Paris Nord-Villepinte, INDUSTRIE Paris 2008 - the biennial gathering of French and international industrial-production equipment manufacturers - delivered a dynamic event boosted by the current favourable economic context for companies in the engineering sector.

INDUSTRIE Paris 2008 delivered 10 exhibitions in one (40 760 m² of booth surface), and welcomed 30,400 visitors, 15% of them international visitors from 47 countries - results that are almost identical to those of 2006.

After the show, exhibitors reported their thorough satisfaction with the event's results, for they experienced a good "visitor quality" during the exhibition and recorded a marked increase in orders signed onsite.

Showing a renewed interest - observed in the majority of industries, in particular the machine tool, moulding, welding and surface-treatment sectors - reflects the combined effect of solid investment levels and a revitalization of visitor profiles thanks to targeted and enhanced marketing actions.

For further information: www.industrie-expo.com

The next national exhibition in France is Industrie Lyon at Eurexpo on 10-13 March 2009

SIMTOS - Korea: This is not an exhibition in Europe, but Mr Cuneyt Okcu attended the 13th SIMTOS 2008 exhibition while he was President of CELIMO and he has provided this report.

The opening ceremony took place on the 8th of April which started by a ribbon cutting ceremony. The Prime Minister Han Seoung-Soo with ministers and ambassadors and Association Presidents, including Mr Okcu, took part in the ribbon cutting ceremony

Mr Okcu also gave a speech about the machine tool business in Europe. The exhibition was hosted by the Korean Machine Tool Manufacturers Association and there were 434 companies from 24 countries as exhibitors.

This year exhibition was much bigger than the 2006 Exhibition. Simtos exhibition is the 5th largest International Machine Tool show in the world.

We have seen a busy exhibition and International companies accounted for slightly more than 50% of the exhibition space. We have saw the latest technology on show.

Korea is one of the main players in Machine Tool Industry as a producer and importer of machine tools.

PROFILE OF MGF

We continue this series with a profile of MGF - The Norwegian Machine Dealers Association.

MGF was established in 1913 when the two associations MGF and MOGF (Machine Oil Importers Association) decided to establish a common association, as most of their members were in both associations.

Since then, MGF has organized the majority of the Norwegian importers of electrical and non-electrical machines (i.e. construction machinery), technical equipment, tools etc.

Today MGF is a modern trade association with the purpose to unite the companies in our branches to ensure and to promote common interests, to strengthen collegiate spirit, promote healthy and businesslike principles, and to oppose unfair competition or other conditions that are inconsistent with good business practice.

Typical tasks are to prepare general terms for sale and delivery, to arrange exhibitions, to take part in any discussions or dialog with government bodies and other authorities, support members in legal matters and provide statistic materials.

By the end of 2007 MGF counted a total of 112 member companies. As MGF consists of a variety of branches, each one of them is organized in Groups. The Groups are as follows: Machine Tools and Tooling, Construction Machinery, Fork Lifts, Industrial Compressors, Mobile Cranes, Woodworking Machines, Grinding Equipment and Storage Equipment.

The members of each group appoint their own executive committee that is responsible for carrying out whatever task they decide to work on.

The committee reports to the MGF executive board. During the years MGF has worked on many issues for the benefit of its members, but the one issue that from the moment on has been of most importance to the members and the association is the establishment of *The Technical Exhibition*. Even though the idea was met by skepticism from the executive board in 1949, the exhibition was a success from day one when the doors opened for the public in June 1951. *The Technical Exhibition* grew bigger and bigger, and in 1974 MGF established yet another exhibition - *The Road and Construction Exhibition*.

Today these events take place respectively every 4th and 3rd year and have become important meeting points for our members and their customers. The Technical Exhibition will be arranged in September 2008 at Norway Trade Fairs in Lillestrøm outside Oslo. As MGF has the ownership to both exhibitions, the association has a solid economic base for all its activities.

After Norway joined EEA, the laws and regulations concerning our business lines have been subjects to extensive changes. In relation to that MGF has played an important role as a participant in the hearing procedures and as a consultant to the members regarding the implementation of all these new laws and regulations.

Regarding the market situation for machine tools and tooling in Norway, we have to admit that we are a small and very limited market, and it has become smaller and smaller during the past 20 years. However, the oil industry has brought about a whole new market consisting of highly specialized companies supplying both the off- and on shore oil activities. These companies are demanding advanced and reliable machines, and over the last four years sale of machine tools has increased by more than 110%!

Even though the present situation is better than ever, there are some dark clouds appearing in the horizon. The pressure in the Norwegian economy has resulted in an extensive raise of the interest level the last year (among the CELIMO countries Norway has the highest interest level, at present more than 6%) and skilled labour is getting more and more difficult to get by.

The latter is matter that MGF, as well as the industry, has seen as a big challenge for several years. Therefore, initiatives have been taken to try to influence schools and authorities to recruit young people for educations that are suitable for our line of businesses. Unfortunately we have not seen any change in this situation so far, but we have got to be optimistic about the results of our efforts regarding this matter.

MGF is a long time member of CELIMO and has always looked upon our membership as an excellent opportunity to meet with colleagues of other nationalities and to exchange views and experiences. In 2001 we had the pleasure to host the Council Meeting in Oslo. With all the good memories from that event, we are looking forward to get the opportunity to be hosting the Council Meeting once again.

EXHIBITION DIARY

Here is a list of exhibitions taking place in Europe during 2009.

Bulgaria: 27 Sept to 02 Oct 2008, Plovdiv, MACHINE BUILDING., www.fair.bg/en

Czech Republic: 14 to 18 Sep 2009, Brno, MSV (International Engineering Fair), www.bvv.cz

Denmark: 01 to 04 Sept 2009, Herning, HI-INDUSTRI, www.hi-industrimesсен.dk

Estonia: 18 to 20 Nov 2009, Tallinn, INSTRUTEC, www.fair.ee

Finland: 23 to 25 Sept 2009, Helsinki, MecaTec 09 / Automaatio 09, www.finnexpo.fi

France: 10 to 13 Mar 2009, Lyon, INDUSTRIE, www.industrie-expo.com

Germany: 01 to 04 Dec 2009, Stuttgart, BLECHEXPO+SCHWEISSTEC, www.blechexpo-messe.de

Germany: 02 to 04 Dec 2009, Frankfurt, TURNTEC, www.turn-tec.net

Germany: 02 to 05 Dec 2009, Frankfurt, EUROMOLD, www.euromold.com

Hungary: 19 to 22 May 2009, Budapest, MACH-TECH, www.mach-tech.hu

Italy: 05 to 10 Oct 2009, Milan, EMO, www.emo-milan.com/eng

Norway: 06 to 10 May, Vei og Anlegg, www.exporama.no

Poland: 16 to 19 Jun 2009, Poznan, MACH-TOOL, <http://machtool.mtp.pl/en>

Poland: 22 to 24 Apr 2009, Krakow, BLACH-TECH-EXPO, www.targi.krakow.pl

Poland: 21 to 23 Oct 2009, Krakow, EUROTOOL, www.targi.krakow.pl

Romania: 04 to 07 Oct 2009, Bucharest, TIB, www.tib.ro

Russia: 12 to 15 May 2009, Moscow, METALLURGY-LITMASH, www.metallurgy-tube-russia.com

Russia: 18 to 22 May 2009, Moscow, MASHEX, www.mashex.ru

Russia: 25 to 29 May 2009, Moscow, METALLOBRABOTKA, www.metobr-expo.ru

Russia: 21 to 24 Sept 2009, Moscow, INTERTOOL, www.intertool-moscow.com

Slovakia: 19 to 22 May 2009, Nitra, INTERNATIONAL ENGINEERING TRADE FAIR, www.agrokomplex.sk

Spain: 10 to 14 Mar 2009, Barcelona, MAQUITEC, www.maquitec.com

Sweden: 13 to 16 Oct 2009, Stockholm, TEKNISKA MÄSSAN, www.tekniskamassan.se

Turkey: 31 Mar to 05 Apr 2009, Istanbul, TATEF, www.tatef.com

Ukraine: 31 Mar to 03 Apr 2009, Kiev, INTERTOOL, www.intertool-kiеv.com

If you know of any other events during 2009 that we have missed off of this list, please let the Secretary know so that we can update the list.