

MESSAGE FROM THE PRESIDENT



This is my first message to you as President of CELIMO; I am honoured to have been elected at the recent Council

meeting to serve you for the next two years.

I would like to thank Franz Böhm who has done so much over the past couple of years in his leadership of CELIMO. Over the past two years, we have developed our relationship with CECIMO, something that is going to be important in helping us to understand the self-regulation initiative for the Eco-Design Directive - more about this elsewhere in this newsletter. Franz has led CELIMO through a difficult time in the market; I certainly hope for better times over the next two years.

During our Council meeting, we elected the new Executive Board for the coming year. This meant saying farewell to Pentti Olkkonen who is stepping down as a member of the Board after 20 years, including 3 as President of CELIMO. He introduced a number of changes which helped turn the Board into the active body that it is today and over the years, his input has been extremely valuable to the Board and the Council meetings. As Pentti was unable to come to the Council meeting, he wrote a letter which was read during the meeting; we have printed this in full later in CQ News. We are pleased to see that he is staying in the industry for now and we hope

that he may be able to join us at some meeting in the future.

I would like to add my thanks to SVMF who were our hosts for the Council meeting and especially to Mr Matts Spangberg and Ms Malin Broden for all their work in making the arrangements.

We also have to thank Mr Weine Werlevik and his colleagues on the board of SVMF for looking after us so well over the weekend.

The welcome dinner was an excellent start to the weekend, even if the attempt to get us singing Swedish drinking songs did not go quite as planned! The Gala Dinner in the restaurant at the Skansen Museum was superb and we all enjoyed the entertainment during the evening.

In my acceptance speech at the Council meeting, I commented that we must realise that Europe is no longer the driving force behind the economy, but already many manufacturers in the mechanical sector are moving elsewhere. New manufacturing bases have been created in the Far East, China, Korea, India and also Brazil.

I see Europe's future to be in technological research, therefore investment must be encouraged in those sectors where overheads are not the predominant factor. It is the job of our governments to have a clear vision for the future, and to invest in advanced technology and energy.

Furthermore I believe that in the near future there will be a transformation in the machine tool business sector.

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The International market place will no longer be supplied directly by medium sized companies, but will increasingly be serviced through representatives in the various European countries. Our members must organise themselves in order to benefit from these opportunities.

Our job at CELIMO will increasingly be to inform our members on developments in the market, supplying them with information and data.

We will need to lobby the European authorities, possibly together with CECIMO, to draw greater attention to our sector, which strategically represents 35% of the world market.

We are also trying to widen the base of our associates and it is with great pleasure that we welcome Spain as a new member. The Board will continue its efforts to find partners in countries which are not, at the moment, covered by CELIMO.

I look forward to working with you all over the next two years and, as always, we are interested to hear from you, especially if you have ideas about things that CELIMO should be doing.

DATES FOR 2010

The following CELIMO meeting dates for 2010 have been agreed - please note in your diary and plan to attend if it is appropriate to you:

12th November - Tooling Group Meeting in Budapest

3rd December - Board Meeting (Frankfurt)

At the end of this newsletter, you will find a list of dates for exhibitions in Europe in the rest of 2010 featuring those exhibitions who supported our Directory by taking an advert.

NEWS FROM CELIMO MEMBERS

Switzerland: The Secretary General of tecnoswiss is now Mr Markus Etienne. Mr Etienne was on the Board of the association from 1989 to 2009 and was President from 2005 to 2008. During 2009 he sold his company to their supplier who wanted their own presence in the market and in March 2010 he was elected as Secretary-General

and Treasurer of the tecnoswiss. He takes over from Mr Herbert Wey who has retired.

Turkey: The Secretary General of TIAD is now Ms Gamze Taspolat. She replaces Mr Murat Uygun who has left TIAD.

CELIMO COUNCIL MEETING

At the end of May, 29 delegates met for the 2010 Council meeting in Stockholm. We all (and especially the Secretary!) would like to express our thanks to SVMF for their excellent organisation of the whole meeting.

The first decision was to welcome AIMHE, the new Spanish association for machine tool and tooling importers as members of CELIMO.

Unfortunately, we also had to report the resignation of VOV from Denmark, although discussions are already underway with the Danish Machine Tool Importers Association and we hope that they will join us in the future.

The Council meeting elected Mr Massimo Lunghi as President of CELIMO, succeeding Mr Franz Böhm. This is the first time that the CELIMO President has come from Italy.

The new Executive Board was also appointed; this saw Mr Tomi Tiitola replace Mr Pentti Olkkonen (see below for the letter from Pentti) as the representative from Finland and the inclusion of Mr Max Daunert from Spain. All other Board members were re-elected.

The Secretary presented the results of the annual Economic Survey and the delegates gave updates on the latest situation in their countries. This presentation, including the additional comments from delegates, is available from your local Association.

This year we included a set of 3 discussion groups in the council meeting; these ran in parallel with each other and covered:

- The future of exhibitions
- The labour situation in Europe
- The Eco-Design Directive

A summary of these discussions is in the minutes of the meeting; copies of these are also available via your national association.

FAREWELL MESSAGE FROM MR PENTTI OLKKONEN

Dear Member Associations of CELIMO and their Members

This is now the time when it's right for me to step back from the Executive Board of CELIMO and from an active position in the Finnish Delegation.

This is not because I am ill, tired or frustrated, but only that I think there is not much more that I can give and it will be a good time for the younger generation to step in and bring some fresh blood and ideas.

I don't feel like escaping or leaving a ship when the turbulence is making everybody worried about how to survive. This does not mean that I'm totally withdrawing from the business of Machine Tools.

I am continuing my work in the company Cron-Tek, but not full time anymore. I feel after over 50 years in the Machine Tool business and more than 10 years a Member of the CELIMO Executive Board, including 3 years as President, that I need to give more time to my wife Seija and the next generations of the family.

I know that have seen my limits in the Machine Tools business, but I'm sure that my golf can still be improved.

This is a very difficult for Machine Tool sales in Europe, but during my half century in the business there have been several sequences of difficult times. We have always managed to get over them, followed by some years of normal life before somehow, after 5 to 7 years, we saw the troubles return again.

It should be obvious if somebody is working for more than 50 years in the same company without being the main owner, that he must enjoy his work or be unable to get anything else. In my case I can honestly say that I have loved the Machine Tool business. It has given me the possibility of meeting so many talented people and to meet the daily challenge of convincing and influencing the human mind, in the form of customers, to invest in new technology and to place the order with us.

At the same time I've had a front seat to follow the never ending and incredible development in machine tools and cutting

technology. When I started, factories had dozens of manual machines with rulers - today one machine looks like a full factory.

Coming from a small country like Finland, with a peculiar language, it was clear from the very beginning that international contacts and the chance to gain knowledge and experience from people in other countries is very important. In addition to meetings organised by the manufacturers, the active membership in CELIMO provided an excellent opportunity to learn from their experience and to compare different market situations with other specialists in this business. For this reason I have always been a strong supporter of CELIMO.

Some 30 years ago our Association meetings in Finland were mostly trying to get free information and leads, without giving anything in return. This situation changed drastically with the arrival of numerically controlled machining centres and multi-tasking CNC lathes. The number of problems with early machines led the larger customers to concentrate their forces and to require much more from the distributors than the manufacturers were prepared to grant - they insisted on full production responsibility with financial sanctions for all problems. At this point some of us realised that we needed to have much more open discussions and common delivery terms in order to survive.

Over the last 25 years all of us have realized that only by cooperation in terms and conditions will we have enough power to survive.

These have been used successfully and have resulted in much more open discussions and allow a more reasonable cost level for providing training and information to the customer. This is also the best way of killing of false rumours.

In principal, this is also possible on European level if we all work actively in and for CELIMO. I had the great opportunity of being a Member in the Executive Board when it was turned from a social meeting place to an active information centre. During the presidency of Michael Legg and mine it was decided that only the immediate Past President has an automatic seat on Executive Board, the others had to be re-proposed by their own country.

At the same time the composition of the Executive Board was expanded to allow for one person from each Member Country.

I would like to point out that although the Annual Council is an excellent opportunity to meet colleagues, the most important work and the best distribution of information is done at the Executive Board meetings.

This is helped by the Secretariat that MTA has provided us first from Simon Brown and now by Geoff Noon; he is the key person for all of us. My hope is that all Member Associations that are not represented in the Executive Board will think seriously about the discussions you are missing.

Today CELIMO is well known in the European Machine Tool business. This has been confirmed by the interest that our International Meetings at EMO have received.

We are also having important discussions with CECIMO - we are both interested in the tasks that are needed to keep manufacturing industry in Europe in the future. In too many Governments there is the idea that the whole economy can be based on services; to my mind services, apart from public ones, are much easier to move than production.

I am very sorry that it was not possible for me to come to Stockholm, but I'm delighted to have this opportunity to thank you all in writing for the great time I've had with you and CELIMO.

My special thanks to all the members of the Executive Board and to Geoff Noon. I wish you all and especially to the new President Massimo Lunghi, good health and strength in your work for CELIMO.

I hope to see you all at some occasion in the future. **Pentti Olkkonen**

CELIMO DIRECTORY - CHANGES

Would you please note the following amendments and amendments to the details published in the latest CELIMO Directory (2009/12010).

Italy: Please note that Mr Lunghi's telephone number should read +39 02 3932 4402.

Switzerland: The Secretary General of tecnoswiss is now Mr Markus ETIENNE.

Turkey: The Secretary General of TIAD is now Ms Gamze TASPOLAT.

Turkey: The list of exhibitions should also include TATEF 2010 which is being held in Istanbul from 12 to 17 October.

Please amend your copy accordingly.

CELIMO WEB-SITE

The web-site has been updated to reflect the changes in the members of CELIMO and includes the contact details of AIMHE.

Please could you check this on a regular basis to make sure that the details shown are correct; if any changes are needed, please contact the Secretary.

TOOLING GROUP MEETING

Plans are underway for this meeting to take place in Budapest on Friday 12th November. This will be a first for CELIMO with the meeting taking place in a country which is not formally a member of the Association.

We are planning a full meeting with a partners programme also being prepared. More details and the registration form will be available later in the Summer, but for now, please book the date in your diary and **PLAN TO BE THERE!**

EUROPEAN LEGISLATION

The following is an update on some of the key pieces of European legislation which impact on our sector. Further information on all of these is available on request from the CELIMO Secretary, via your association.

- o **Eco-Design (formerly the Energy Using Products) Directive:** This is the area where the current developments are focused. The Eco-Design Directive was passed in 2009 and we expect its provisions to come into effect for machine tools in April 2014.

It will apply to all machine tools placed on the EU market, with manufacturers or their representatives in the EU making a self declaration of conformity as part of the CE Marking of their products.

As part of this CELIMO is developing a Self-Regulation Initiative (SRI) for the industry in Europe and we intend to play a full part in this process. The SRI, if accepted by the European Commission, should result in a process that is more industry-friendly than if the Commission were to impose its own rules.

In parallel with the SRI, the Commission has commissioned work from the Fraunhofer Institute to establish what those rules might be. You can also find more details about the proposals being developed by the Fraunhofer Institute at <http://www.ecomachinetools.eu/ty-po/reports.html>.

In order for the SRI to be accepted in place of their rules, a high level of coverage of the European market is required, hence the importance of CELIMO's involvement.

This directive concerns the use of energy across the whole life cycle of the product, although analysis has shown that for machine tools, about 85% is in the use phase (as opposed to construction or disposal), so this is where the SRI will focus.

This could be a useful marketing tool for manufacturers, especially in those countries where there is a "green" focus in society. We understand that the Japanese authorities are already looking at something similar and there is also an International Standard (ISO) being developed in this area.

Further details on this topic will be in the minutes of the Council meeting where this was the topic of one of the discussion groups.

- **Machinery Safety Directive:** During June, the European Commission has published the 2nd edition of its official "Guide to application of the Machinery Directive"; there is a link to download this in the "documents" section of the CELIMO web-site at www.celimo.com. This edition has a number of new annexes, so it is worth having a look at the new document.
- **Waste Electrical & Electronic Equipment (WEEE) and Restriction of Hazardous Substances (RoHS):** The European Parliament has postponed its

plenary vote on the recast proposals for the RoHS and WEEE directives until September. Reports from ORGALIME suggest that there is political will to reach 1st reading agreement.

It now seems likely that the exclusions from RoHS and WEEE for large-scale industrial tools will be continued, although there is a caveat on electrical and electronic components in the amendments to RoHS. There is also an amendment to RoHS which will apply to industrial monitoring and control instruments placed on the market from 1st January 2017.

- **REACH:** Further to the news in the last issue of CQ News, in January and March 2010 a further 22 substances were added to the "**candidate list**", some of which are commonly used in manufacturing.

In the 2nd half of 2010, the ECHA will provide recommendations of substances to be categorized as "Substances of Very High Concern" which will, in future, require specific authorization. Further details of the "candidate list" are published on the European Chemical Agency (ECHA) web-site (www.echa.europa.eu).

The ORGALIME guidance document to REACH, now in its 3rd edition, is still available from their web-site at www.orgalime.org (from the publications menu, select epublications to enter the registration process), or you can request a copy from the CELIMO Secretary (please send any such requests via your CELIMO association so we can verify your eligibility).

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

STATISTICS

CELIMO Trends Survey: The report of the survey for the 1st quarter of 2010 is available. A reminder that this is only available to those associations who participate in the survey.

CELIMO Annual Economic Report: The results of our annual survey were presented at the Council meeting. The final version of the report, including some amendments and late data, is being prepared and will be available from your National Association.

CELIMO EXECUTIVE BOARD

The Board has met twice since the last issue of CQ News (once in Paris and the other in Stockholm just ahead of the Council Meeting). The topics on the agendas of these meetings included:

- The application for membership of CELIMO from the new Spanish Association for Machine Tool Importers (AIMHE);
- A possible new member from Denmark;
- The accounts for 2009, updating the budget for 2010 and the new budget for 2011;
- Planning for the Council meeting, including developing the themes for the discussion groups;
- Monitoring progress with the Eco-Design Directive and developing a response from CELIMO to the CECIMO Self-Regulation Initiative;
- Thinking about the possible use of video conferencing - Board members value the face-to-face contact of their meetings, but it might have a role for sub-groups or additional, single topic meetings;
- A system for rotating the venues for the Council meeting.

EXHIBITION DIARY

Here is a list of exhibitions still to happen in Europe during 2010; we have included web-links for those exhibitions which supported our Directory by taking an advert.

Austria: 05-08 Oct 2010, Vienna, INTERTOOL

Bulgaria: 27 Sept - 02 Oct 2010, Plovdiv, MACHINE BUILDING

Czech Republic: 13-17 Sept 2010, Brno, IMT

Estonia: 17-19 Nov 2010, Tallinn, INSTRUTEC

Finland: 13-16 April 2010, Helsinki, FINNTEC, www.finnexpo.fi

France: 22-26 March 2010, Paris, INDUSTRIE, www.industrie-expo.com

Germany: 21-23 April 2010, Karlsruhe, RESALE, www.resale-germany.com

Germany: 28 Sept - 02 Oct 2010, Stuttgart, AMB

Germany: 26-30 Oct 2010, Hannover, EUROBLECH

Italy: 18-21 Feb 2010, Bari, BI-MU MEDITERRANEA, www.bimu-mediterranea.it

Italy: 12-15 May 2010, Bologna, LAMIERA, www.lamiera.net

Italy: 05-09 Oct 2010, Milan, BI-MU / SFORTEC, www.bimu-sfortec.com

Poland: 13-15 Oct 2010, Krakow, EUROTOOL

Portugal: 10-13 Nov 2010, Porto, EMAF

Romania: 06-09 Oct 2010, Bucharest, TIB

Sweden: 19-22 Oct 2010, Stockholm, TEKNISKA MÄSSAN

Switzerland: 16-20 Nov 2010, Basel, PRODEX, www.prodex.ch

Turkey: 12-17 Oct 2010, Istanbul, TATEF, www.tatef.com

Turkey: 02-05 Dec 2010, Bursa, BURSA METAL PROCESSING TECHNOLOGIES FAIR

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