EU MARKET SURVEY

Hand tools and power tools

Compiled for CBI by:

IPL Consultants B.V.

December 2003

Photo courtesy of: Besttools.com

Update of EU Market Survey 'Hand tools and power tools' (september 1998)

Table of Contents
EU Market Survey
--annual update--

REPORT SUMMARY

This survey profiles the EU market for hand tools and power tools. The emphasis of the survey lies on those products which are of importance to developing country suppliers. The major national markets within the EU for those products are highlighted. In addition, statistical market information on consumption, production and trade plus information on trade structure and prices and margins is provided.

Product groups
The products dealt with by this market survey are divided into 11 product groups:

Hand tools:
1. Spades, mattocks, picks, forks, axes, etc.
2. Hand saws
3. Files, rasps and pliers
4. Hand-operated spanners and wrenches
5. Hand tools
6. Sets of two or more tools
7. Interchangeable tools for hand tools
8. Knives and cutting blades
9. Plates, sticks and tips

Power tools:
10. Electrical tools
11. Pneumatic tools

Hand tools are all types of non-powered tools designed for use by professionals as well as in Do-It-Yourself (DIY) projects, such as woodworking, general maintenance, building, mechanics and gardening. **Power tools** are hand-held tools, generally powered by an electric motor either directly from the mains, or from mains-rechargeable batteries. These include drills, saws, sanders and other specialist tools such as hot air guns (for drying, stripping) and routers (for cutting grooves). The growth in cordless tools is rapid.

Industrial demand
Generally speaking, the product groups are applied in the following market segments:
- Households (DIY);
- Professionals (e.g. carpenters, plumbers).

After steady growth in the last few years, the European **hand tools** market in 2001 showed a decline of 3 percent to € 7.5 billion. The European **power tool market** (professional and DIY, portable and non-portable) was worth € 5.2 billion in 2002 (source: Freedonia group). This market is expected to grow by 5 to 6 percent per year up to 2007. Accelerating global economic growth will stimulate construction and consumer spending activity, which are two major determinants of power tool demand. Gains for power tools in a mature market such as Western Europe will be below global average. Advances will here primarily be supported by replacement demand as users both replace broken equipment and trade up newer models.
Electric tools (plug-in and cordless) dominate the world demand, compromising nearly three-quarters of power tool sales in 2002. Electric tools (most notably hand drills) are expected to remain the leading type of power tool, due to their frequent use in both consumer and professional applications.

In Europe, especially in the DIY market segment, there is an aggressive pricing strategy of no-name products. Mainly Chinese companies are developing this market with unbranded products that are prized 25 to 50 percent lower than European product. The market is controlled by a limited number of companies offering a wide range of products. Important players are Atlas Copco, Bosch, Bahco and Belzer. Developing country exporters must recognise these companies and cope with their power. Electrical tools (tools for DIY, in-house and garden) are of special interest for developing country exporters. The quick price erosion offers possibilities for developing country suppliers, as they are more capable of meeting the

price demands. However, also these suppliers should comply with legal product standards, processes should be according to ISO and company management must be innovative and recognise trends.
When all consumption, import and export data on EU and country level are take in at a glance, the following summary for hand tools and power tools emerges.

Table 1 Consumption, import and export data of hand tools and power tools in the EU, 2001 EUR million

		EU	Germany	United Kingdom	France	Belgium	Netherlands
Consumption	total	12700	3150	1250	1210	950	600
	hand tools	7500	1900	680	900		208
	power tools	5200	1250	570	310		392
Imports		7544	1611	995	866	1034	746
Exports		6436	2140	711	367	804	732

source: Eurostat, Freedonia, GfK, several tool manufacturers, IPL (2003)

The consumption for France and Belgium are estimates.

Production
The hand tool market is characterised by more than 1,000 suppliers world-wide, most of whom operate only on a regional basis. Only a few of them achieve a world market share of more than 5 percent. With more than 10 percent, Bosch is the leading supplier world-wide. The German hand tool production, being the most important in Europe, decreased by about 6 percent in 2002 to € 2.7 million. The production level was then back on the level of 1999. German manufacturers suffer from high wages in their country, which threatens their competitive position. Many manufacturers relocate their production to the Far East and Latin America. Here lie opportunities for developing country exporters.

Imports
Total EU imports of hand tools and power tools amounted to more than € 7.5 billion in 2001, 40.6 percent being imported from countries outside the European Union. Between the years 1999 and 2001 total imports increased by almost 14 percent. However, 2001 imports were 5.2 percent lower than in 2000. Electric tools are a major part of the imports with a value of € 3.4 billion.
Only Germany and Italy of the selected EU countries had a continuous growth of total imports in 2001 with about 1 percent. The other countries showed a decrease in imports (Belgium showed the highest decrease: -22 percent!). Of the EU members, Germany was the country with the highest value of imports - 21 percent of all imports. Belgium was second with nearly 14 percent. Belgium and the Netherlands (and to a lesser degree also Germany) have an important function (because of their seaports) in the transhipment and transit of goods. This partly determines the high import (and export) levels of those countries.
Imports from developing countries were € 1.08 billion in 2001 and represented 14.3 percent of total imports. They decreased by 0.7 percent in 2001 compared with 2000. The loss was determined by the electrical tools, which decreased by about € 40 million (only interchangeable tools decreased too). Imports from developing countries grew by 47.6 percent comparing 2001 with 1999 (extra-EU imports grew by 30 percent in the same period). Developing countries have a solid market share in hand tools and power tools and are still gaining in importance as suppliers.
On a European level, electrical tools remain by far the most important product group for developing country exporters, with a value of nearly € 780 million. This is in line with the trend of ongoing growth in sales of cordless tools and the high level in sales of power tools. Plates, sticks and tips (machine tools) is the other important product group with a value of € 1,839 million (and a volume of 14,537 metric tonnes), being the second largest product group within the total imports. In contrast, spades, mattocks, picks, forks,

axes, etc. accounted for just € 109.8 million, but for a volume of 28,561 tonnes. In percentages, the total imports are divided over the product groups as follows:

Product group	% value of total imports
Electro-mechanical tools	45.3
Plates, sticks and tips	24.5
Pneumatic tools	5.9
Sets of two or more tools	5.2
Interchangeable tools for hand tools	4.7
Hand-operated spanners and wrenches	4.6
Knives and cutting blades	3.1
Hand saws	2.1
Files, raps and pliers	1.5
Hand tools	1.5
Spades, mattocks, picks, forks, axes, etc.	1.5

The most important suppliers of hand tools and power tools to the European Union are Germany, China, Belgium, the Netherlands and the USA. Together they supplied 50 percent of the total imports value in 2001.

Exports
Total EU exports of hand tools and power tools amounted to € 6,436 million in 2001. The leading European exporters were Germany, Belgium, the Netherlands, the United Kingdom and Sweden. Together these countries represented 77 percent of European exports of hand tools and power tools world-wide. EU exports of hand tools and power tools were mainly destined for other European countries. The leading destinations outside Europe were the United States, Singapore, Japan, Brazil and China.

Opportunities for exporters in developing countries
Exporters in developing countries hold a relatively strong position for spades, sets of tools, files, hand tools and spanners, with a share between 15 and 26 percent of total imports.
Plates also appear to offer opportunities. Their share in extra-EU imports is low, but plates is the largest product group in terms of value of total EU imports.

Best chances for developing country exporters are in:
- Private label delivery: your product delivered under the name of a EU company.
- Delivery of components or complete products to companies with a strong market position (industrial subcontracting.)

The following box helps to specify your supply and presents the basic prerequisites per product type for dealing with Europe.

Market	Products	Basic requirements	Organisation
Professional	Plates Saws (circular) Files and cutters Drilling and tapping tools Tools for metal working Cutting blades Electro mechanical and pneumatic professional tools.	High quality Low cost of ownership Quick service Good availability Ergonomics	Technical support available for users. Close market contact. Good service organisation. Sales and marketing staff
DIY	Spades and shovels Saws (hand) Files Sets of tools Electro-mechanical tools for home improvement	Low purchasing cost Average quality Versatility Safety Consumer-friendly outlook (packaging)	Sales and marketing staff. Customer-friendly response.

INTRODUCTION

This CBI survey is divided into two sections: EU Market Information and Market Access Requirements (Part A) and Export Marketing Guidelines (Part B).

<table>
<tr><th colspan="2">Market Survey</th></tr>
<tr><th colspan="2">Part A
EU Market Information and Market Access Requirements</th></tr>
<tr><td>EU Market Information (Chapters 1-8)
Product characteristics
Introduction to the EU market
Consumption and production
Imports and exports
Trade structure
Prices</td><td>EU Market Access Requirements (Chapter 9)
Quality and grading standards
Environmental, social and health & safety issues
Packaging, marking and labelling
Tariffs and quotas</td></tr>
<tr><th colspan="2">Part B
Export Marketing Guidelines: Analysis and Strategy</th></tr>
<tr><td>External Analysis (market audit)
(Chapter10)
Opportunities & Threats</td><td>Internal analysis (company audit)
(Chapter 11)
Strengths & Weaknesses</td></tr>
<tr><td colspan="2">Decision Making
(Chapter 12)

SWOT and situation analysis
Target markets and segments
Positioning and improving competitiveness
Suitable trade channels and business partners
Critical conditions and success factors (other than mentioned)</td></tr>
<tr><td colspan="2">Export Marketing
(Chapter 13)

Matching products and product range
Building up a trade relationship
Drawing up an offer
Handling the contract
Sales promotion</td></tr>
</table>

Chapters 1 to 8 (part of Part A) profile the EU market for hand tools and power tools. The emphasis of the survey lies on those products that are of importance to developing country suppliers. The major national markets within the EU for those products are highlighted. The survey includes contact details of trade associations and other relevant organisations. It also provides statistical market information on consumption, production and trade, and information on trade structure and opportunities for exporters. Chapter 9 (second part of Part A) describes the requirements that must be met in order to gain market access for the product sector concerned. In addition, it is of vital importance that exporters comply with the requirements of the EU market in terms of product quality, packaging, labelling and social, health & safety and environmental standards.

Having read Part A, it is important for an exporter to analyse the target markets, sales channels and potential customers in order to formulate marketing and product strategies. Part B then aims to assist (potential) exporters in developing countries in their export-decision-making process.

Having assessed the external (Chapter 10) and internal environment (Chapter 11), the (potential) exporter should be able to determine whether there are interesting export markets for his company.
By matching external opportunities and internal capabilities, the exporter should be able to identify suitable target countries, market segments and target product(s) within those countries, and possible trade channels via which to export the selected products (Chapter 12).

Chapter 13 then outlines which marketing tools can be used to build up successful business relationships.

The survey is interesting for starting exporters as well as for exporters already engaged in exporting (to the EU market). Part B is of particular interest to more experienced exporters starting to export to the EU and exporters looking for new EU markets, sales channels or customers. Starting exporters are advised to read this publication together with the CBI's Export Planner, a systematic guide to setting up export activities.

PART A EU MARKET INFORMATION AND MARKET ACCESS REQUIREMENTS

1 PRODUCT CHARACTERISTICS

1.1 Product groups

The products dealt with by this market survey consist of two main groups: hand tools and power tools. A division is made into eleven product groups:

Hand tools:

1. Spades, mattocks, picks, forks, axes, etc.
2. Hand saws
3. Files, rasps and pliers
4. Hand-operated spanners and wrenches
5. Hand tools
6. Sets of two or more tools
7. Interchangeable tools for hand tools
8. Knives and cutting blades
9. Plates, sticks and tips

Power tools:

10. Pneumatic tools
11. Electric tools (drills, saws, etc.)

Generally speaking, the product groups are applied in the following market segments:

- Households (DIY);
- Professionals (e.g. carpenters, plumbers).

Hand tools are all types of non-powered tools designed for use by professionals as well as in Do-It-Yourself (DIY) projects, such as woodworking, general maintenance, building, mechanics and gardening. Power tools are hand-held tools, generally powered by an electric motor either directly from the mains, or from mains-rechargeable batteries. These include drills, saws, sanders and other specialist tools such as hot air guns (for drying, stripping) and routers (for cutting grooves). Power tools are called portable and/or cordless if they are powered by a battery or accu. Non-portable power tools must be plugged into an electrical outlet.

1.2 Customs/statistical product classification

On January 1, 1988 a unified coding system was introduced to harmonise the trading classification systems used world-wide and to allow for improved international comparability of foreign trade statistics. This Harmonised System (HS), is based on an 8-digit product classification. The HS codes have a logical structure. The first two digits of the code denote the main group, all following digits provide further detail. Table1.1 lists all the HS codes used in this survey. Though this list covers almost all products falling in the various categories, it is impossible, within the scope of this survey, to include all hand tools and power tools available on the various markets. It should also be taken into account that part of this report relies on third-party data sources and analysis. It is not, therefore, always possible to check exactly which product groups have been used by these sources. Though generally valid, the data in this report should not be regarded as absolutely accurate and should therefore be verified for specific product groups before planning to enter a market.

Table 1.1 HS code classification of hand tools and power tools

Hand tools		
	8201	spades, mattocks, picks, hoes, forks, axes, etc.
	8202	hand saws
	8203	files, rasps and pliers
	8204	hand-operated spanners and wrenches
	8205, 8210	hand tools
	8206	sets of two or more tools
	8207	interchangeable tools for hand tools
	8208	knives and cutting blades
	8209	plates, sticks and tips
Power tools		
	8467	pneumatic tools and tools with non-electric motor
	8508	electric tools

2 INTRODUCTION TO THE EU MARKET

The European Union (EU) is the current name for the former European Community. Since 1 January 1995 the EU has consisted of 15 member states. Ten new countries are joining the European Union in May 2004. Negotiations are in progress with a number of other candidate member states.

In 2002, the size of the EU population totalled 379.4 million and the average GDP per capita amounted to approximately € 21,023.

OVERVIEW 15 EU COUNTRIES, 2002	
Population	379.4 million
Area	31,443,000 km^2
Density	83 people per km^2
Languages	15 (excl. dialects)
GDP/capita	€ 21,023
Currencies	€, UK£, DKr., SKr.
Exchange	€ 1 = US$ 0.96

POPULATION AND GDP OF SELECTED EU COUNTRIES, 2002

Countries/category	Population	Age 15-64	GDP (€ billion)
Germany	83.3 million	68%	2,206
France	59.8 million	65%	1,556
UK	59.8 million	66%	1,485
Italy	57.7 million	67%	1,416
The Netherlands	16.0 million	68%	417
Belgium	10.3 million	65%	263

Source: The World Factbook 2002

The euro exchange rate against the US dollar changed rapidly in 2002. The exchange rate was 0.88 in the beginning of 2002 and 1.01 at the end of 2002 (1.16 in May 2003, 1.27 in February 2004). In this report we have used an exchange rate of 0.96 (mid 2002).

Within Western Europe – i.e. the 15 EU member countries plus Iceland, Liechtenstein, Norway and Switzerland – more than 20 million enterprises are active. Small and medium-sized enterprises (SMEs) account for the lion's share. In 2000, the average turnover per enterprise of SMEs and large enterprises amounted to € 600 thousand and € 255 million respectively.

EU Harmonisation
The most important aspect of the process of unification (of the former EC countries) affecting trade is the harmonisation of rules in the EU countries. Since the unification allows free movement of capital, goods, services and people, the internal borders have been removed. Goods produced or imported into one member state can be moved around between the other member states without restrictions. A precondition for this free movement is uniformity in the rules and regulations governing locally produced or imported products. Although the European Union is already a fact, not all the regulations have yet been harmonised. Work is still in progress in the fields of environmental pollution, health, safety, quality and education. For more information about harmonisation of the regulations visit AccessGuide, CBI's database on non-tariff trade barriers at www.cbi.nl/accessguide

Monetary unit: euro
On 1 January 1999, the euro became the legal currency within twelve EU member states: Austria, Belgium, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, The Netherlands, Spain, and Portugal. In 2002 circulation of euro coins and banknotes replaced national currency in these countries. Denmark, United Kingdom and Sweden have decided not to participate in the euro.

The most recent Eurostat trade statistics quoted in this survey are from 2003 (with official Eurostat statistics up to 2001). In this market survey, the euro (€) is used as the basic currency unit to indicate value.

Trade figures quoted in this survey must be interpreted and used with extreme caution. Primarily, the data is expressed in dollars and than translated into euros. The volatility of the dollar against the euro results in statistical data in euros which will not be very accurate. The collection of data relating to trade flows has become more difficult since the establishment of the single market on 1 January 1993. Until that date,

trade was registered by means of compulsory Customs procedures at border crossings, but, since the removal of the intra-EU borders, this is no longer the case. Statistical bodies like Eurostat can no longer depend on the automatic generation of trade figures. In the case of intra-EU trade, statistical reporting is only compulsory for exporting and importing firms whose trade exceeds a certain annual value. The threshold varies considerably from country to country, but it is typically about € 100,000. As a consequence, although figures for trade between the EU and the rest of the world are accurately represented, trade within the EU tends to be underestimated.

In addition, it should be noted that the information used in this market survey is obtained from a variety of different sources. Extreme care must therefore be taken in the qualitative use and interpretation of quantitative data, both in the summary and throughout the text, as well as in drawing comparisons between different EU countries with regard to market approach, distribution structure, etc.

For more information on the EU market, please refer to the CBI's manual Exporting to the European Union.

This survey focuses on the six major EU markets for hand tools and power tools. They are Germany, Belgium, the United Kingdom, The Netherlands, Italy and France. These EU member countries are highlighted because of their relative importance in terms of industrial demand, production, imports and exports.

3 CONSUMPTION

The consumption is defined as the value (and sometimes also the volume) of hand tools and power tools that is bought by each of the specified type of industry. There are two significant market segments (especially treated in 3.2):
1. Households (DIY)
2. Professionals

In the next section the consumption will be treated, on EU and on selected EU-country level. Where possible, the consumption is presented for the different product groups as defined in chapter 1. Those product groups are categorised into three master groups:
- Hand tools
- Power tools (most important group: electrically driven tools, but also pneumatic tools)

Each master group contains a number of related product groups.

3.1 Market size

The European Union market

When all available consumption data on EU and country level are take in at a glance, the following summary for hand tools and power tools emerges.

Table 3.1 Consumption of hand and power tools in the EU, 2001, € million

		EU	Germany	United Kingdom	France	Belgium	Netherlands
Consumption	total	12700	3150	1250	1210	950	600
	hand tools	7500	1900	680	900		208
	power tools	5200	1250	570	310		392
Imports		7544	1611	995	866	1034	746
Exports		6436	2140	711	367	804	732

source: Eurostat, Freedonia, GfK, several tool manufacturers, IPL (2003)

The consumption for France and Belgium are estimated. Italy is not included because of the lack of statistical information for hand and power tools.

After steady growth in the last few years, the EU hand tools market in 2001 showed a decline of 3 percent to € 7.5 billion. The EU power tool market was worth € 5.2 billion in 2001.

The European **power tool market** (professional and DIY, portable (cordless) and non-portable (plug-in) was worth € 5.98 billion in 2002 (source: Freedonia group). The European market will show only limited growth whereas the world-wide market is expected to grow by 5 to 6 percent per year up to 2007. Advances in the European market will primarily be supported by replacement demand as users both replace broken equipment and trade up newer models.
Electric tools (plug-in and cordless) dominate the world demand, compromising nearly three-fourths of power tool sales in 2002. Electric tools (most notably hand drills) are expected to remain the leading type of power tool, due to their frequent use in both consumer and professional applications. Pneumatic tools account for about 17 percent of power tool sales.

The European market in **electrically-powered garden tools** (an important part of the power tool market) grew by only 1.6 percent in 2002, with total sales of nearly 1.1 billion euro. The most important individual markets remain Germany, the United Kingdom and France.

Table 3.2 Consumption of electrical garden tools in the EU, 2002

	market share 2002	growth 2002-2001
Germany	26	-2%
United Kingdom	26	5%
France	13	-5%
Other European countries	25	1%
Eastern Europe	10	45%

source: Bosch (2003)

Germany

The German industry showed only small growth in 2003, but there are now some signs of an economic revival. European manufacturers assume that the construction industry at least will be equal in 2004 and the consumer behaviour will be positive. A positive turnaround could then be achieved in the market for hand tools and power tools in 2004.

The market for hand tools was rather stable in 2000 and 2001, but fell sharply in 2002 by 19 percent to € 1,566 million. The low consumer and industry confidence resulted in diminished sales of products. In 1996 the market was still € 2,500 million, which means that this market is clearly not a growth market.

Table 3.3 Consumption of hand tools in Germany, 2000-2002, € million

	2000	2001	2002
Estimated consumption	1,989	1,926	1,566

The market volume for simple hand tools dropped by about one percent to € 840 million in 2001.

The consumption of **power tools** in 2001 reached a value of € 1,250 million. The volume of the German market for **portable power tools** suffered a setback of 8 percent, thus reaching 580 million euro in 2002. The total number of units sold, on the other hand, increased by two percent (to 12 million units). In 2003, GfK observed a decrease in volume and value in the in total still declining power tools market, although there were some different developments for the various products. Cumulated over the past eight months of 2003, the GfK panel market for power tools in total shows a 12 percent decline in turnover whereas total volume still managed to grow slightly by 1 percent. Whereas numerous product groups are encumbered with a two-digit minus, some product groups did have a two-digit growth (like hedge shears). However, and unpleasant for the industry, not only was volume declining (for some products) but average turnovers were also diminishing (for most products).

Table 3.4 Consumption of power tools in Germany, 2003, value and volume (compared with the same period in 2002)

	jan-august 2003	
	value	volume
Circular hand saws	-20%	-20%
Jig saws	-16%	1%
All purpose saws		-14%
Sabre saws	-5%	level 2001
Total power tools	-12%	1%

Source: GfK Germany (2003)

Comparably well off were **circular handsaws**, which registered a volume loss of no more than 2 percent in 2002. In value, however, they already lost 12 percent. In the current reporting period alone (first half year of 2003), this product group has been losing one-fifth in both value and volume. Almost 500,000 sold **jig saws** represents a thin 1 percent increase. Turnover, by contrast, shrank by 16 percent. While the strongest turnover segment with orbital action repeatedly added 2 percent, the segment of machines with automatic control but without orbital action in particular lost 7 percent of volume despite earlier growth. In the product group of **special saws,** particularly all purpose saws, met a weaker demand. There, sales fell by 14 percent. Sabre saws were able to recover their former volume but lost 5 percent in terms of value.

United Kingdom

The market for **hand tools, hardware and houseware** was € 780 million in 2002, according to AMA. The sales in pliers increased by 1.2 percent. On the contrary, the market for saws shrank by 3.4 percent, whereas the market for hammers was constant.

The **total market for power tools** (consumer and professional) in the United Kingdom generated new growth impulses and reached a currency neutral volume of 576 million euro in the year 2002, which corresponds to a two percent increase.
In 2000, the **consumer market for power tools** (DIY) was worth about € 203 million at retail selling prices. Accessories contributed a further € 51.5 million. In 2001 a more modest growth is seen than in recent years. The market for 2001 was about € 213 million and accessories were on the same level as in 2000. Growth has been strongest in cordless tools and innovative products, such as multisanders. The market was affected by the general level of spending in DIY, which was strong up to 2002, owing to the growth in the housing market and the popularity of television programmes focusing on DIY and interior design.

The **gardening tools market** in the United Kingdom grew by 6 percent in 2002 – an above-average growth rate. According to Gfk, the market value for lawn mowers was € 201.5 million in 2002 (which is a growth of 11.5 percent when compared with 2001; in units: 1.7 million, + 14.2 percent). European manufacturers are not counting on a repeat of this in 2003. The forecast for this market is a slight fall in sales, although the total garden market will increase again.

France

The total consumption of means for do-it-yourself activities was € 14.8 billion and for gardening activities € 5.75 billion in 2001. The demand for (hand and power) tools was estimated at 5.5 percent or € 900 million of the DIY shop sales in 2001 (worth € 16,3 billion). The leading DIY companies in France are: Castorama, Leroy Merlin and Bricomarché.
The professional consumption of hand and power tools is estimated at around 30 percent of the DIY sales, being about € 310 million. This means a total consumption of hand and power tools of € 1,210 million.

Consumption of power tools in France stagnated at a level of about 310 million Euro in 2002. France thus continues to hold the third position of the power tool markets in Europe. However, the consumption has only grown by about € 60 million since 1996 (or 24 percent) which means roughly 3 percent growth per year.

The electrical garden tool market in France in 2002 was slightly in recession. The indications for this year are a further slight growth in sales.

Belgium

The total hand and power tool market in Belgium (60 percent via DIY and 40 percent via professional channel) was about € 950 million in 2000. DIY hand and power tools sales were 30 percent or € 570 million of total DIY sales of € 1,920 million in 2000. The consumption of hand and power tools via the professional channel is € 380 million.

The Belgians are particularly enthusiastic DIY practitioners, spending much on DIY goods per head. This is reflected by the presence of an above-average number of specialist DIY stores per head of the population.

The Belgian market for hand and power tools is sophisticated and extremely competitive, with most major brands strongly represented locally. The Belgian public places a strong emphasis on quality, innovative products and service. Brand awareness and image are also major marketing factors.

Italy

Unfortunately, no specific data and information were available about the Italian consumption, both DIY and professional, of hand and power tools. Instead the overall Italian economic situation is treated.
In Italy, as in the rest of continental Europe, clear signs of recovery in economic activity are not yet visible. In fact, just the opposite is occurring: in the second quarter of 2003, the second negative figure for GDP growth was recorded (-0.4 percent, on an annualised basis), which has led some analysts to speak of a "technical recession." The fact that neither business nor consumer confidence is showing any sign of awakening is not comforting. Business expectations regarding the level of production for the next 3 to 4 months are not optimistic either and household consumption is still influenced by a significant differential between perceived and effective inflation.
The Italian market for power tools merely stagnated in 2002.

Power tool usage in Italy is at present not as high as in other EU countries. Multinationals like Black & Decker and Bosch have a strong position.

The Netherlands

The market for hand tools has shown a steady growth the last three years, reaching a value of € 229 million in 2002 (see Table 3.5). The expectations for hand tools for 2003 are an increase of the consumption by 1 percent, reaching a value of about € 231 million.

Table 3.5 Estimated consumption of hand tools in the Netherlands, 1999-2002, € million

	1999	2000	2001	2002
Total hand tools	192	206	208	229

Source: FME/CBS (2003)

The Dutch power tool market for 2003 is estimated at € 400 million.
In the period January to May 2003, power tools sales increased 12 percent in volume in DIY superstores, but the turnover remained stable due the continuous decrease in the average price. This is of concern to suppliers of power tools!
As usual in the Dutch retail trade, the **price** is the most important teaser to attract consumers in the shops. The success of the DIY market in general has also caused supermarkets like Aldi and Albert Heijn and drugstores like Kruidvat to sell DIY products, although this still occurs only incidentally. The products they mainly choose are power tools and garden power tools. The DIY superstores are fighting off these

attacks with a continuous flow of price promotions.

Electrical tools (for DIY, in-house and garden) are of particular interest for developing country exporters. The quick price erosion offers possibilities for developing country suppliers, as they are more capable of meeting the price demands. However, these suppliers should also be innovative and recognise trends.

3.2 Market segmentation in Europe

Households, DIY
The household penetration is high at least for the basic types of tools: hammers, screwdrivers, saws, pliers, spanners and power tools like drills. At least 90 percent of households own such tools. The increase in the number of households contributes to the growth of this market: even reluctant DIYers need some basic household tools and the rise of DIY generally has helped the market to expand. In terms of market value, the trade share of sales is even higher than in terms of units, because professionals generally need tools of superior quality, complexity or durability, or all three, although the trend of the DIYer requiring the same superior tools as the professional is rapidly increasing. This applies to both hand and power tools.

The total DIY market in Europe was € 115.8 billion in 2001. Germany, the United Kingdom and France are the most important markets. Together they form 66 percent of the total market. The next table presents the DIY sales for the selected countries in 2001 and 2002 and the growth percentage per country.

Table 3.6 DIY sales in Europe, 2001-2002, value (2002 compared with 2001)

	2001 value €	2002 value €	2002 versus 2001
Total	115.8		
Germany	38.4	35.8	-7%
United Kingdom	21.4	19.8	-7%
France	16.3	15.7	-4%
Italy	9.3	8.9	-4%
Benelux	7.3	6.3	-14%

source: DIY in Europe (2003)

The general trend, starting in the beginning of 2002 is clear diminishing sales growth rates in all countries, as a result of decreasing economic confidence of consumers and industrial users. This continued in 2003, with a stabilisation of the large-surface DIY markets in volume and value. However, Verdict expects that the DIY in Europe will have a strong recovery between 2004 and 2007, with an annual growth of 6.6 percent per year (versus 4.2 percent for whole retail). The low interest rate and a constant level of house movings kept the fall in demand for tools within limited borders. Rising standards of living will create opportunities in the consumer market, as will new product introductions. In future, house movings will have a less determining effect on DIY sales. Consumer focus will lie on home improvement and the desire to add value to their houses.
A very important selling point in the DIY market is price. There is also a tendency that DIY products are sold by low cost retailers (f.i. Aldi, Lidl); this affects the market of the traditional DIY chains.
The ongoing price fights with cheap products from the Far East have left their marks on the large-surface supermarket chains. The volume of power tools sold increased, however low-end products suffered a dramatic price deterioration. Brand products, on the other hand, despite the erosion in prices in the low-end market, succeeded in raising the average price.

Germany, the United Kingdom and France have the largest markets. They are of interest because of the volume potential. Low price setting and continuous price reductions are important for being and staying in business. The German DIY market was difficult due to slow economic growth, but DIY remains popular in Germany and the prospects for 2004 and further are well.

GfK reports, when looking back at the total turnover in the Dutch DIY market, that 2003 was the worst year in a long time in terms of decreasing growth: still growth, but at a declining rate. The total DIY market in the first five months of 2003 in the Netherlands grew just over 2 percent; for the Netherlands last year's growth rate was still 6 percent. Looking more closely at the market, the growth in the Netherlands comes currently only from the DIY Superstores. Increasingly, the turnover development of products has to rely on the Superstores. This results is an increase in sales volume, but does not bring much turnover growth due to sharp price-cuts; this is a real European trend amongst superstores.

Electrical tools are of interest for developing country suppliers. They should be capable of supplying large volumes against sharp prices. Tools should bear the CE-mark (preferably also TüV or GS) and production processes should be implemented according to ISO-norms (constant quality).

Professionals
The professional market has stabilised in recent years. The volume has increased, but the prices have fallen. The result is a minimal growth in total demand (in terms of value, €). Developing country exporters have opportunities in this channel with sales of private label products (via Zevij for example) or as suppliers of intermediate goods to the important product companies like Bahco, Belzer, Lindström).

The professional users accounted for over 70 percent of the world power tool market in 2002, due to their use of a greater variety of more expensive tools compared to consumers. The professional market in Western Europe for power tools in 2002 was about € 3.6 billion (source: Freedonia group). The professional market will remain dominant due to the rising levels of capital investment globally, which will boost construction expenditures.

3.3 Consumption patterns and trends

Price sensitivity
In Europe especially in the DIY market segment there is a continuing and aggressive pricing strategy of no-name products. Mainly Chinese companies are developing this market with unbranded products that are prized 25 to 50 percent lower than European product. In reaction to the no-name products, premium brands and brands (like Black & Decker, Bahco) nowadays also offer low positioned products with a good price/performance ratio. However, the DIY market in particular is buying more and more mainly Chinese products in the no-name category.

Supply chain dynamics
European manufacturers are continuously improving the delivery service from the manufacturer to the customer (delivery time reduction, delivery reliability improvement). A central warehouse for this purpose is located right at the centre of the demand.

Rationalisation
A trend is seen in pan-European operating conglomerates in DIY. An example is Kingfisher in the United Kingdom, which has a relation with Castorama (France) and Hornbach (Germany). Their buying power towards suppliers thus being enlarged.

The market on the supply side is controlled by a limited number of companies offering a wide range of products. Important players are Atlas Copco, Bosch, Bahco, Black & Decker and Belzer. Developing country exporters must recognise these companies and cope with their power.

Product quality, design and safety
Being close to their customers on all continents is the basis for brand manufacturers for the development of new products and product optimisations. For this purpose, they have marketing and development centres in all regions of the world (Europe, America, Far East). This set-up ensures that development activities take regionally differing needs and requests of their customers fully into account.

Cordless
The growth in cordless tools is rapid. People are buying cordless drills before they need to replace their older cabled models. Manufacturers enlarge their range of cordless tools, which show an above average growth performance especially with the battery systems of 14.4 V and 24 V. Bosch for example is introducing the new generation of 2-kg rotary hammers, with longer service life, greater drilling performance and additional benefits as regards ergonomics and sturdiness.
Cordless models will continue to comprise a rising percentage of electric tools, as gains outpace the industry average.

Electronic measuring tools become increasingly important for craftsmen.

Service
Brand manufacturers are presenting goals to offer tailor-made solutions for their customers. Craftsmen obtain experienced advice on-site, specific training is offered to specialised retailers, DIY users look for answers to their questions and information is presented via leaflets and video presentations. A customer hotline via telephone or the worldwide web, the five-day repair service, the German DIY academy ("Deutsche Heimwerker-Akademie") and the Power Tools club ("EW-Bildungsclub") are other examples of service.

New legislation on warranty questions entered into effect on January 1, 2002. Brand manufacturers (like Bahco and Bosch) offers dealers and users this normal legal warranty that complies with the new law. It includes the free-of-charge repair of defects of a tool which, as demonstrated during the warranty period, are based upon defects in materials or workmanship. Basically, by issuing this warranty they assume the dealer's obligation versus the user.
The warranty period is 24 months. The warranty period for industrial or professional use or an equivalent usage of the tools was set at 12 months. A quick and workmanlike repair of defects is the prime objective.

European legislators are currently preparing a European directive on electronic scrap. A number of European manufacturers, however, have already implemented this concept with their recycling service. Customers simply return their worn-out power tools to their dealers who ensure a workmanlike disposal. An old power tool can be returned free of charge and without any obligation to buy a new one. This distinguishes them positively from the manufacturers and distributors of no-name devices who do not take environmental issues into account and do not offer a disposal system.

Environmental factors
The European tool industry is facing new challenges in terms of worldwide business globalisation, the ongoing development of the internal market and the invention and use of electronic business. Every single company, regardless of its size and importance in the market, should watch the movements in its business environment, in order to adjust structures and activities accordingly. Technologies, market situations and legal developments are today changing much faster than in the past.

4 PRODUCTION

The market for power tools has changed significantly during the last couple of years. The range of tools from simple DIY devices up to special-purpose machines for craftsmen has widened. At the same time entering this business has become easier, especially when it comes to simple tools; just think of the current attack by no-name products on branded products which takes place mainly in Europe. As numerous publications and tests have shown, the quality of the no-name products is inferior but it complies with the EU legislation. Lower prices at the cost of lower quality do not feature among the business objectives of the manufacturers of brands.

European manufacturers are in the process of concentrating their manufacturing capacities for entry-level machines at the most efficient locations within every region of the world. These locations are their answer to the pressure on prices exerted by no-name products. For example, expansion of manufacturing capacities is seen in Mexico, Eastern Europe (Hungary, Romania, Estonia) and China. The traditional locations will continue to manufacture all craftsmen's tools and highly powerful DIY tools. However, Chinese manufacturers are particularly very successful in the DIY market and still gaining market share!

Production information has been gathered at country level for the EU and the selected European countries. This production data will be presented per product group, where possible.

EU

Hand tools

The hand tool market is characterised by more than 1,000 suppliers worldwide, most of whom operate only on a regional basis. Only a few of them achieve a global market share of more than 5 percent. Bosch, with more than 10 percent, is the leading supplier worldwide.

It is difficult to obtain quantitative information about the manufacturing height of hand tools and power tools per country. The size of the manufacturing industry per country is therefore estimated. The production data can be derived from the demand, import and export data for the EU and the selected countries. Production size is the market demand in a year, minus the import plus the export. The table below summarises the estimated production data on EU and country level.

Table 4.1 Estimated production figures of hand and power tools in the EU, 2001, € million

	EU	Germany	United Kingdom	France	Belgium	Netherlands
Consumption	12700	3150	1250	1210	950	600
Imports	7544	1611	995	866	1034	746
Exports	6436	2140	711	367	804	732
Production	11592	3679	966	711	720	586

source: Freedonia, GfK, several tool manufacturers, IPL (2003)

Consumption data for France and Belgium are estimated. Italy is not included because of the lack of available dedicated information.
Germany, the United Kingdom and Belgium are in size the most important manufacturing nations for hand tools and power tools.

Germany

The German hand tool production decreased by about 6 percent in 2002. The production level was then back on the level of 1999. German manufacturers suffer from high wages in their country, which threatens

their competitive position. Many manufacturers relocate their production to the Far East and Latin America. Here lie opportunities for developing country exporters.

Table 4.2 German hand tool production, 1999-2002, € million

	1999	2000	2001	2002
Hand tools	2,709	2,911	2,887	2,711

Bosch: a major player in hand tools and power tools (example of a possible marketing strategy)

The total (worldwide) sales of power tools, accessories and gardening implements of the power tools division of Bosch amounted to € 2.9 billion. About two thirds of sales were generated in the core business of the division, hand-held power tools.

Bosch sells accessories under various brands. The emphasis for worldwide sales is on the Bosch brand, whereas Hawera is a regional brand targeting Europe. Bosch Blue offers a range of products for craftsmen. On the other hand, Bosch Green is focused on the needs of quality-minded DIY users in Europe. First-time users or price-conscious customers can buy the Skil brand which offers power tools in the lower price bracket. The Dremel brand features compact and handy multi-functional tools which can be used for almost all DIY purposes, similar to the famous Swiss jack-knife.

As of January 1, 2002, Bosch power tools division had 14,000 employees which included 3,000 German employees. Because of the severe price competition in Europe, Bosch is also looking for cheap production locations for making the lower end products. There are especially good opportunities for developing country manufacturers in Latin America, Eastern Europe and the Far East to become production plants for Bosch.

United Kingdom

Production of tools is losing importance. However, the production of hand tools is still large. The English trade association is directing its manufacturers towards focusing on Added Value in quality, innovation and brand strength. However, investments made by English tool manufacturers are on the lowest level since 1981. Research is competent in the United Kingdom, but its translation via engineering into new products is less well developed. Nevertheless this is necessary because of the rapid introduction of new product models and the fast price level deterioration of existing products. The result is decreasing production levels in the United Kingdom.

Positive exceptions are Stanley hand tools and Qualcast lawn movers. Stanley had increased sales (and as a result of it its domestic production) for pliers by 118.3 percent in 2002 (market + 1.2 percent), for saws by 7.8 percent (market: -3.4 percent) and hammers by 6.2 percent (market: constant).

Qualcast had a market share in electric mowers of 26.9 percent in 2002 (2001: 25.7) and in electric-rotary mowers of 37 percent. These shares make it one of the most important production companies in the United Kingdom.

France

The production of power tools has only a limited number of manufacturers, of which Peugeot is the only big French company. On the other hand, there are a lot of small French companies, producing hand tools. Black and Decker still remains a household name synonymous with quality but has encountered minor difficulties recently and now seems mainly concerned with competition from low cost rivals in the hand and power tools sectors.

Belgium

The production in Belgium of hand and power tools is diminishing. Production and employability are decreasing by about 5 percent per year.

Italy

Production of hand and power tools is not very large in Italy. Total production is estimated (by IPL) at € 280 million in 2002. It is based on the production level of € 210 million in 1996 (source: CBI's survey of hand tools and power tools, september 1998) and meanly 5 percent growth in production per year. Hand tools form roughly 75 percent of the production in Italy. Hand tools formed 75 percent of total production in 1996. Based on the slowly growing importance of power tools in Italy and the price fight also in Italy, this percentage might go down the next years.

The Netherlands

The most important manufacturers and suppliers (offering a wide palette of products) are:

Premium brand power tools:

- Bosch + Skil
- B&D + DeWalt

Brand power tools:

- Kinzo and Agojama
- Ferm and Toledo
- Einhell (production base in Germany)

Premium brand hand tools:

- Bahco (before: Sandvik)
- Stanley

Brand hand tools:

- Skandia

The total production of metal products (of which hand tools is only a very small part) was € 14,024 million in 2001 and € 13,908 million in 2002. The production of hand tools increased by 2 percent in 2002. The number of employees decreased by 3 percent and the order portfolio increased by 7 percent in 2002. The Netherlands has only a limited number of (independent) hand tool production companies, like Kinkelder (saw blades).

The total production of electro-technical instruments (of which power tools are a part) was € 17,677 million in 2001 and € 16,247 million in 2002. For power tools, The Netherlands does not have many (influential) production companies.

5 IMPORTS

5.1 Total imports

Total EU imports of hand tools and power tools amounted to more than € 7.5 billion in 2001, 40.6 percent being imported from countries outside the European Union. Between the years 1999 and 2001, total imports increased by almost 14 percent. However, 2001 imports were 5.2 percent lower than in 2000. Electric tools are a major part of the imports with a value of € 3.4 billion.
Only Germany and Italy of the selected EU countries had a continuous growth of total imports in 2001 of about 1 percent. The other countries showed a decrease in imports (Belgium showed the highest decrease: -22 percent!). Of the EU members, Germany was the country with the highest value of imports - 21 percent of all imports. Belgium was second with nearly 14 percent.
Imports from developing countries were € 1.08 billion in 2001 and represented 14.3 percent of total imports. They decreased by 0.7 percent in 2001 compared with 2000. The loss was determined by the electrical tools which decreased by about € 40 million (only the product group interchangeable tools also decreased). Electric tools remain by far the most important product group for developing country exporters, with a value of nearly € 780 million. Imports from developing countries grew by 47.6 percent comparing 2001 with 1999 (extra-EU imports grew by 30 percent in the same period). Developing countries have a solid market share in hand tools and power tools and are still gaining in importance as suppliers.

Table 5.1 TOTAL EU imports of hand tools and power tools by EU country, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
EU	6,621,200	528,628	7,959,896	600,249	7,544,215	698,652
Germany	1,344,990	100,698	1,595,234	122,691	1,611,647	126,030
Belgium	850,893	42,639	1,329,675	64,723	1,033,938	140,181
United Kingdom	915,881	125,344	1,045,761	112,328	995,316	149,023
France	812,275	60,948	902,492	73,621	866,573	67,949
Netherlands	740,638	56,957	808,089	56,321	746,410	48,707
Italy	632,650	40,206	726,104	43,956	731,362	43,908
Spain	328,954	28,259	411,634	38,252	392,944	41,278
Sweden	281,849	16,741	312,869	18,216	310,593	17,706
Austria	221,111	13,999	258,842	15,601	287,766	17,387
Denmark	139,212	9,626	171,662	12,215	154,984	12,083
Finland	106,089	9,313	114,167	9,055	115,914	8,667
Ireland	69,402	5,823	86,563	6,607	90,038	6,677
Portugal	84,544	10,014	93,419	9,770	85,124	8,372
Greece	62,880	6,500	71,565	15,235	83,343	9,175
Luxembourg	29,828	1,561	31,837	1,658	38,262	1,509

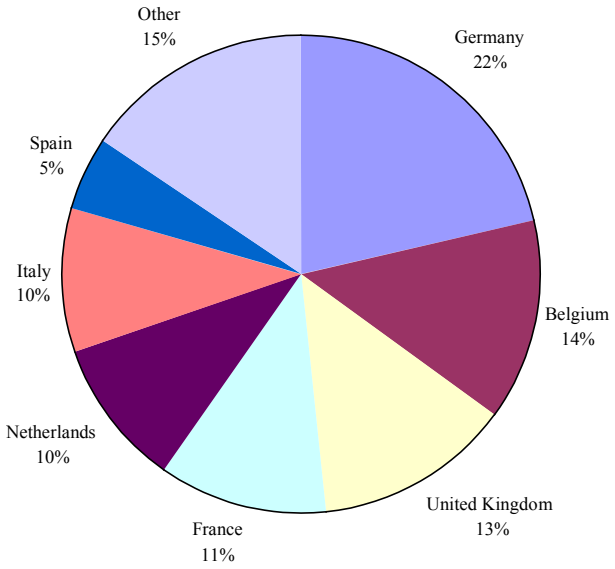
Source: Eurostat (2003)

Extra-EU imports of hand tools and power tools amounted to € 1,667 million in 2001. This represented an increase of 5 percent over the 2000 figures (and 29.8 percent compared with 1999). Extra-EU imports are also growing faster than total imports, but not so fast as imports from developing countries.

Figure 5.1 shows the importance of Germany with regard to total imports of hand and power tools. Other significant countries are Belgium, the United Kingdom, France and the Netherlands. Belgium, Germany and Italy showed the largest growth in total imports between 1999 and 2001, with percentages between 15 and 21 percent. However, in 2001 the total Belgian imports shrank by 23 percent, indicating that 2000 had been a very good economic year for Belgium and that the recession clearly started already in 2001.

Belgium and the Netherlands (and to a lesser degree also Germany) have an important function (because of their seaports) in the transhipment and transit of goods. This partly determines the high import (and export) levels of those countries. Because of the global recession that started in 2001, Belgium and the Netherlands had lower import levels in 2001. The other selected counties, apart from Germany and Italy, also had diminished total imports, but the fall was single digit. The recession in the other countries started only in 2002, but was also sharper. Between the years 1999 and 2001 the relative importance of Belgium (growth in percentage of value of total imports from 12.9 to 13.7 percent; 16.7 percent in 2000!) and Germany (20 to 21 percent) increased. Italy showed a very slight growth in relative importance whereas France (from 12.3 to 11.5 percent), the Netherlands (form 11.2 to 9.9 percent) and the United Kingdom (from 13.8 to 13.2 percent) decreased in relative importance.

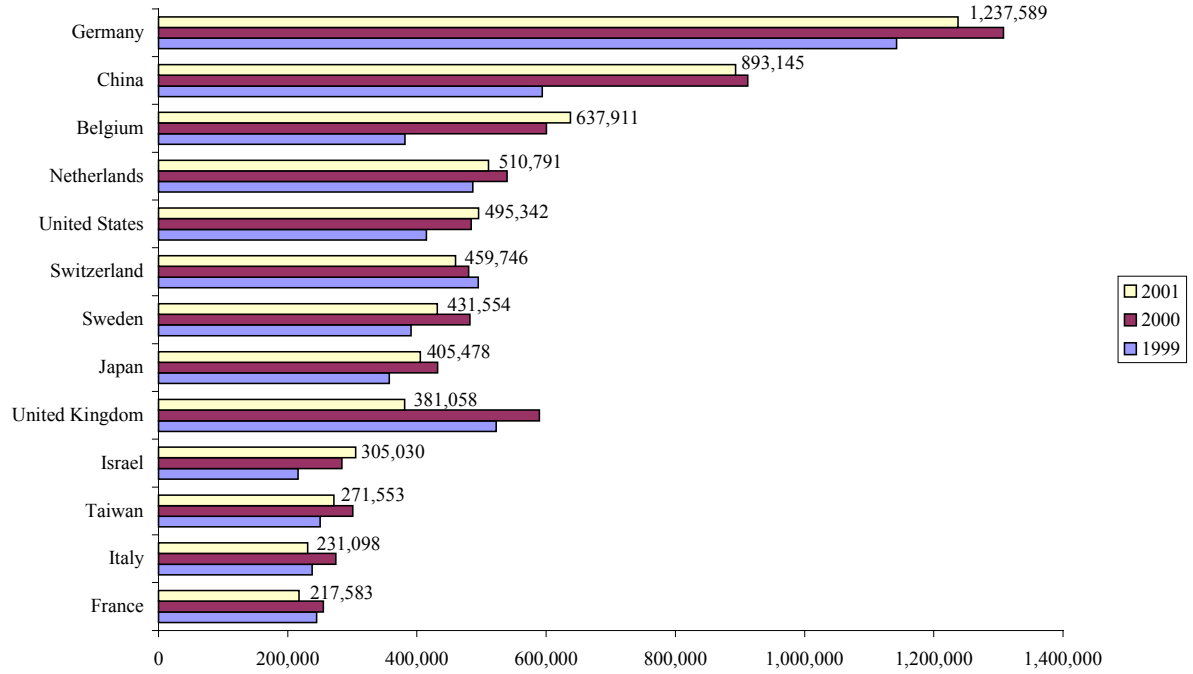
Figure 5.1 Total EU imports of hand tools and power tools by major EU countries, 2001, percentage of total value



Source: Eurostat (2003)

Germany was also the main supplier of hand tools and power tools to other member states in 2001, accounting for € 1237.6 million or more than 16 percent of total imports into the EU. Alongside Germany, other important suppliers to Europe are China and Belgium. Together they supply 37 percent of the hand tools and power tools to the EU. Only Belgium, the USA and Israel are constantly increasing their supply of hand and power tools to Europe. China also felt the results of the economic recession in Europe and exported less electric tools to the EU in 2001 (resulting in decreasing total EU imports from China in 2001, when compared with 2000). The Netherlands, the United States, Switzerland, Sweden , Japan and the United Kingdom form the middle group. The United Kingdom lost an import share. Their total exports did not fall as much as their exports to the EU. Their exports have partly shifted from the EU to other countries (USA). To some extent, this accentuates the losing position of production in the United Kingdom. Companies are currently relocating their production sites to low-wage countries. This presents opportunities for developing countries to increase their production for EU companies (and especially for companies with headquarters in the United Kingdom, but also in the Netherlands).
France, Italy, Taiwan and Israel form the rest group, with especially Israel showing stable growth.

Figure 5.2 The leading suppliers of hand tools and power tools to the EU, 1999 – 2001, € 1,000



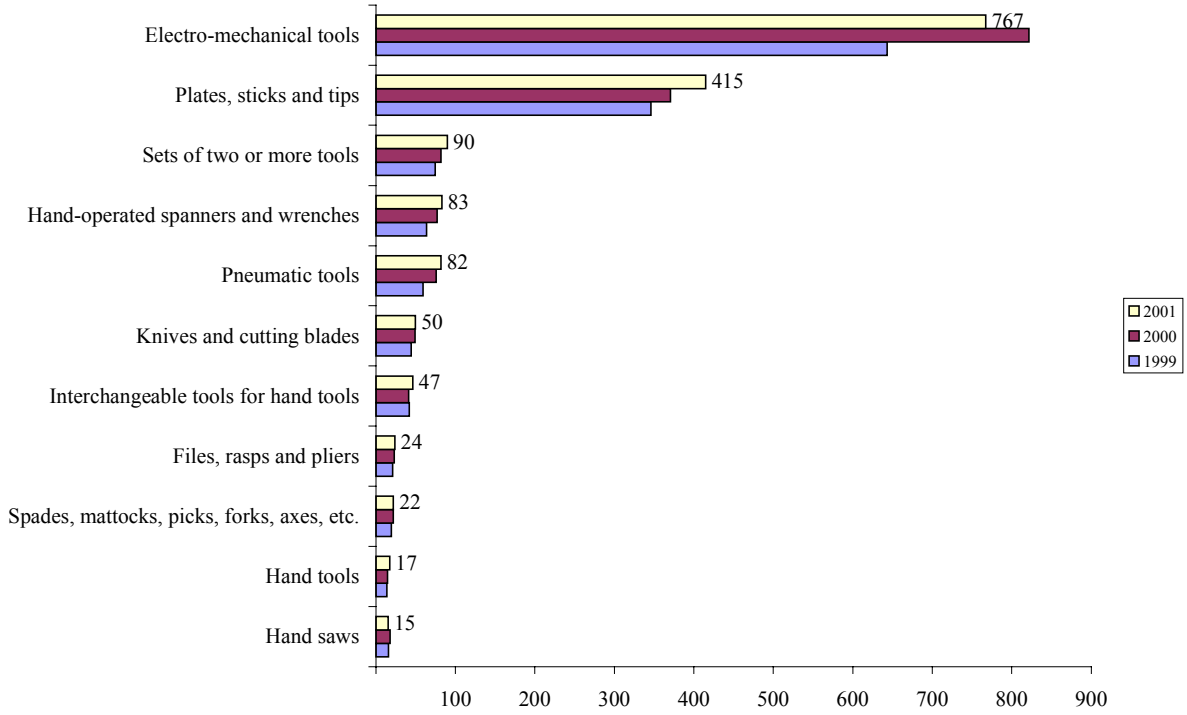
Source: Eurostat (2003)

Germany

Germany remained the leading European importer in 2001, with imports of hand tools and power tools amounting to € 1611.6 million. The German imports showed an increase in total imports of 20 percent since 1999 (and also 1 percent when 2001 is compared with 2000). Electrical tools and plates together determine 73 percent of all imports! Hand-operated spanners and wrenches, sets of two or more tools, electrical tools and plates, sticks and tips are all relatively more important compared with the EU share of total value of imports. Interchangeable tools (clearly), pneumatic tools and spanners are relatively less important. All product groups have shown growth in recent years, except for electrical tools (overall EU trend) and hand saws.

China is by far the most important developing country supplier and has an especially strong position as exporter of electrical tools to Germany.

Figure 5.3 German imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to Germany (percentage of total import value in 2001)

→ Switzerland	19%
→ China	16%
→ Japan	9%
→ the Netherlands	8%
→ United States	8%

Share of developing countries: 19%

→ China	16%
→ Slovenia	1%
→ Malaysia	1%
→ India	1%

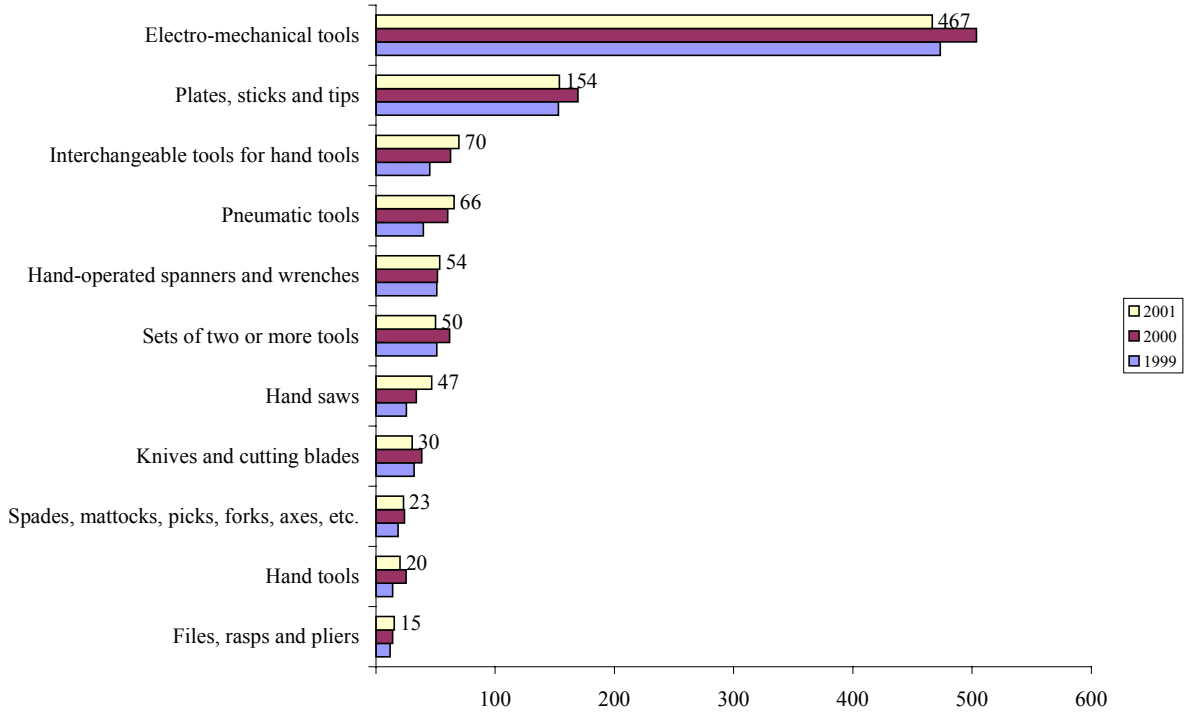
Source: Eurostat (2003)

United Kingdom

Total UK imports of hand tools and power tools increased by 8.6 percent (19.4 when electrical tools are excluded) between 1999 and 2001 (but decreased by 4.8 percent compared to import values in 2000). In 2001, the total value was € 995.3 million.
Plates only have an import share of 15.5 percent (EU: 24.5 percent). In comparison, interchangeable tools, hand saws and pneumatic tools have higher import shares when compared with EU shares.
Those last mentioned product groups all showed also a faster growth in imports than the United Kingdom imports on average. Electrical tools, plates, sets of tools and knives clearly had decreasing imports when 2001 is compared with 2000 and 1999.

The share of developing countries is far above the EU average. China is again by far the most important developing country supplier and has a high market share in the import of electrical tools.

Figure 5.4 UK imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to the United Kingdom (percentage of total import value in 2001)

→	China	21%
→	United States	14%
→	Germany	14%
→	the Netherlands	7%
→	Japan	7%
→	Belgium	7%

Share of developing countries: 23%

→	China	21%
→	India	1%

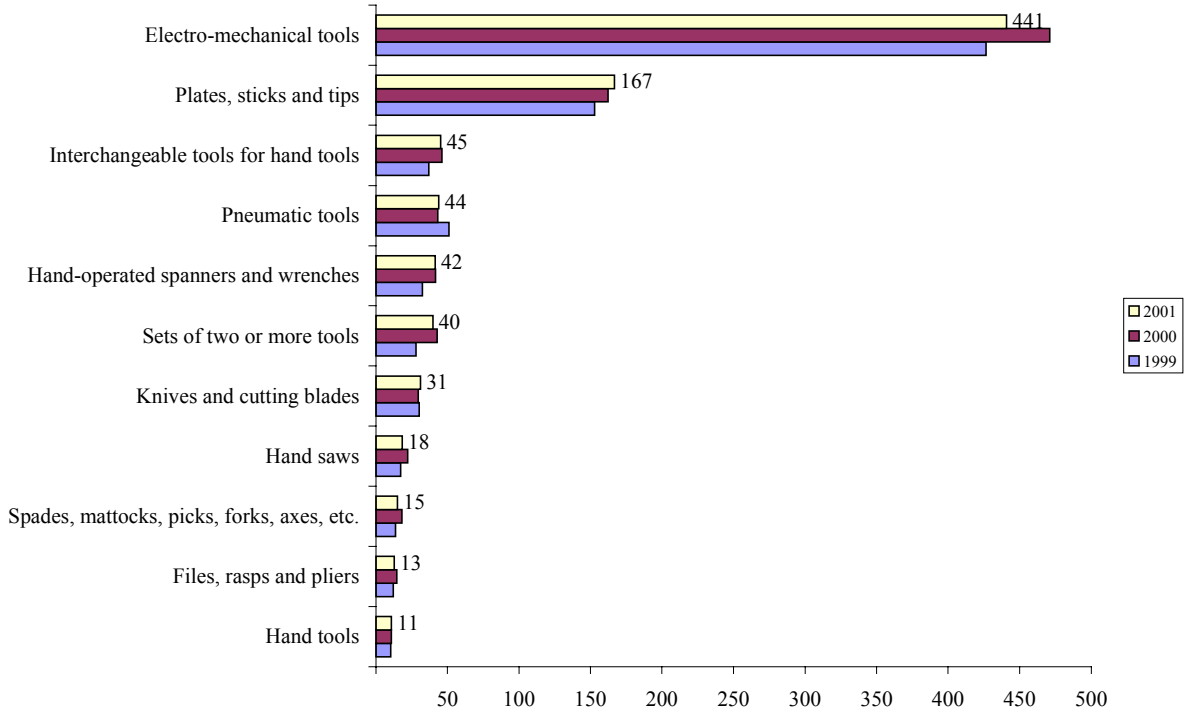
Source: Eurostat (2003)

France

The value of French imports was € 866.6 million in 2001. It increased by 7 percent compared to 1999 and decreased by 4 percent compared to 2000. The imports of sets of two or more tools, hand-operated spanners and wrenches and interchangeable tools for hand tools grew rapidly in 2000 and stabilised (except sets) in 2001. Electrical tools are in France also the most important product group with regard to imports, determining 50 percent of the total imports (EU average is 45 percent). The import of plates, relative to the EU share, is not so important. On the contrary, the relative share of interchangeable tools, spanners, knives and spades is higher.

The share of developing countries is far below the EU average, with China clearly being the most important developing country supplier.

Figure 5.5 French imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to France (percentage of total import value in 2001)

→	Germany	23%
→	Belgium	19%
→	the Netherlands	13%
→	China	8%
→	Italy	5%

Share of developing countries: 9%

→	China	8%

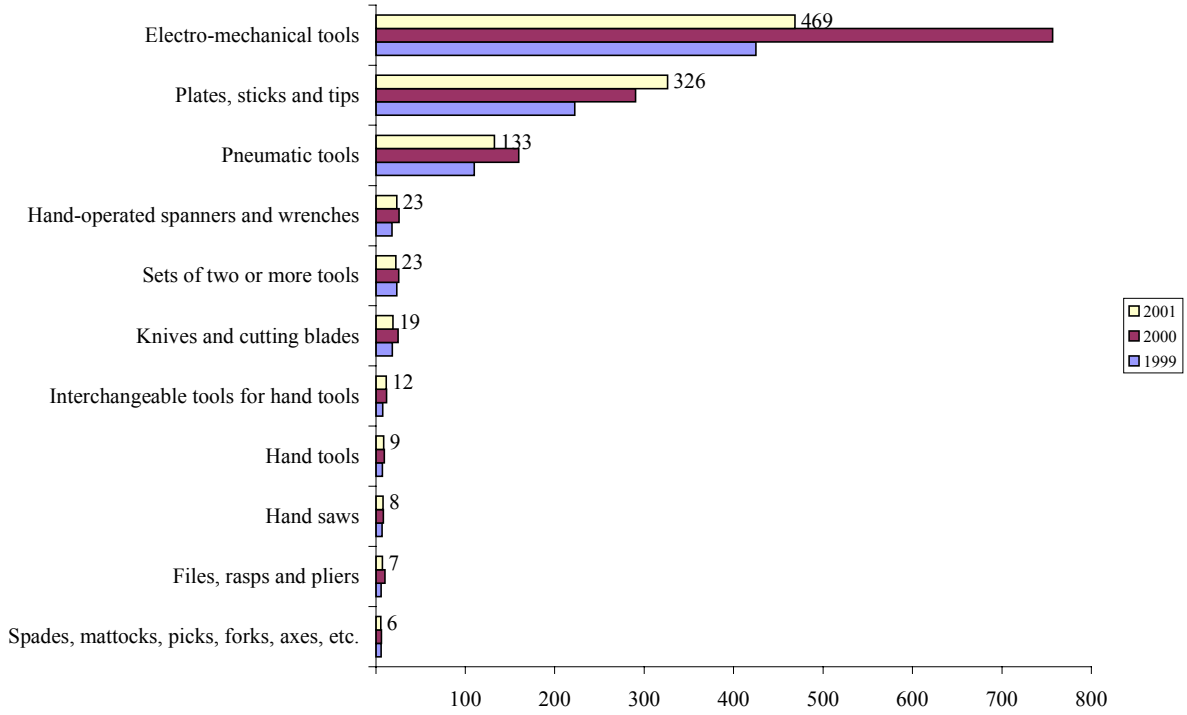
Source: Eurostat (2003)

Belgium

Total Belgian imports of hand tools and power tools increased by 21.5 percent - 32.7 percent when electrical tools are excluded - between 1999 and 2001 .The imports fell by 22.2 percent (1.3 when again electrical tools are excluded) when comparing 2001 and 2000. In 2001, the total value was € 1033.9 million. In 2001, the shares of the three largest product groups were: electrical tools (45 percent; 2000: 57 percent), plates, sticks and tips (31 percent) and pneumatic tools (13 percent). The imports of electrical tools decreased by almost 40 percent when 2001 is compared with 2000. Sets of tools and spades (pneumatic tools and knives to a lesser degree) also showed a stronger drop in imports than the Belgian average. The imports of sets of tools and spades decreased namely by 2 to 4 percent between 1999 and 2001. The imports of pneumatic tools decreased by 17 percent between 2000 and 2001 and knives by 22 percent.

Relative to the EU, the share of developing countries is small in Belgium at 13 percent.

Figure 5.6 Belgian imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to Belgium (percentage of total import value in 2001)

→	Israel	24%
→	Germany	19%
→	Sweden	15%
→	China	12%
→	United Kingdom	4%

Share of developing countries: 13%

→	China	12%

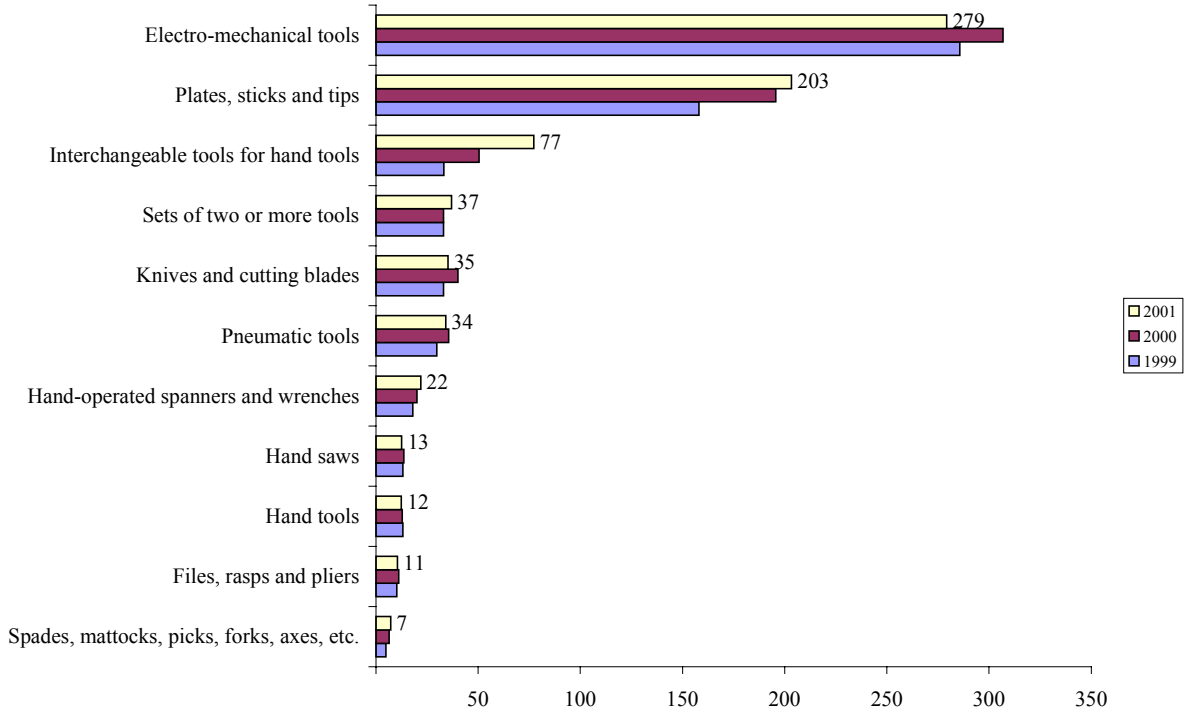
Source: Eurostat (2003)

Italy

Total hand tools and power tools imports increased by 15 percent between 1999 and 2001 (and 30 percent when electrical tools are excluded). Interchangeable tools is a fast grower, imports of which showed an increase of 133 percent (and 53 percent when 2001 is compared with 2000). Knives, hand saws and hand tools have decreasing imports.
Interchangeable tools (17.1 percent in Italy versus 8.7 percent in the EU) and knives have larger import shares in Italy, when compared with their EU shares. Electrical tools, pneumatic tools and spanners have clearly lower import shares compared with the EU. Electrical tools and plates are not so dominant in the import shares as in other European countries.

The imports from developing countries lie noticeably below the EU average. This is due to the fact that Italy has a strong preference for domestic production.

Figure 5.7 Italian imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to Italy (percentage of total import value in 2001)

→	Germany	27%
→	Belgium	15%
→	the Netherlands	10%
→	Switzerland	7%
→	China	6%

Share of developing countries: 8%

→	China	6%
→	Slovenia	1%

Source: Eurostat (2003)

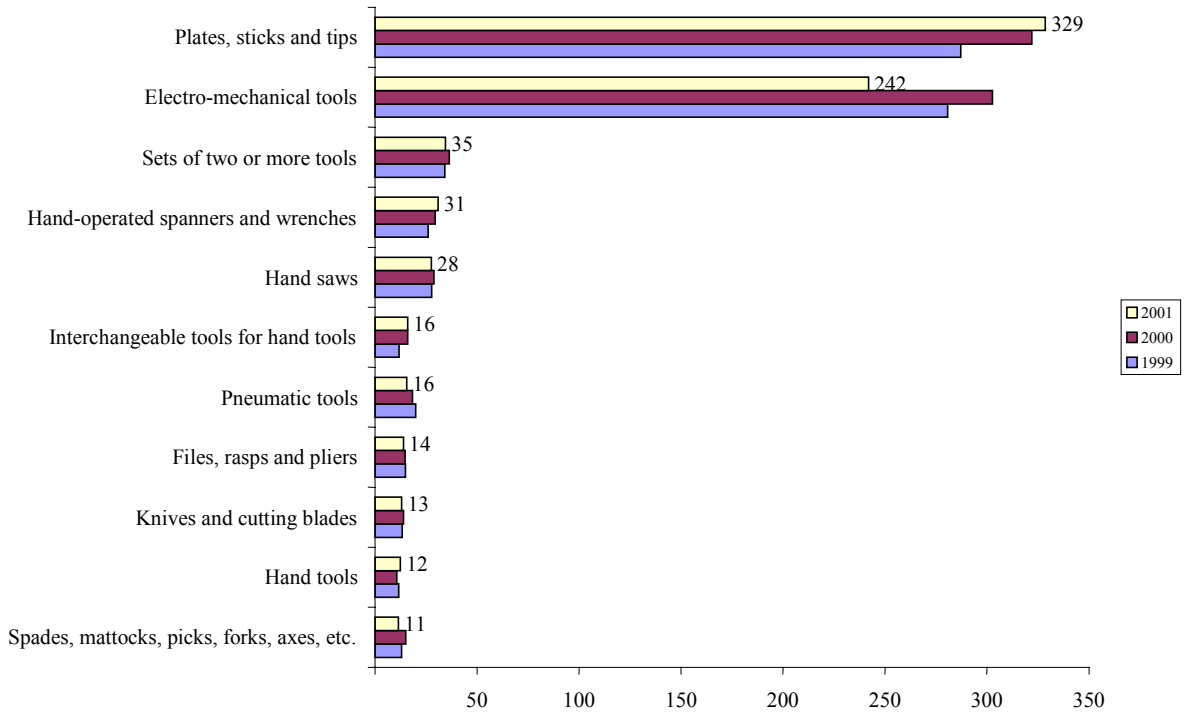
The Netherlands

Total imports of hand tools and power tools amounted to € 746.4 million in 2001, representing a 7.7 percent decrease in total imports since 2000 and a 0.8 percent increase since 1999. Plates, sticks and tips and electrical tools are by far the most important product group with regard to total imports, accounting for 76 percent of all imports (EU: 69.8 percent). Imports of plates are high because of the absence of a real Dutch machine tool manufacturing industry (mainly specialised in moulds and dies). The imports of electrical tools are high because of the (low) prices which form a critical success factor for (DIY) shops to sell their products. This fierce price competition results in a focus on buying electrical products from mainly Chinese manufacturers. The import of electrical tools decreased clearly in 2001, as a result of the decreased buying power of Dutch consumers (less volume) and the ongoing price reductions in the Dutch market. This resulted also in the decrease of total imports in 2001 (compared with 2000) and the only small growth of total imports when 2001 is compared with 1999.
Plates show a growth in import value in 2001, compared with 2000. Hand-operated spanners and wrenches also show a steady, slight growth in import value throughout the years. Pneumatic tools, interchangeable sets and knives show a relatively lower growth in the Netherlands when compared with

EU import shares; saws are relatively higher.

The share of developing countries is relatively high with 20 percent (EU: 14.3 percent). Ten percent of the import of developing countries is determined by electrical tools. China and Brazil are the most important developing country suppliers. China in particular is in the focus of interest by Dutch importers.

Figure 5.8 Dutch imports of hand tools and power tools per product group 1999 – 2001, € million



Leading suppliers of hand tools and power tools to the Netherlands (percentage of total imported value in 2001)

→ Sweden	23%
→ United Kingdom	16%
→ China	12%
→ Germany	10%
→ USA	7%

Share of developing countries: 20%

→ China	12%
→ Brazil	2%
→ Mexico	2%
→ Malaysia	2%

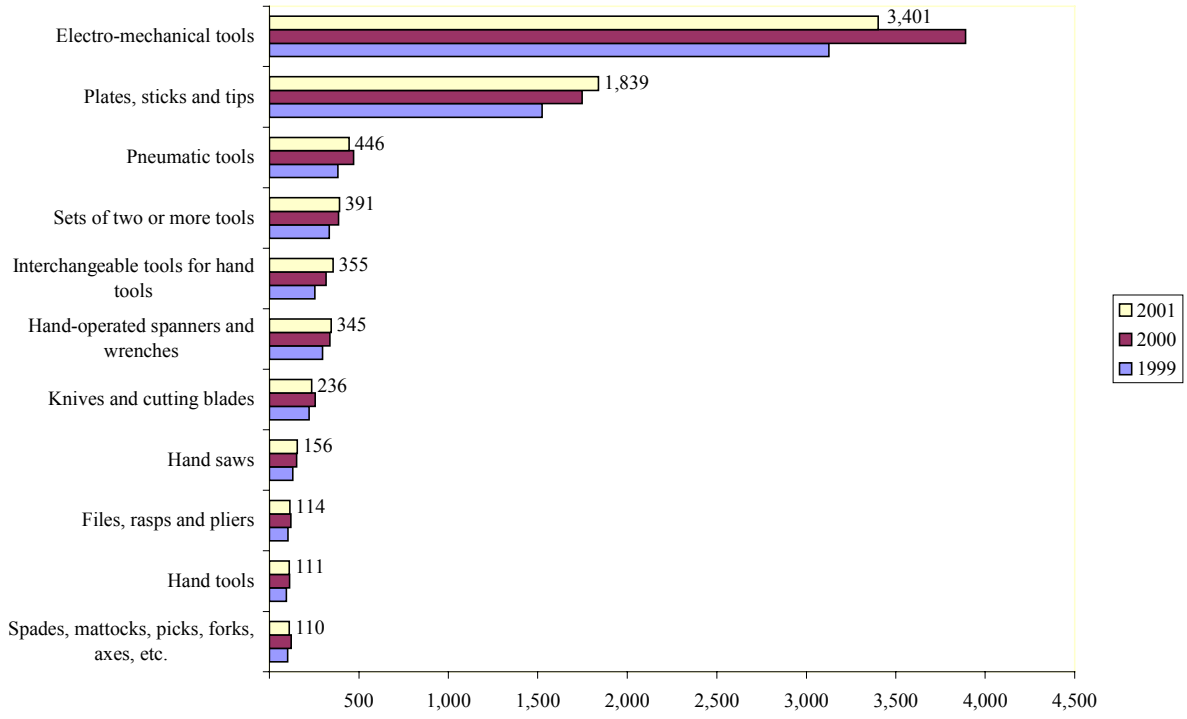
Source: Eurostat (2003)

5.2 Imports per product group

On a European level, electro-mechanical tools were by far the most important product group with an imported value of € 3.4 billion in 2001. This is in line with the trend of ongoing growth in sales of cordless tools and the height in sales of power tools. Plates, sticks and tips was the other major product group with a value of € 1,839 million (and a volume of 14,537 metric tonnes), being the second largest product group within the total imports. In contrast, spades, mattocks, picks, forks, axes, etc. accounted for just € 109.8 million, but had a volume of 28,561 tonnes.
In percentages the total imports are divided over the product groups as follows:

Product group	% value of total imports
Electro-mechanical tools	45.3
Plates, sticks and tips	24.5
Pneumatic tools	5.9
Sets of two or more tools	5.2
Interchangeable tools for hand tools	4.7
Hand-operated spanners and wrenches	4.6
Knives and cutting blades	3.1
Hand saws	2.1
Files, raps and pliers	1.5
Hand tools	1.5
Spades, mattocks, picks, forks, axes, etc.	1.5

Figure 5.9 EU imports of hand tools and power tools per product group 2001, € million

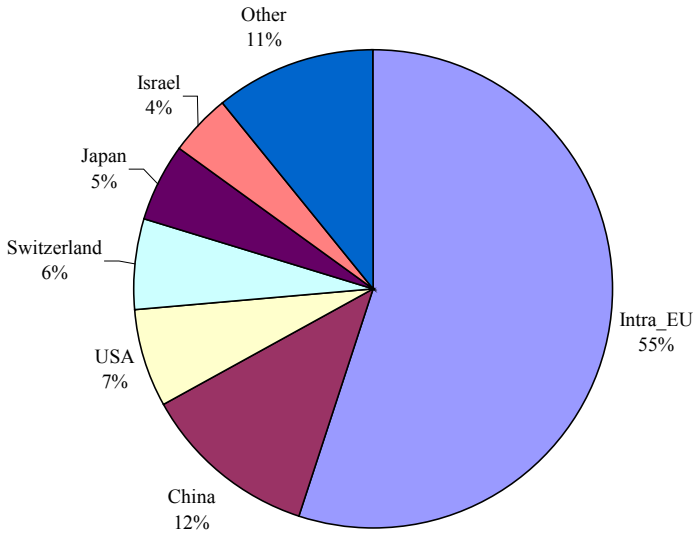


Source: Eurostat (2003)

Most of the EU trade in hand tools and power tools was between the EU member countries: 54.8 percent of EU imports (56.9 percent in 2000) originated within the EU. In recent years the value of imports from developing countries has been growing, meaning that the importance of intra-EU trade is decreasing. China is the largest supplier for the largest product group electro-mechanical tools, whereas Israel is the leading supplier for the second largest product group plates and Sweden for pneumatic tools. Germany was the most important supplier to the EU member countries for knives, files and hand tools. The main

suppliers from outside the EU were the China, the United States, Switzerland, Japan, Israel and Taiwan. Developing countries supplied 31.7 percent of extra-EU imports, with China being by far the most important supplier (accounting for 26.2 percent of extra-EU imports).

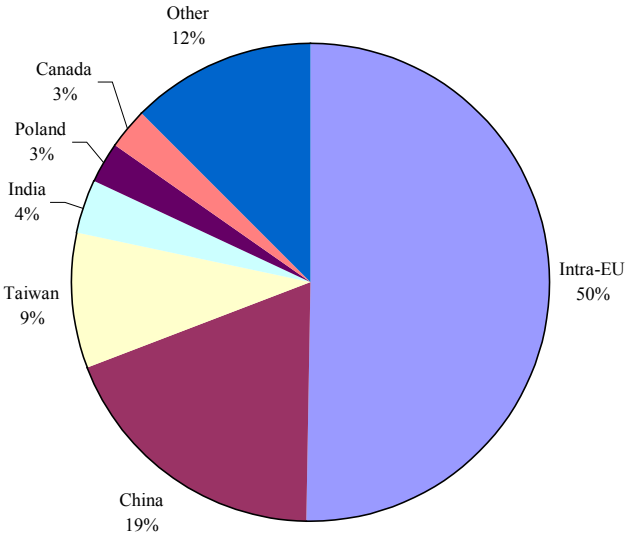
Figure 5.10 Sources of EU imports of hand tools and power tools 2001, percentage of total value



Source: Eurostat (2003)

The total value of extra-EU imports of spades, the smallest product group (together with hand tools) considered in this survey in terms of total imports, was € 54.7 million in 2001. A percentage of 50 percent (53 percent in 2000) was sourced within the EU, while 26 percent of total imports (53 percent of extra-EU imports) was sourced in developing countries representing a value of € 28.9 million (2000: 28.5 million). China, with 19 percent, is by far the most important supplier. Remarkable is the fact that the USA and European countries outside the EU don't have a significant position as supplier of spades.

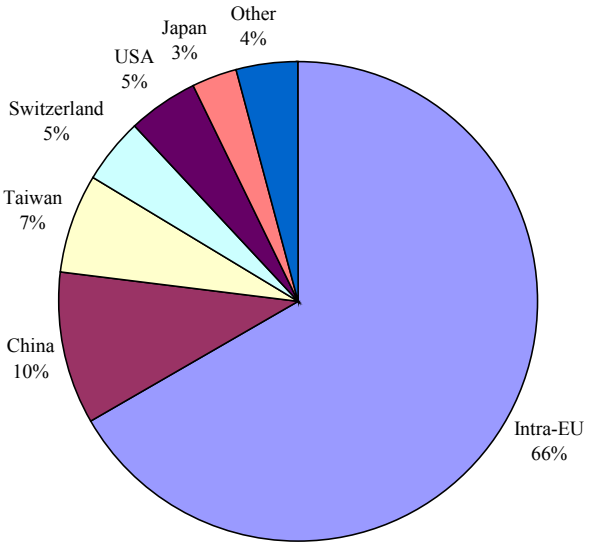
Figure 5.11 Sources of EU imports of spades, mattocks, picks, forks, axes, etc. 2001, percentage of total value



Source: Eurostat (2003)

Hand saws represented 2.1 percent of total EU imports of hand tools and power tools. A significant 11 percent of the total EU imports (€ 17.1 million) originated in developing countries. However the intra-EU imports increased from 63 percent in 2000 to 67 percent in 2001. Again China was the most important supplier from outside the EU with a share of 19 percent of total EU imports. The main supplier from within the EU is Germany with about 15 percent share.

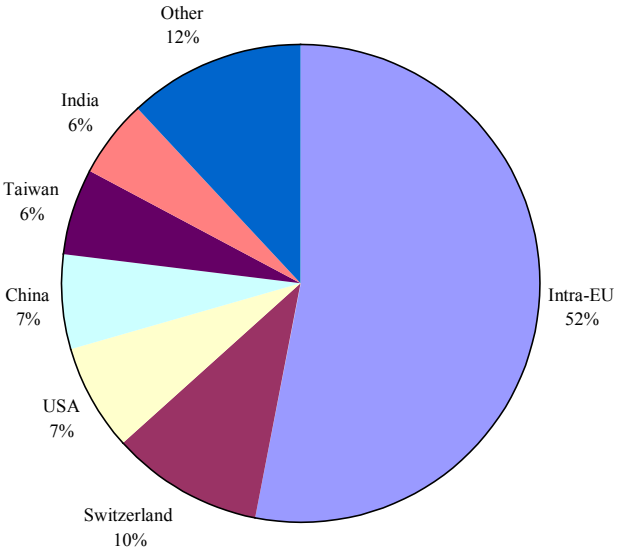
Figure 5.12 Sources of EU imports of hand saws 2001, percentage of total value



Source: Eurostat (2003)

The product group files, rasps and pliers represented only 1.5 percent (€ 114.3 million) of total EU imports of hand and power tools. China was the main developing country supplier with a 7 percent market share, followed by India with 6 percent. The total market share of developing countries was 18 percent. Other major suppliers were Germany, Switzerland and the Netherlands, together supplying 32 percent of the imports.

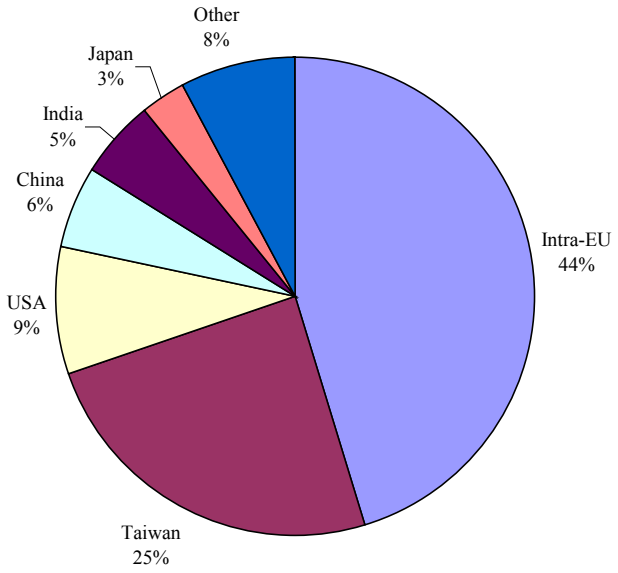
Figure 5.13 Sources of EU imports of files, rasps and pliers 2001, percentage of total value



Source: Eurostat (2003)

The import of spanners totalled € 342,4 million in 2001 (4.6 percent of total hand and power tools). Compared to the other product groups, a relatively low percentage of spanners originated within the EU. Taiwan (25 percent) is by far the most important supplier of spanners and wrenches to the EU. Germany (17 percent), the United States (9 percent) and the Netherlands (7 percent) were the other main suppliers to the EU. With 7 percent, China was the main developing country supplier. The total market share of developing countries was 15 percent.

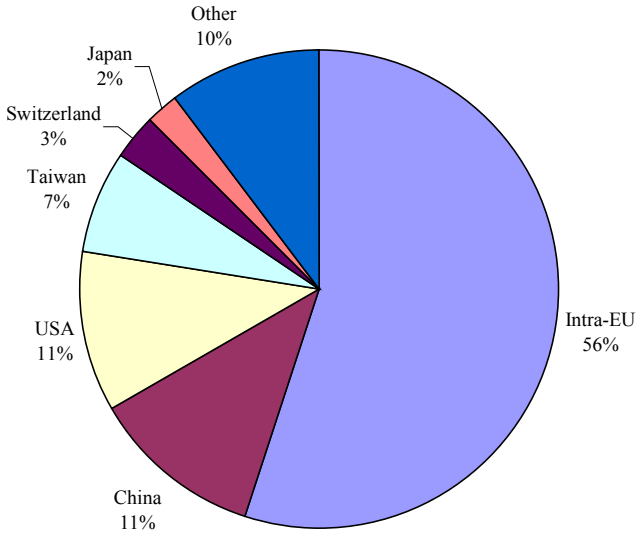
Figure 5.14 Sources of EU imports of hand-operated spanners and wrenches, 2001, percentage of total value



Source: Eurostat (2003)

The percentage of intra-EU imports decreased by 2 percent for hand tools when 2001 is compared with 2000 (total EU imports amounted to € 110 million in 2001). A significant 16 percent of the total import value (33 percent when extra-EU imports are considered) of hand tools was imported from developing countries. China and the United States had the largest shares in the total EU imports.

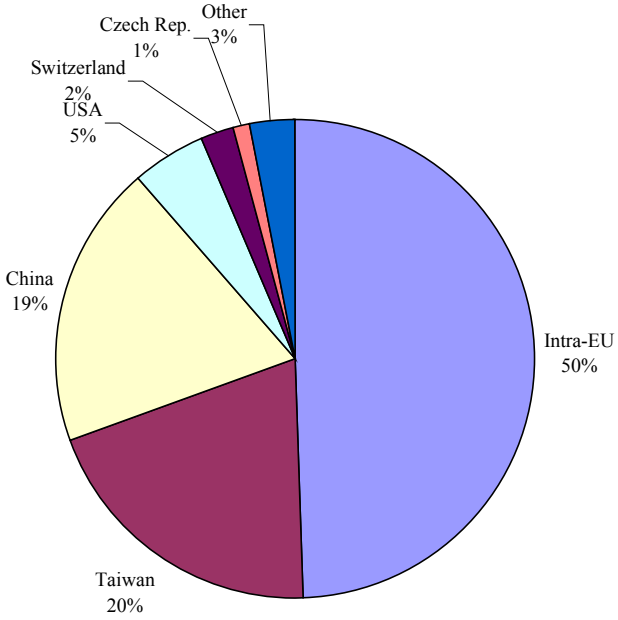
Figure 5.15 Sources of EU imports of hand tools 2001, percentage of total value



Source: Eurostat (2003)

Sets of tools had a modest percentage of imports from countries outside the EU and a high percentage of imports from developing countries (40 percent of extra-EU imports and 20 percent of total EU imports of € 79.7 million in 2001). Taiwan and China were the most important suppliers and both had a significant market share with about 20 percent each. Germany (17 percent) and France (11 percent) are the two other major suppliers.

Figure 5.16 Sources of EU imports of sets of two or more tools 2001, percentage of total value

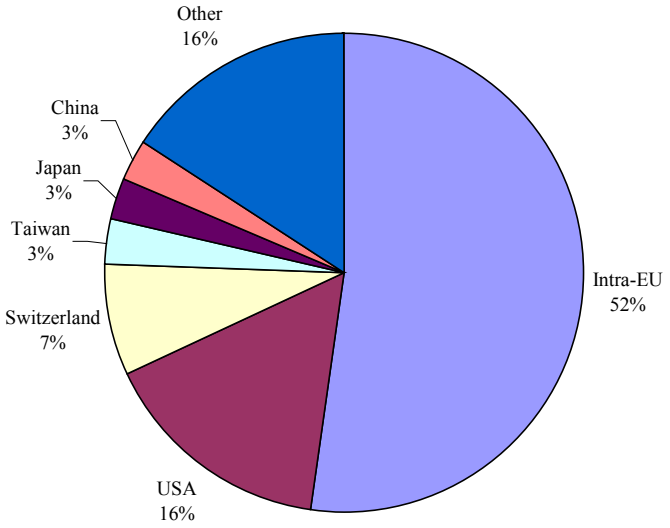


Source: Eurostat (2003)

Interchangeable tools is a medium important product group, accounting for 4.6 of total imports for hand and power tools. However, the intra-EU trade grew from 49 percent in 2000 to 52 percent in 2001. The

percentage of imports from developing countries (6 percent of total EU imports; of € 19.7 million in 2001) is below the average of total hand and power tools. China supplied 3 percent (€ 9.1 million), other countries supplying the remaining 3 percent of imports originating in developing countries. The United States had a significant market share with 16 percent.

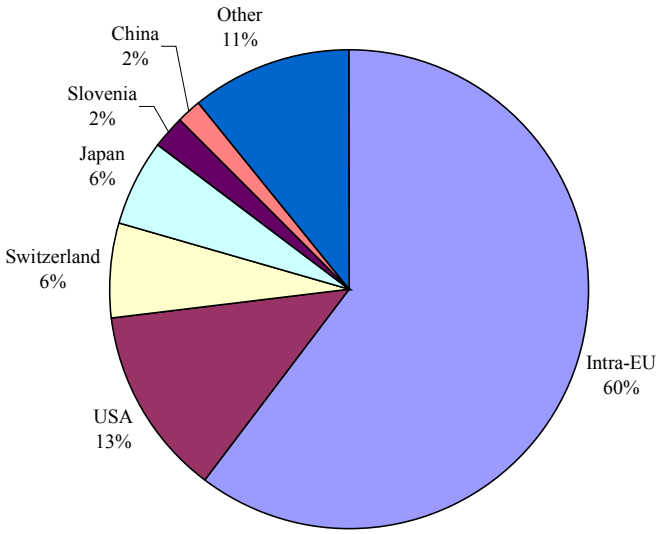
Figure 5.17 Sources of EU imports of interchangeable tools for hand tools 2001, percentage of total value



Source: Eurostat (2003)

Knives and cutting blades is a product group with a high percentage of imports from countries inside the EU. Here again the United States had a significant market share with 16 percent, followed by Switzerland with 7 percent. Germany is the most important EU supplier with 25 percent. Slovenia (2 percent; € 4.9 million) and China (2 percent, € 3.8 million) are the most important developing country suppliers.

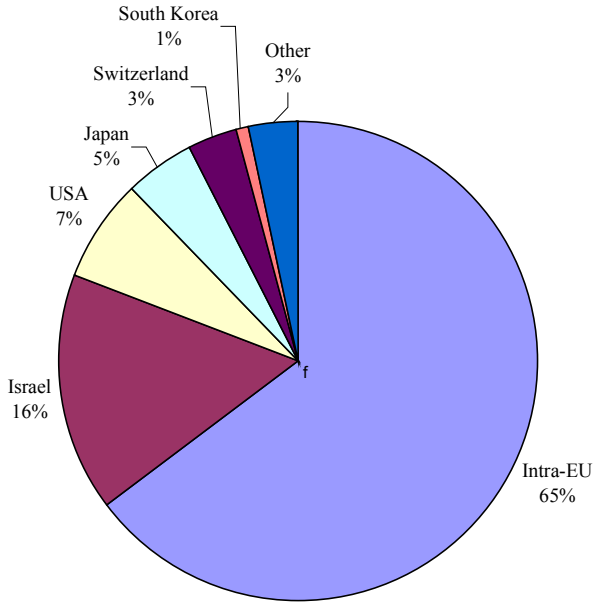
Figure 5.18 Sources of EU imports of knives and cutting blades 2001, percentage of total value



Source: Eurostat (2003)

Together with hand saws and pneumatic tools, plates had the highest share of intra-EU trade with about 65 percent. In 2000 however, it still was 67 percent. Plates is the product group with the second highest total import level. The share of developing countries (2 percent) is the lowest of all product groups. In volume (€ 41.7 million in 2001) it only ranks third in highest export from developing countries to the EU. Brazil, with 0.7 percent of total imports, is the most important developing country supplier.
Israel is the leading supplier with a market share of 16 percent. Sweden (13 percent), the Netherlands (12 percent) and Germany (11 percent) are the other important suppliers.

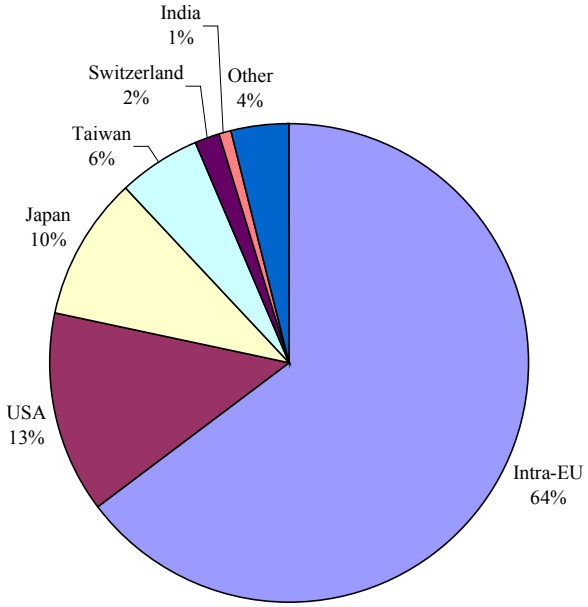
Figure 5.19 Sources of EU imports of plates, sticks and tips 2001, percentage of total value



Source: Eurostat (2003)

The total value of extra-EU imports of pneumatic tools, the third largest product group (5.9 percent of hand and power tools) considered in this survey in terms of total imports, was € 446 million in 2001. Only 3 percent of total imports (8 percent of extra-EU imports) was sourced in developing countries, representing a value of € 12.3 million (2000: 5.6 million). Pneumatic tools is therefore the smallest product group with regard to imports from developing countries. A percentage of 64 percent (68 percent in 2000) was sourced within the EU. Sweden, with 20 percent, is the most important supplier. Belgium (15 percent) and the USA have also a significant position as supplier of pneumatic tools. India is the leading developing country supplier with a 1 percent market share.

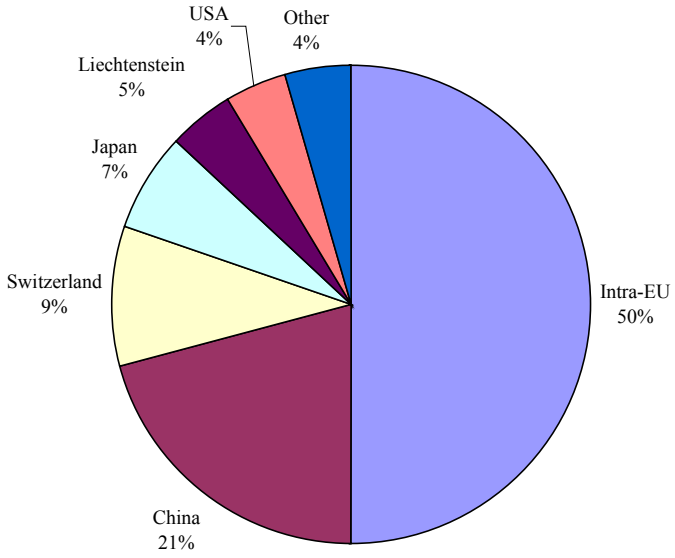
Figure 5.20 Sources of EU imports of pneumatic tools 2001, percentage of total value



Source: Eurostat (2003)

Electro-mechanical tools are by far the most important product group within hand tools and power tools. The total value of extra-EU imports was € 1,742 million in 2001. More than 22 percent of total imports (over 44 percent of extra-EU imports) was sourced in developing countries representing a value of € 776.8 million (2000: 817.3 million). Electrical tools is therefore also the largest product group with regard to imports from developing countries. A percentage of 50 percent (53 percent in 2000) was sourced within the EU. China, with 21 percent, is the most important supplier. Germany (20 percent) and Belgium (10 percent) have also a significant position as suppliers of electrical tools.

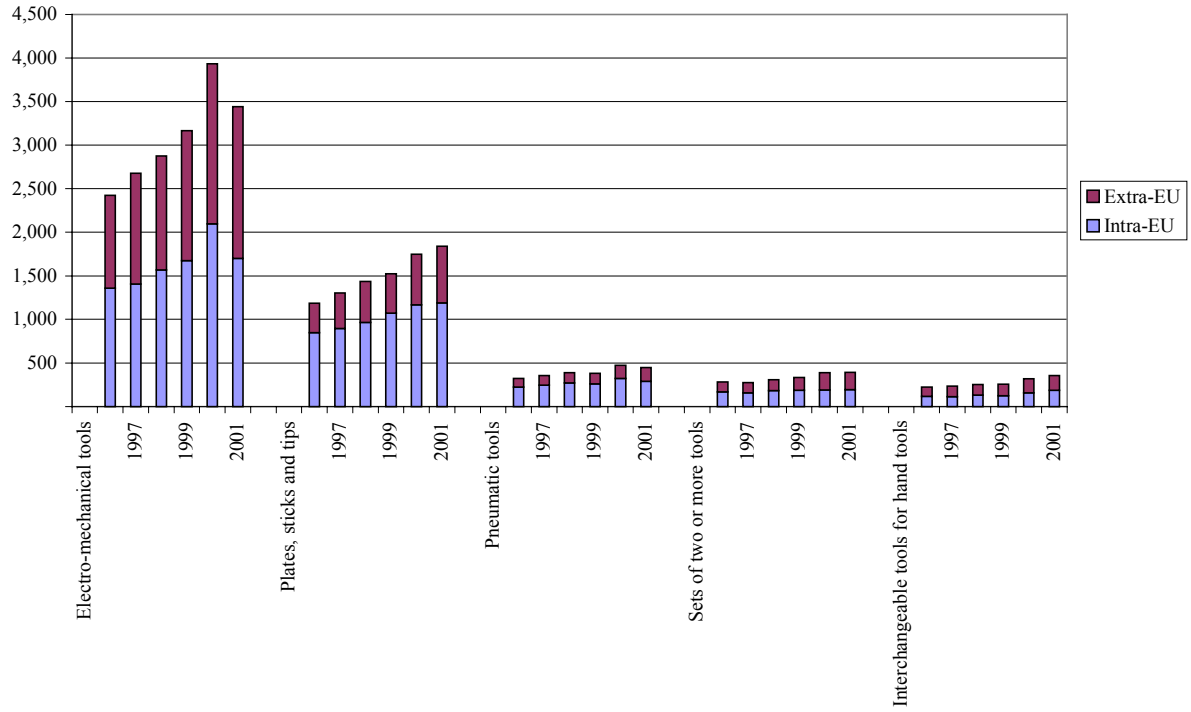
Figure 5.21 Sources of EU imports of electro-mechanical tools 2001, percentage of total value



Source: Eurostat (2003)

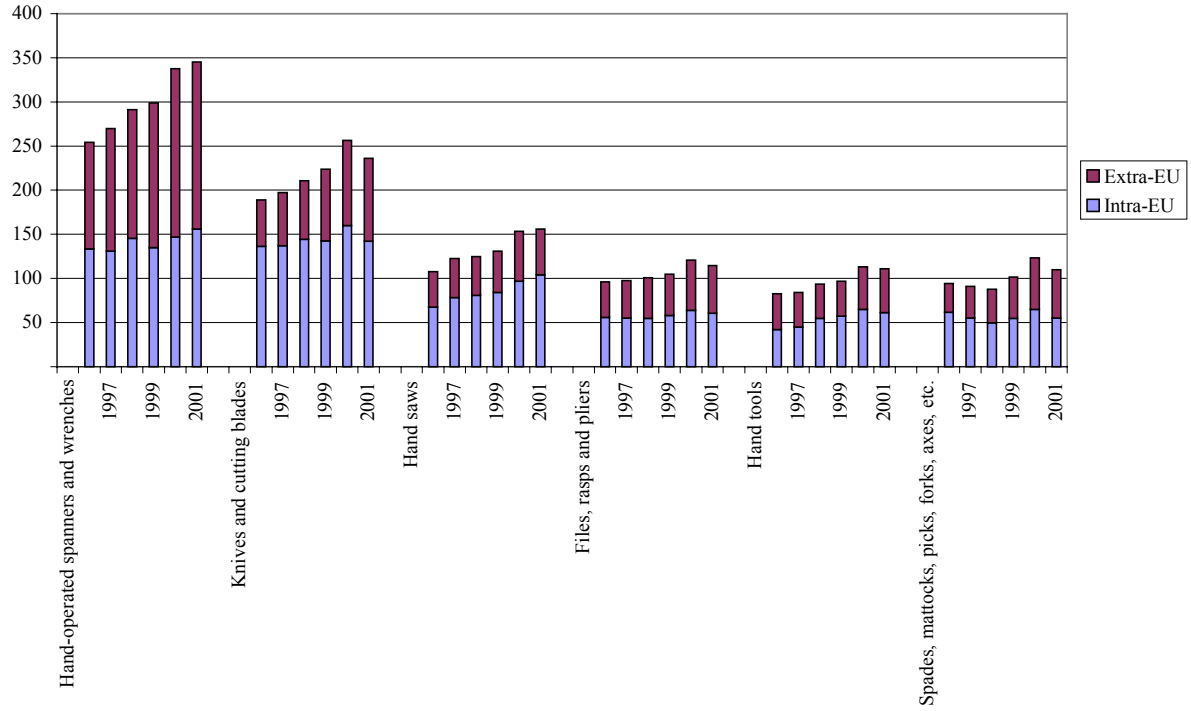
Figure 5.22 shows a constant and rapid increase in total EU imports of plates, sticks and tips, the second largest product group within hand tools and power tools. The last years, the growth of extra-EU imports of plates has grown faster than the intra-EU imports. Suppliers outside the EU are gaining importance over EU suppliers. The growth in imports of electrical tools suddenly fell back in 2001; the intra-EU imports in particular decreased considerably. A reason is the economic recession which placed extra pressure on the sales prices of electrical tools. The extra-EU imports " only" shrank by 5 percent.
The other major product groups showed less growth in recent last years. Pneumatic tools, sets of tools and spanners each showed a growth of imports in 2000 and a stabilisation or slightly negative growth in 2001. However, the trend in extra-EU imports has been unquestionably positive for all major product groups in the last six years. This is especially true for electrical tools, plates and pneumatic tools, of which extra-EU imports for the last two product groups still grew last year by 11 respectively 6 percent.

Figure 5.22 EU imports of electrical tools, plates, pneumatic tools, sets of tools and interchangeable tools, 1996-2001, € million



Source: Eurostat (2003)

Figure 5.23 EU imports of spanners, knives, hand saws, files, hand tools, spades etc., 1996-2001, € million



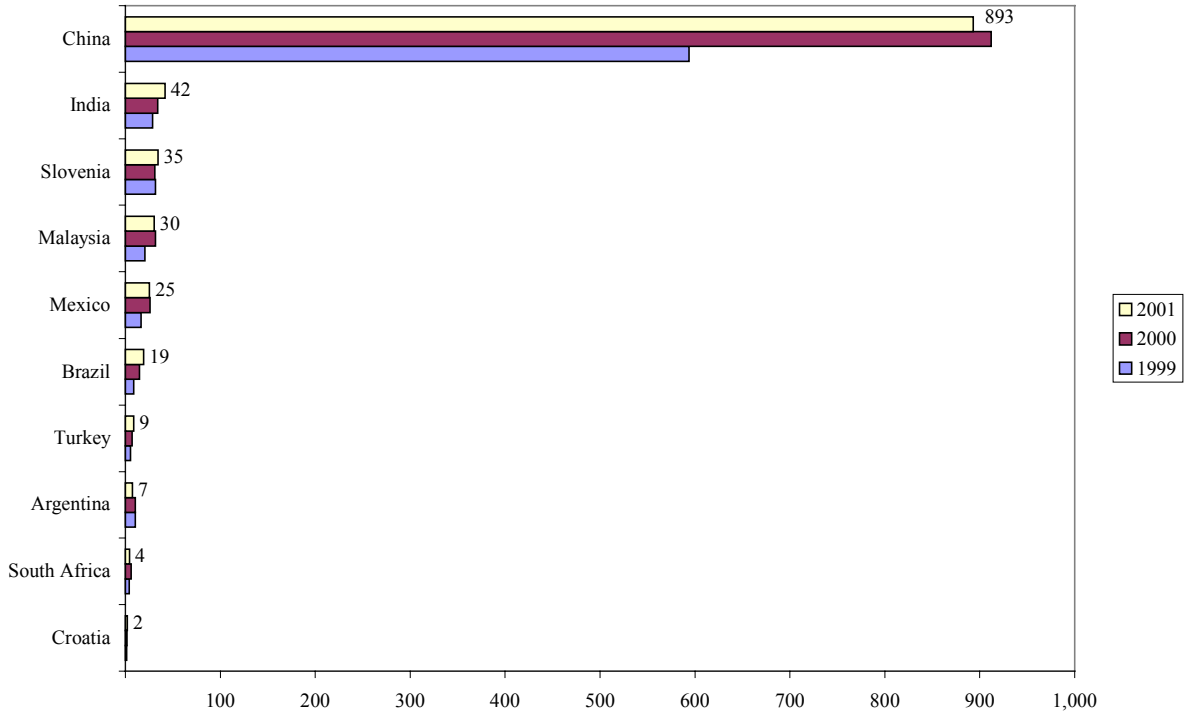
Source: Eurostat (2003)

Figure 5.23 shows that the value of total imports of knives and cutting blades fell steeply in 2001. However, extra-EU imports remained on the same level. The same is more or less valid for spades, mattocks, files, rasps and pliers and hand tools. The strong growth of extra-EU imports of plates in the years 1996 to 2000 is remarkable. Imports of hand saws are also growing, but intra-EU imports account for the major part of that growth.

5.3 The role of developing countries

China was clearly the largest developing country supplier exporting to the EU in the period 1999 - 2001, followed at a long distance by India. China, India, Brazil, Malaysia and Mexico have all shown a strong growth in value of imports over the last three years. Mexico, Argentina and South Africa lost some ground in 2001 and they also had a very small market share. The share of China represented 11.8 percent (11.5 percent in 2000) of total EU imports and 26.2 percent (26.6 percent in 2000) of extra-EU imports. China's strong position as major developing country exporter is emphasised by its 82.7 percent share (2000: 83.9 percent) in total EU imports from developing countries. India and Slovenia had a share of total EU imports of 0.6 and 0.5 percent respectively. The total market share of developing countries also increased (from 13.7 percent in 2000 to 14.3 percent in 2001). Brazil showed particularly strong growth with a growth rate of more than 100 percent when export of 2001 is compared with 1999. Turkey, Croatia, Mexico, China, Malaysia and India also performed well, with growth rates of more than 40 percent. Argentina's exports fell by 30 percent in a period of two years. The growth of exports from developing countries stagnated when 2001 is compared with 2000. Only Brazil, India, Turkey, Croatia and Slovenia (in descending order) managed to increase their exports (by 10 to 30 percent).
China, Malaysia, Slovenia and Mexico have electrical tools as their most important export product (over € 700 million in value, € 27 million, € 18 million and € 12 million respectively). India is specialised in spanners (€ 18 million), Brazil in plates (€ 14 million) and Turkey in plates and interchangeable tools.

Figure 5.24 **The leading developing countries supplying hand and power tools to the EU, 1999–2001, € million**



Source: Eurostat (2003)

Table 5.2 highlights the main opportunities for developing countries. Seen as a value and as a percentage of total EU imports, the importance of developing countries appears rather high, **especially for electrical tools**, and their share is growing. The total imports from developing countries of electrical tools, files, hand tools and plates grew strongly from 1999 to 2000. The volume of sets of tools and spades increased rapidly the last 4 years. Although in 2001 market growth was limited, the imports from developing countries of sets of tools, pneumatic tools and plates grew considerably. Judging from the share of developing countries in extra-EU trade, opportunities would appear to be favourable. Developing countries determine 36 to 53 percent of the extra-EU imports for hand tools, files, sets of tools, electrical tools and spades. Electrical tools are by far the most important product group for developing countries and the trend towards still more use of cordless tools indicates a good future for exporters these countries of this product group.
Only knives appear to be of little importance to developing countries: the value and share of developing countries of these imports (both total and extra-EU) is the lowest of all product groups and doesn't grow much. This is also valid for pneumatic tools, although 2001 however registered a positive change.

Exporters in developing countries hold a relatively strong position for spades, electrical tools, sets of tools, files, hand tools and spanners, with a share between 15 and 26 percent of total imports.
Plates also appear to offer opportunities. Their share in extra-EU imports is low, but plates is the second largest product group in terms of value of total EU imports.

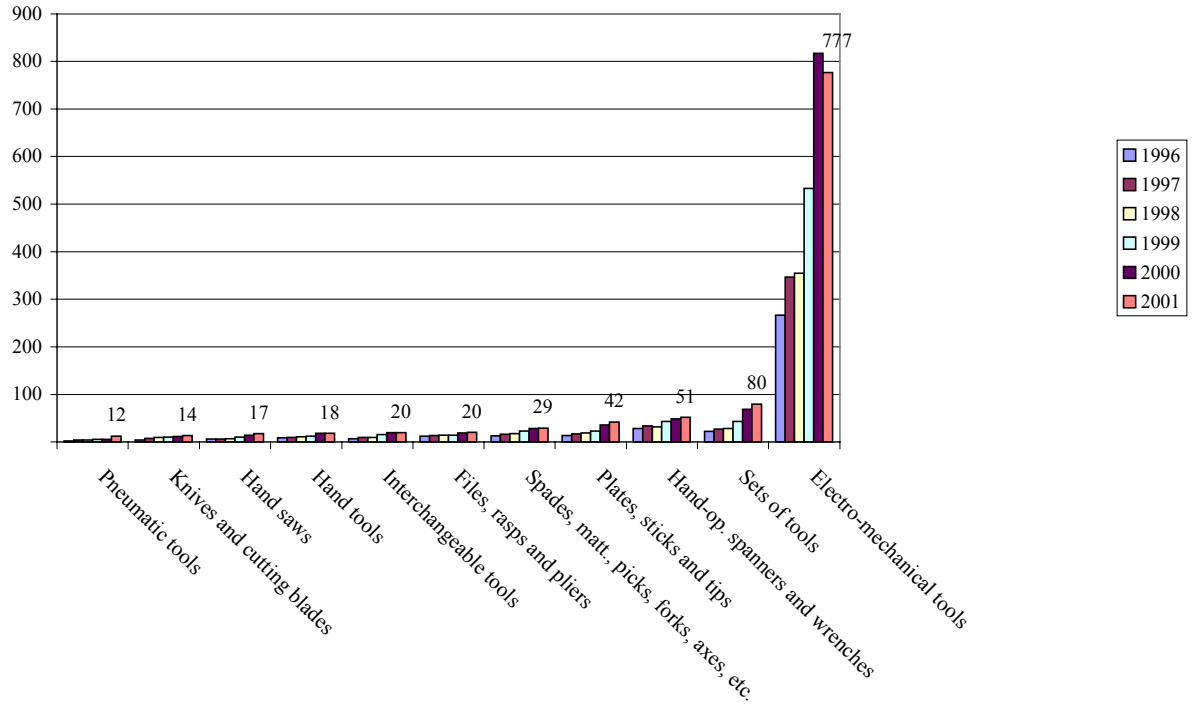
Table 5.2 Share of imports from developing countries per product group 1998 – 2001, value, € million and percentage of total value

	1998		1999		2000		2001	
	% of value	value	% of value	value	% of value	value	% of value	value
Total imports:								
Electro-mechanical tools	12%	354,987	17%	532,969	21%	817,301	23%	776,804
Sets of tools	9%	27,978	13%	43,316	18%	68,720	20%	79,682
Spanners & wrenches	11%	32,054	14%	43,113	14%	48,727	15%	51,443
Plates, sticks and tips	1%	18,670	1%	22,487	2%	35,840	2%	41,655
Spades	20%	17,641	22%	22,778	23%	28,528	26%	28,936
Files, rasps & pliers	14%	13,746	14%	14,295	16%	19,073	18%	20,275
Interchangeable tools	4%	9,242	6%	15,530	6%	19,741	6%	19,660
Hand tools	12%	10,773	12%	11,551	16%	17,992	16%	18,011
Hand saws	5%	6,818	8%	9,857	9%	13,941	11%	17,161
Knives and cutting blades	5%	9,709	4%	9,953	4%	11,400	6%	13,505
Pneumatic tools	1%	3,889	1%	5,233	1%	5,591	3%	12,319
total H&P tools	**8%**	**505,507**	**11%**	**731,082**	**14%**	**1,086,854**	**14%**	**1,079,451**
Extra-EU imports:								
Electro-mechanical tools	27%		36%		45%		45%	
Sets of tools	22%		29%		35%		40%	
Spanners	22%		26%		26%		27%	
Plates, sticks and tips	4%		5%		6%		6%	
Spades	47%		49%		49%		53%	
Files, rasps & pliers	30%		30%		33%		38%	
Interchangeable tools	8%		12%		12%		12%	
Hand tools	28%		29%		37%		36%	
Hand saws	16%		21%		25%		33%	
Knives and cutting blades	15%		12%		12%		14%	
Pneumatic tools	3%		4%		4%		8%	
total H&P tools	**20%**		**26%**		**32%**		**32%**	

Source: Eurostat (2003)

It is clear when watching the trend in total imported value from developing countries that the importance of developing countries has increased in recent years. Figure 5.25 shows the enormous importance of electrical tools in the export from developing countries to the EU. It is by far the largest product group. The product groups sets of tools and spades have shown particularly clear and continuous positive trends. The relevance of the imports of pneumatic tools is very small, but some growth was visible in 2001. Plates and spanners also offer opportunities. The EU imports of those product groups has also grown considerably in the last years.

Figure 5.25 EU imports of hand tools and power tools from developing countries, 1996–2001, € million



Source: Eurostat (2003)

6 EXPORTS

Total EU exports of hand tools and power tools amounted to € 6,436 million in 2001. The leading European exporters were Germany, Belgium, the Netherlands, the United Kingdom and Sweden. Together these countries represented 77 percent of European exports of hand tools and power tools world-wide. Belgium and the Netherlands (and to a lesser degree also Germany) have an important function (because of their seaports) in the transhipment and transit of goods. This partly determines the high export (and import) levels of those countries. EU exports of hand tools and power tools were mainly destined for other European countries. The most important destinations outside Europe were the United States, Singapore, Japan, Brazil and China.

Table 6.1 Total EU exports of hand tools and power tools from EU countries, 1999 – 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	tonnes	value €	tonnes	value €	tonnes
Total EU	5,802,104	348,739	6,807,659	365,460	6,436,564	333,020
Germany	1,822,563	86,081	2,007,411	92,507	2,139,572	95,941
Belgium	591,567	23,014	997,562	42,395	804,532	32,262
Netherlands	685,285	42,071	769,169	47,410	731,828	41,724
United Kingdom	852,637	88,724	821,980	55,474	711,457	49,401
Sweden	537,834	16,680	686,963	21,510	570,032	14,452
Austria	284,590	15,772	338,885	16,321	395,078	17,453
Italy	346,675	28,776	401,873	33,978	383,487	31,283
France	347,530	19,671	380,288	23,404	366,624	21,297
Spain	116,883	10,536	132,204	12,261	113,334	10,405
Denmark	55,269	4,526	66,944	5,471	70,782	6,100
Ireland	48,974	4,031	61,194	4,531	67,823	5,720
Finland	21,795	1,634	26,877	1,732	33,494	1,994
Portugal	30,952	4,699	32,023	5,109	31,554	3,852
Luxembourg	50,851	1,052	71,677	1,136	9,671	431
Greece	8,707	1,472	12,651	2,221	7,303	705

Source: Eurostat (2003)

The product groups electrical tools and plates represented respectively 41 and 27 percent of the value of total EU exports. The products groups sets of tools, knives, interchangeable tools and pneumatic tools all account for about 5 percent of total EU exports. The exported volume of electrical tools is high because of the high export value, but also because of the low value per ton exported (generally light and small products).The exported volume of pneumatic tools was considerably lower, implying that this product group had a much higher value per ton than for example sets of tools. Plates also had a high value per ton exported.

Table 6.2 Total EU exports of hand tools and power tools per product group, 1999 – 2001, € 1,000 / tonnes

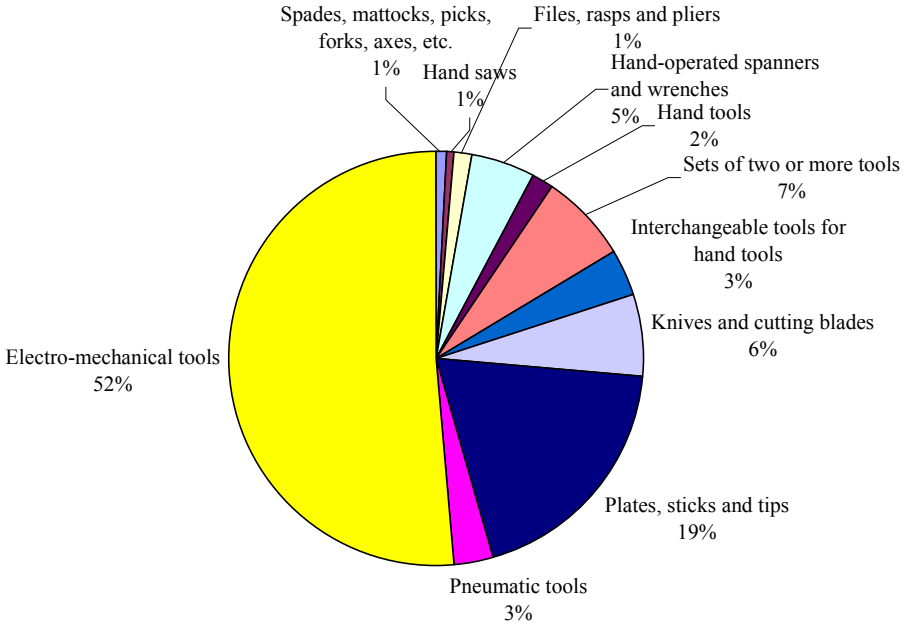
	1999		2000		2001	
	value €	tonnes	value €	tonnes	value €	tonnes
Electro-mechanical tools	2,496,290	191,853	2,908,550	181,944	2,640,974	165,551
Plates, sticks and tips	1,513,263	12,398	1,766,196	14,061	1,728,772	11,574
Sets of two or more tools	322,478	33,006	368,978	35,588	353,868	33,456
Knives and cutting blades	308,372	18,112	343,679	22,853	351,507	18,514
Interchangeable tools for hand tools	289,687	20,259	396,506	25,074	342,340	24,141
Pneumatic tools	266,643	6,270	339,877	7,622	329,412	7,406
Hand-operated spanners and wrenche	187,639	18,028	216,933	21,776	232,546	20,523
Hand tools	124,060	11,285	141,898	13,947	149,330	14,394
Hand saws	115,682	12,155	131,858	14,541	120,316	11,531
Files, raps and pliers	88,443	6,508	102,574	8,606	98,202	7,360
Spades, mattocks, picks, forks, axes,	89,547	18,865	90,610	19,448	89,297	18,570
H&P Tools	5,802,104	348,739	6,807,659	365,460	6,436,564	333,020

Source: Eurostat (2003)

The following figures focus on the export characteristics of the selected EU countries.

German exports showed a rather different pattern from the EU average . Electrical tools, sets of tools, knives and spanners had a relatively high share. A relatively low share was held by hand saws, interchangeable tools and plates.

Figure 6.1 German exports of hand tools and power tools per product group 2001, percentage of total value

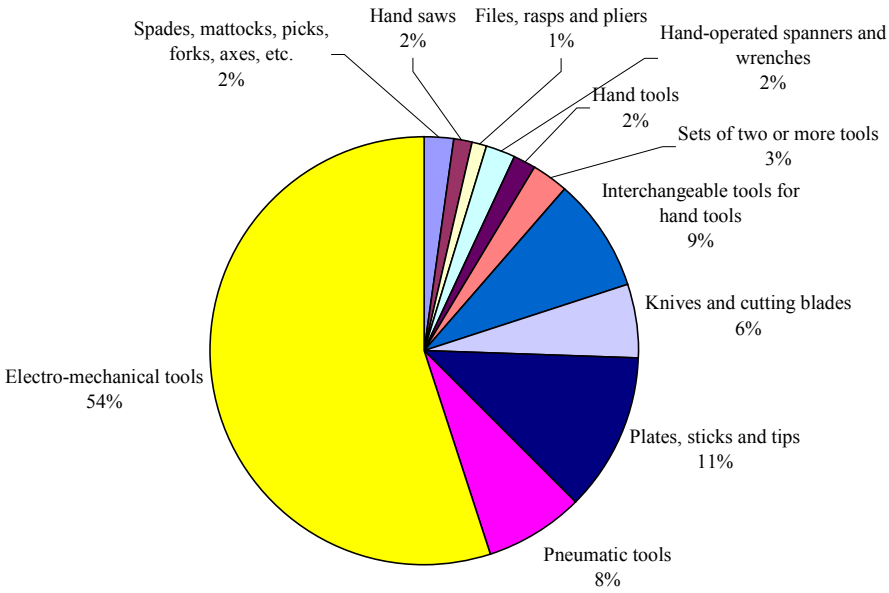


Source: Eurostat (2003)

The pattern of exports from the United Kingdom showed a share remarkably lower than the EU average for plates (16 percent lower). Electrical tools are a very important British export product. The relative big domestic market for electric garden tools and the high DIY rate have resulted in a strong British manufacturing industry. However, in recent years the industry has lost its hare in the world market. This results in increasing relocation of production from the United Kingdom to developing countries. The share held by interchangeable tools (9 percent of total exports) was higher than the EU average of 5 percent.

Pneumatic tools are also an important export product with a share which is 8 percent higher than the EU average.

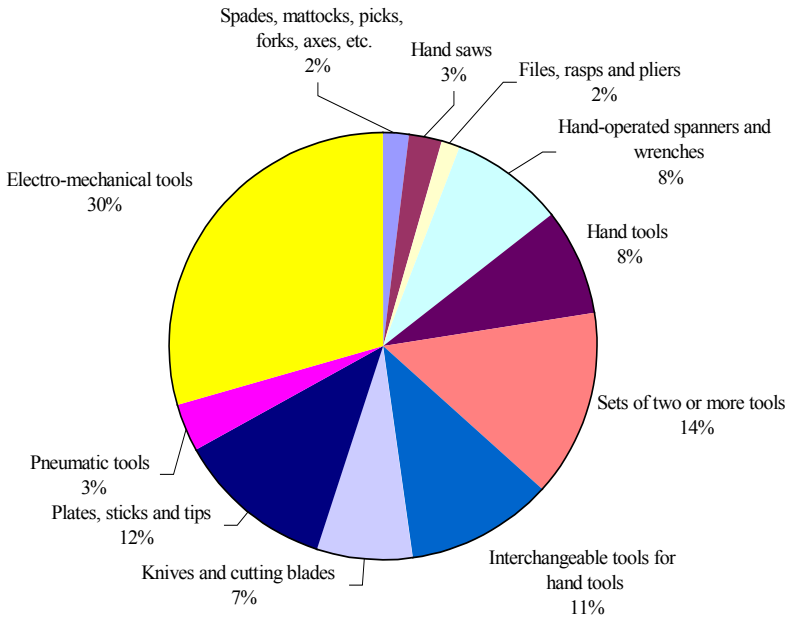
Figure 6.2 UK exports of hand tools and power tools per product group 2001, percentage of total value



Source: Eurostat (2003)

French exports of the different product groups differed considerably from the overall EU averages. The share of sets of tools, hand tools, interchangeable tools and spanners was clearly higher. The share of plates, electrical tools and pneumatic tools was lower than EU average. France has a number of product groups that are more or less equal in export volume.

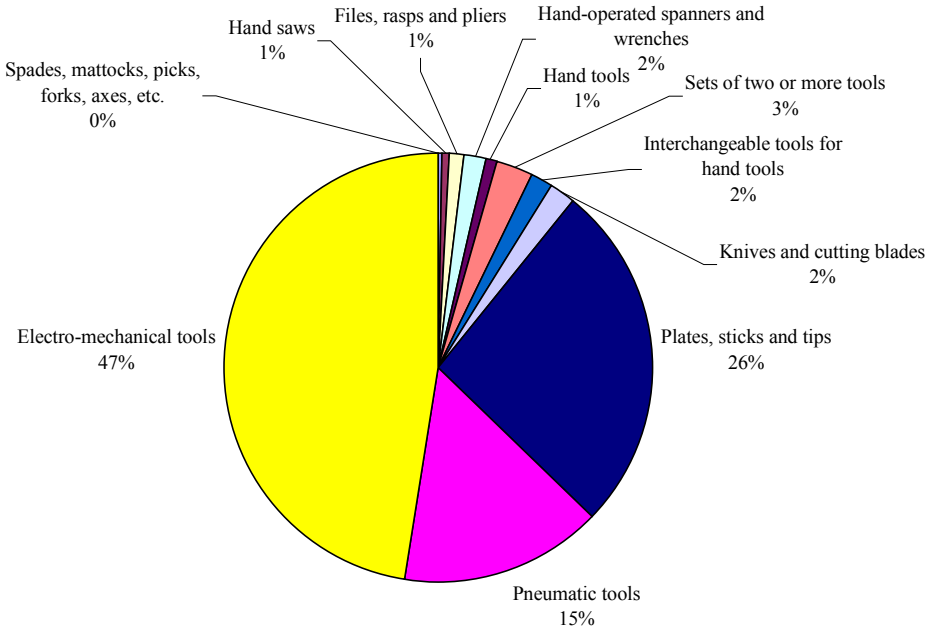
Figure 6.3 French exports of hand tools and power tools per product group 2001, percentage of total value



Source: Eurostat (2003)

Figure 6.4 shows that the percentage especially of pneumatic tools (markedly with 15 percent) and electrical tools (6 percent more than EU average) in Belgian exports was higher than the EU average. The share of interchangeable tools and knives was noticeably lower than the EU average (both 3 percent). Spades are not relevant in Belgium with regard to exports.

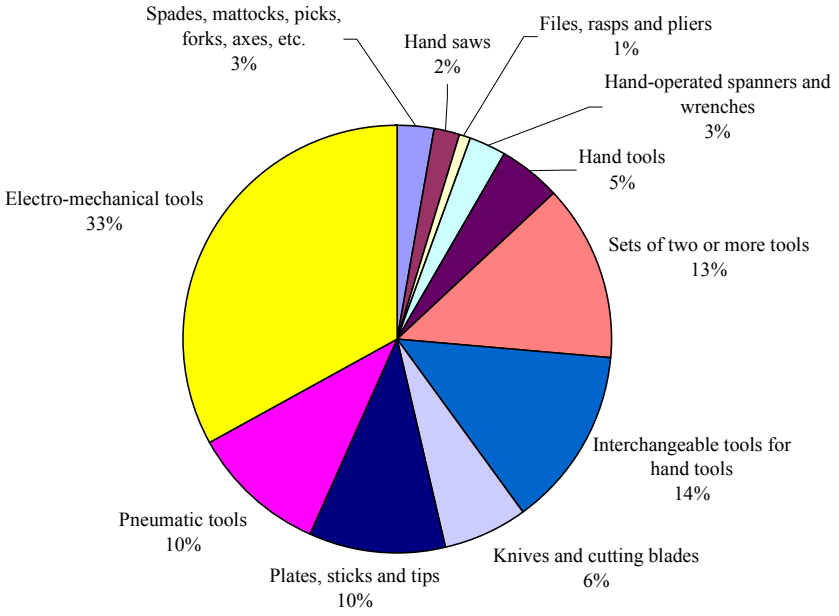
Figure 6.4 Belgian exports of hand tools and power tools per product group 2001, percentage of total value



Source: Eurostat (2003)

Figure 6.5 shows that the percentage of sets of tools, interchangeable tools, pneumatic tools and hand tools in Italian exports was higher than the EU average. The share of plates and electrical tools was markedly lower than the EU average. The percentages of the other product groups did not differ much from the rest of the EU.

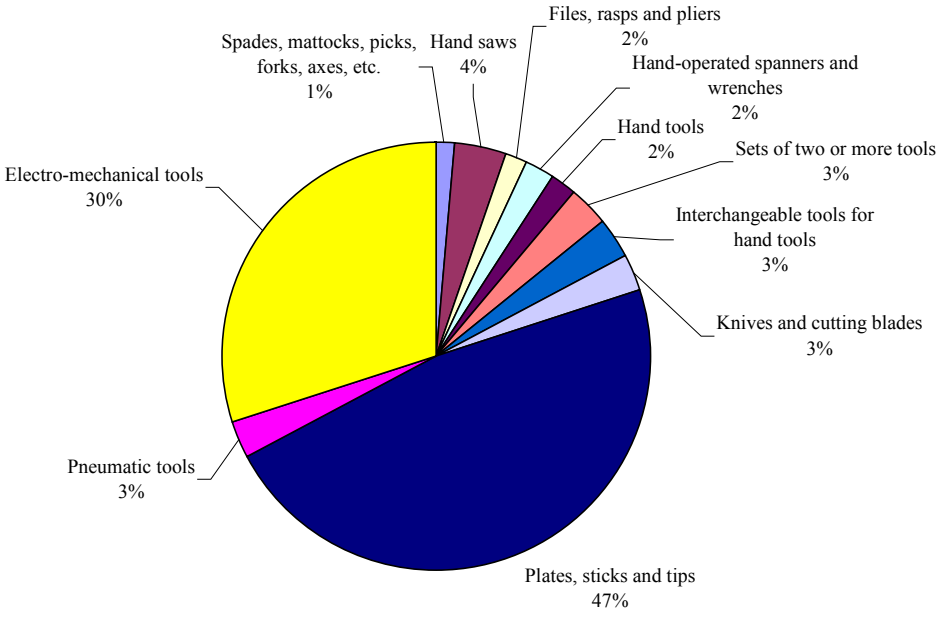
Figure 6.5 Italian exports of hand tools and power tools per product group 2001, percentage of total value



Source: Eurostat (2003)

The Netherlands, with 47 percent, exported considerably more plates than the EU average of 27 percent of exports. The Dutch plates industry is specialised in tools for the die cast industry (small and large batches) and has only a very small machine tool industry i.e. for milling tools. Philips subsidiaries (and suppliers to it) form a major part of it, which explains the high export volume. Hand saws are another important product group within Dutch exports (some major companies like Kinkelder, working globally). Electrical tools, interchangeable tools, knives, sets of tools and pneumatic tools represented clearly a smaller share of Dutch exports than that of overall EU exports.

Figure 6.6 Dutch exports of hand tools and power tools per product group 2001, percentage of total value



Source: Eurostat (2003)

7 TRADE STRUCTURE

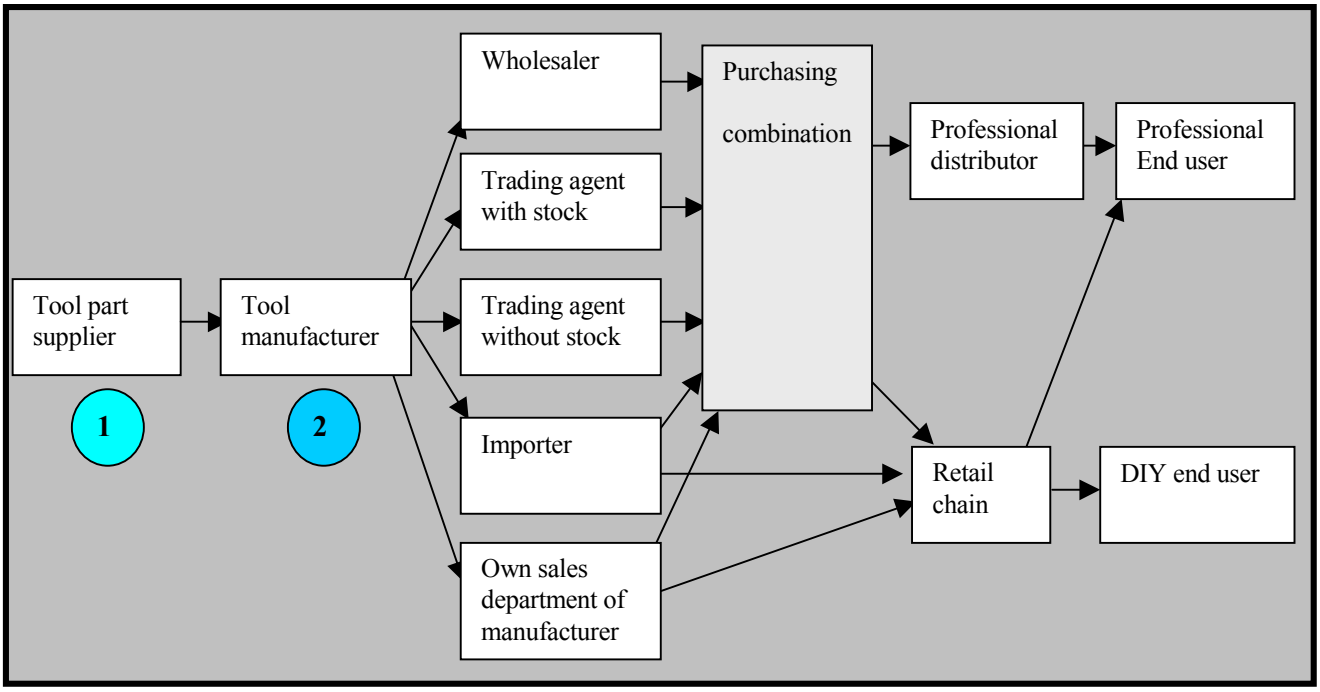
7.1 EU trade channels

Two different main markets can be distinguished for hand and power tools:

1. Do It Yourself market (DIY)
2. Professional market.

In neither market (Professional market nor DIY) will it be possible for exporters in developing countries to trade directly with the end user. It should be considered that hand and power tools are in most cases supportive products in a production process. Immediate availability in very small batches or single products is important.
Figure 7.1 presents the distribution chain structure and its major distribution intermediaries.

Figure 7.1 Distribution chain for professional and DIY market



The tool part supplier produces components that are supplied to the tool manufacturer. The latter will produce some components by itself and assembles components into a complete end product. This product can be exported to the EU (for example).
Exporters from developing countries can choose a strategy either as tool part supplier (position 1) or as tool manufacturer (position 2). The trade partner in position 1 will be a (European) brand supplier, for which the developing country exporter will act as a capacity supplier (contract manufacturing). Sales and distribution will be settled and organised with the (local) procurement and logistics department of the brand supplier. Position 2 does imply the manufacturing of tools (B mark or no name products) by the developing country exporter. Trade will not be done directly with European consumers. Either the product will be imported (by wholesales, agent or direct importer) or it will be part of the portfolio of a European supplier of tools. Business will be dealt with the procurement and or logistics department of an importer.

The different intermediaries in Figure 7.1 are first briefly introduced:

European manufacturer

- Has many product (group)s in his portfolio, A marks will be produced under own management, where B marks and no names can be outsourced;
- Market development based on private network; often on country and or region level;

- Procurement department has more and more a global outsourcing policy;
- Buys medium to large sizes; direct ordering or supplier will be incorporated as a local plant under management of the holding;
- Deliveries will sharply be monitored on logistics (delivery reliability, delivery times, volume flexibility) and price performance.

Agent
- Has one product (group) or a limited number of related product groups in his portfolio;
- Market development based on private network; often regional;
- Arranges first contact and contract between the buyer and the seller; the deal is concluded at the risk and account of the exporter;
- Receives a commission, mostly after the payment has been received by the exporter;
- Is not responsible for payment of the goods.

Importer / wholesaler
- Has a broad range of products and product groups in his portfolio;
- Portfolio often consists of brands and well known products;
- Market development often national, with regional offices and professional network;
- Works on the basis of exclusivity;
- Buys for his own account risk;
- Might handle other products competing with yours;
- May be willing to pay some promotional expenses;
- Sets his own profit margin.

Purchasing combination
- Often co-operative society, with members (shops, smaller chain stores) that pay an annual fee and a service fee;
- Contracting party on behalf of their members;
- Buys large volumes with a sharp price focus;
- Special services (legal, administrative, political lobby, advice);
- Credit service and payment guarantee for suppliers of their members; (not always)
- Large scale which results in price negotiations;
- Orders are directly placed between member and supplier. (in most cases).

It is particularly difficult for smaller retail chains or smaller distributors to conduct direct business with the big OEM companies under good purchasing conditions. For this reason, they often combine their purchasing capacity in a purchasing combination. Lot of distributors in the Netherlands hold shares in a purchasing organisation, like Zevij (www.zevij.nl). Germany has a similar structure in which Nordwest Handel AG (see: www.nordwest.com) is a purchasing combination.

Professional distributor
- Operates regionally or nationally;
- Often specialised in a limited product range for specific customers (products for plumbers, etc.);
- Buy mostly from purchasing combination, sometimes via importers, wholesalers or directly (if the distributor can handle the volume acceptable to an exporter);
- Distribution in smaller batches.

Retail store (DIYstore, outlet)
- Large scale buyers;
- Buys from agents, sometimes from importers (if the product is of no strategic importance);
- Will import directly if the product is sold in big enough quantities;
- May insist on exclusive contracts;
- Can be powerful marketers (constantly increasing turnovers) if the product interests them.

Physically, the products can be obtained in several ways:
1. Direct delivery to the distributor / retail chain; purchasing combination (or agent or importer or wholesaler) acts as administrator and contracting organisation.
2. Purchasing combination (or agent or importer or wholesaler) combines orders and distributes to distributors.
3. Purchasing combination holds stock combination (or agent or importer or wholesaler), mainly for products on pallet for small batch delivery.

It is very important to realise that most of the distributors and retail chains do not want to have a lot of stock, or at least do not want the financial risk of this stock. Logistical flexibility is very important. For this logistical reason and for purchasing optimisation, more and more companies introduce a kind of e-commerce.
In some cases e-marketplaces are used that can give a perfect entry to new customers without a lot of travelling. (see for example www.newtron.net).

Professional market
The purchasing combination (e.g. Zevij, as one of three in the Netherlands) dominates the trade channel. Almost every professional distributor is member of such a combination. Exporters cannot ignore this intermediary.

German specialised retailers continue to be successful by focusing on brand products. The trade stabilised its share of 50 percent in value of the overall power tool market and generated sales amounting to 290 million euro in 2002.

DIY market
These specialised stores (outlets) focus specifically on the private consumer, however, professionals also sometime buy their products here. Some of the products are directly imported. A limited number of co-operatives exists in each European country.

Table 7.1 Important DIY outlets in selected EU countries

Country	top 3	1998 market share
Germany	OBI	9.4%
	Praktiker	8.0%
	Bauhaus	4.3%
Belgium	Brico	15.0%
	Intergamma	4.5%
	Wickes	3.0%
the Netherlands	Intergamma	30.5%
	Praxis	20.8%
	HDB	5.3%
United Kingdom	B&Q	32.5%
	Homebase	18.4%
	Wickes	9.2%
France	Castorama	15.8%
	Leroy Merlin	13.6%
	Domaxel	9.8%
	Bricocenter	2.5%
Italy	OBI	1.5%
	Castorama	1.1%

Source: Rohn (2003)

In the United Kingdom, the Netherlands and France, a limited number of DIYchains determines the market. Italy on the contrary has a large number of DIYchains. Italy offers opportunities for developing country exporters because of the large number of chains, non of which has a strong purchasing power.

The most important DIY companies in the EU in 2002 are presented in table 7.2.

Table 7.2 Important European DIY conglomerates, 2002, turnover in € billion

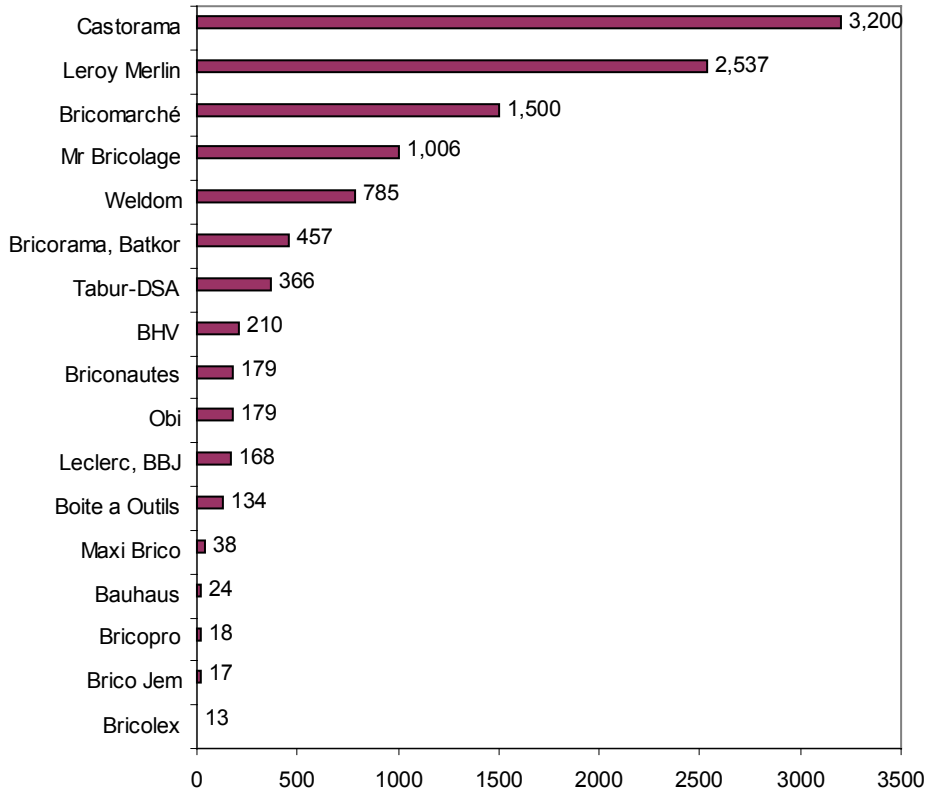
DIY outlet	country	value €
B&Q	UK/France	8.47
OBI	Germany	4.45
Leroy Merlin	France	3.71
Praktiker	Germany	2.95
Focus	UK	2.39
Intergamma	NL/BE	1.4

Source: Rohn (2003)

German, English, Belgian and French people are the most proactive DIYers in Europe. In contrast, Italy has a much lower number of active DIYers. German people often focus on large expensive projects. The English focus on decorative tasks, whereas the French mostly perform maintenance tasks.

Each DIY co-operative has a central procurement department (comparable in size and power to the purchasing combination). They deal with the suppliers (also with developing country exporters, via agents for example) and focus on tight contracts and low prices. A product exists by an attractive presentation (package, product information) and enough sales per square metre. Centrally and locally, the sales are closely watched. Suppliers (and importers) must carefully monitor their sales in this segment and respond pro-actively when problems occur.
More and more pan-European DIY conglomerates are being formed (like Kingfisher with Conforama and Hornbach). This will lead in future to centralised European procurement centres, with still more increased buying power. They will be responsible for a major part of standard portfolio products.

Figure 7.2 Turnover of DIY outlets in France, 2001, in € million



Source: Unibal (2003)

7.2 Distribution channels for developing country exporters

Developing country exporters cannot ignore two major players in the European trade structure for hand tools and power tools:

1. Purchasing combinations
2. Import departments of DIYchains

However, the selection of a trade partner depends heavily on the product, the volume that is produced and on the services needed by the exporter and provided by the trade partner. While an agent may be selected for merely mediating between seller and buyer, with the services being paid for in the form of a commission, an importer / wholesaler may be preferred because he buys the product directly and can offer additional promotional services further down the chain. Also, an importer / wholesaler has a broader market (both in type of customers and geographically).

Import departments of DIYchains and purchasing combinations only buy large volumes at a sharp price. This is only interesting for developing country exporters if they can guarantee constant quality (product, processes), low and decreasing prices and if they can supply large quantities of products. Exporters must also be aware of the increasing buying power of DIYchains (accelerated by the pan-European formation of DIYchains).

An alternative could be the position as supplier of components for tool manufacturers (A or B brands). A direct relation can and must be developed with this type of customers. Because of fierce price competition, manufacturers of brands are constantly evaluating the relocation of their production to low-wage countries. This offer opportunities for developing country suppliers.

It is important to note that, by selecting one specific channel, other channels are often automatically excluded. One cannot have a trade relation with an importing department of a DIYchain or purchasing combination, while at the same time entering the market with the same line of products through an importer / wholesaler. This is (generally) unacceptable to European trade partners and will definitely backfire on the export operation provided that, before going into business, no other agreement is made with the relevant trade partner.

8 PRICES AND MARGINS

8.1 Price developments

It is difficult to give prices or even price indications for end products, because of the wide variety. Price reflects on the distribution channel used. The more widely the product is distributed, the greater will be the cost of distribution and the price will be higher too. In the case of direct contact between exporter and importer (no intermediaries and mark-ups) the price can be low.

Note that the cost price is made up of four main components: the price of the raw material, labour costs, tool and set-up costs, and energy. Developing country exporters should ensure that they have access to enough materials and energy at fair prices. Products with a relatively high percentage of labour costs offer good opportunities for developing country exporters to supply to Europe.

The prices in the DIYmarket are still decreasing. Due to the fact (in descending order of importance) that:

- Price is buying argument number one;
- DIYchains in many EU countries cannot grow by opening more stores and therefore more and more compete against each other on price;
- the dollar is still weak against the euro;
- price reductions of 25 percent in one year are normal at the moment.

8.2 Sources of price information

Price information for the most common basic metals can be obtained from the London Metals Exchange (LME) and the Dutch metals market. Prices for standard products (pipes/tubes, fittings, valves) can be obtained through trade organisations, trade press or trade fairs. Other sources include checking on the Internet, asking for prices from distributors, retail chains and other distribution channels. Please refer to the appendices for details.

There are several ways to obtain information about prices and price levels in Europe:

- trade organisations (see appendix 3.3 Trade associations);
- trade fairs, an important one is Practical World in Cologne, Germany (see appendix 3.4 Trade fair organisers);
- magazines (appendix 3.5 Trade press) and catalogues of wholesalers (quoting recommended prices excluding VAT);
- Internet pages (listed in the appendices and in appendix 5 Useful Internet sites); view pages of DIYstores, purchasing combinations, wholesalers, agents;
- Visit, in the chosen countries, the various types of retail outlets (DIY stores, specialised tool shops, professional distributors) to get a good view of different market segments and the prices (and of the variety of products and their quality).

To give a brief impression, some products sold in the United Kingdom are presented (price level October 2003):

Product	**Price range (all prices in €)**
22 inch hand point saw	5.1 – 16.5
Claw hammer	3.8 – 37.5
6 inch slotted screw driver	1.7 – 10.5
1/3rd sheet sander	7.5 – 75
Jig saw	8.4 – 60
Cordless screw driver (3.6v or 4.8v)	13.5 – 37.5
Cordless drill driver	23.6 - 135

9 REQUIREMENTS FOR ACCESS

9.1 Non tariff trade barriers

CBI's AccessGuide is a useful database on non tariff trade barriers, which can be visited at www.cbi.nl/accessguide

9.1.1 Quality and grading standards

Quality is a main characteristic of a product, based on the suitability to meet given requirements under a present situation. Customers make considerable demands on maintenance and replacement parts. These aspects are becoming more important in influencing the demands of mainly professional customers. Not only safety, reliability and price are considered by buyers, but service costs are also included in purchase decisions.

CE-marking

The CE marking symbolises the conformity of the product to the applicable Community requirements imposed on the manufacturer. With the CE Mark the supplier states that the product complies with the essential demands in the field of safety, health and environment. It is seen as the most important requirement.
The CE mark is a mark that companies should apply on products within the product groups that come under the so called New Approach directives. The mark tells the customer that the product complies with the most essential requirements in the areas of safety, health and environment of the applicable directives. The term "new approach" dates from the eighties. The goal of the European Union's harmonisation programme under the "New Approach" is to streamline technical harmonisation and the development of standards for certain product groups, including, among others, machinery, toys, construction products, electromagnetic compatibility, personal protection equipment, non-automatic weighing machines, medical devices, gas appliances, hot water boilers, and telecommunication terminal equipment. Under the new approach, Directives cover essential safety and health requirements. The global approach is based on the same principles, but has a different interpretation. This is more applicable to harmonisation of guidelines for, for instance, High Speed trains and methods for the measurement of energy use by refrigerators.
For an extensive explanation of The European Commission on the Directives Based on New Approach and Global Approach, visit at their website:
http://europa.eu.int/comm/enterprise/newapproach/legislation/guide/legislation.htm.

Special attention should be paid to the so called "horizontal directives" such as The Electro-Magnetic Compatibility Directive (EMC). This directive is applicable to devices that can cause electro-magnetic disturbances or of which the operation can be influenced by electro-magnetic disturbances. The aim is to avoid disturbances in radio connections and applications of which the working can be influenced by electro-magnetism.
The low voltage Directive. This directive is applicable to products working with an alternating current between 50 and 1000 V or a direct current between 75 and 1500 V. The directive gives safety requirements for these applications.
The directive 98/37/EC (hand-held, non-electric power tools, safety of hand-held and transportable motor-operated electric tools). This directive gives specific guidelines for this product group. Products of developing country exporters will mostly be supplied to EU countries by importers. This primarily makes the importer responsible for the product. Importers will encourage or force developing country exporters to meet certain standards, for example through legally binding guarantees. For example, as from 1 July 2003, the European Union prohibited the use of lead, mercury, cadmium and hexavalent chromium in vehicles and components and materials used in vehicles. For more information about product legislation (through keyword: machinery or mobile equipment; related documents available) visit AccessGuide, CBI's database on non tariff trade barriers at www.cbi.nl/accessguide and your importer / agent.

ISO 9000-2000
The International Organisation for Standardisation (ISO) developed the generally accepted ISO 9000 series, which provides a framework for quality management and quality assurance. The ISO 9000 standards represent an international consensus on the essential features of a quality system. Manufacturers which have obtained an ISO 9000 series certificate possess an important asset. It is a major selling point when doing business in the competitive EU market. Quality, health, safety and environmental management programmes are usually strongly interwoven with the overall ISO management plan.

Trade legislation
Companies wishing to make distribution, franchising or agency arrangements need to ensure that the agreements they put in place are in accordance with EU and national laws. Under EU law, because these kind of agreements can potentially restrict competition within the European Union, they have to be notified to the European Commission prior to their enforcement, unless:
They qualify as "agreements of minor importance", meaning that the parties' combined market share does not exceed a certain limit. Generally this limit is a combined market share of less then 30%.
Additionally to this market share some “Hardcore limitations” exist:

- No vertical price binding: not allowed to determine the distribution price
- No geographic limitation for the distributor
- No requirements allowed for selective distribution
- No restriction in distribution of spare parts.

See detailed information at: http://www.europa.eu.int/comm/competition/antitrust/legislation/

Patents
Non-EU patents are not recognised in the European Union; so, companies will need to have corresponding patent protection to cover the EU market. Unfortunately there is not yet a single EU wide patent. This may change soon but for the moment the most effective way for a company to secure a patent across a range of EU national markets is to use the services of the European Patent Office (EPO) in Munich. It offers a one-stop-shop that enables rights holders to obtain a bundle of nation patents using a single application. It is worth bearing in mind that the EU system is based on the first-to-file approach, so securing such protection should be considered a priority. The EPO's address is Erhardstrasse 27, D-80331 Munich, Germany (Tel.: 49-89-23990 / Fax: 49-89-23994465). Their website is: **http://www.european-patent-office.org**.

Documentation
With regard to necessary product documentation, certificates of origin must be completed by the exporter and be certified by the authorised authorities in the country of dispatch. Special conditions apply in the preferential agreements with some East-European countries under which the exporter himself has the right to certify the forms. The document EUR 1 is required by Customs authorities for imports from ACP/OCT countries. FORM A (GSP) is used for imports from developing countries under the GSP agreement.

Norms / Standards
It is important to manufacture products according to accepted international standards. Norms not only specify sizes and tolerances but also give strength and finish requirements. Sales of a product will be difficult if the product is not manufactured according to the required standards. Moreover, it will not be competitive compared to other products.
Many standards exist in the field of hand and power tools. The international standards are categorised by ISO as well as by many national standards organisations in ICS fields. The following ICS field applies to this category of products:

25	manufacturing engineering	
	25.140	hand-held tools
	25.140.01	hand-held tools in general
	25.140.10	pneumatic tools
	25.140.20	electric tools
	25.140.30	hand-operated tools
	25.140.99	other hand-held tools.

For more information see: http://www.iso.ch/iso/en/ISOOnline.openerpage.

For the EU specific EN norms exist. Applicable norms for hand and power tools are:

EN-ISO-11681-1:2002	: Agricultural and forestry machinery; Portable chain saws; Safety
EN 609	: safety requirements for agricultural an forestry machinery: log splitters
EN 792-1:2000	: Hand-held non-electric power tools; Safety requirements; Part 1: Assembly power tools for non-threaded mechanical fasteners
EN 792-10:2000	: Hand-held non-electric power tools; Safety requirements; Part 10: Compression power tools
EN 792-11:2000	: Hand-held non-electric power tools; Safety requirements; Part 11: Nibblers and shears
EN 792-12:2000	: Hand-held non-electric power tools; Safety requirements; Part 12: Small circular, small oscillating and reciprocating saws
EN 792-13:2000	: Hand-held non-electric power tools; Safety requirements; Part 13: Fastener driving tools
EN 792-14:1995	: Hand-held non-electric power tools; Safety requirements; Part 14: Assembly power tools for non-threaded mechanical fasteners
EN 792-15:1995	: Hand-held non-electric power tools; Safety requirements; Part 15: Cutting-off and crimping power tools
EN 792-2:2000	: Hand-held non-electric power tools; Safety requirements; Part 2: Cutting-off and crimping power tools
EN 792-3:2000	: Hand-held non-electric power tools; Safety requirements; Part 3: Drills and tappers
EN 792-4:2000	: Hand-held non-electric power tools; Safety requirements; Part 4: Non-rotary percussive power tools
EN 792-5:2000	: Hand-held non-electric power tools; Safety requirements; Part 5: Rotary percussive drills
EN 792-6:2000	: Hand-held non-electric power tools; Safety requirements; Part 6: Assembly power tools for threaded fasteners
EN 792-7:2002	: Hand-held non-electric power tools; Safety requirements; Part 7: Grinders
EN 792-8:2001	: Hand-held non-electric power tools; Safety requirements; Part 8: Sanders and polishers
EN 792-9:2001	: Hand-held non-electric power tools; Safety requirements; Part 9: Die grinders

Especially for the Dutch market look at: www.nen.nl; useful links to other national standards organisations can also be found here.

The DIN norms are very important: www.din.de in Germany. The committee "tools and clamping devices standards committee" within the DIN organisation is responsible for this area. Several hundreds of standards applicable to tools can be found here, most of them also linked to European standards.

Social requirements (SA8000)
Most of the requirements in this sector are based on quality and technical safety. However, social requirements are of growing importance, focusing on raising labour standards mainly in developing countries. Currently SA8000 is the most frequently applied management system for guaranteeing social requirements, such as minimum age of employees, fair payment, working time etc. Application for SA8000 may provide an interesting market opportunity for exporters in developing countries. For more information on SA8000 visit AccessGuide at www.cbi.nl/accessguide (keyword social issues; items: ILO Conventions and SA8000).

Occupational health and safety (OHS)
Standards and methods have been developed because of growing concern in Europe about the local social conditions in which products are manufactured. While using machinery, accidents can be caused by technical defects of the machines or by unsafe work practices. A management system "Occupational health and safety" (OHSAS) is applied in this sector, which is designed to ensure a systematic approach

within a company to ensure proper working conditions. For more information, visit AccessGuide at www.cbi.nl/accessguide (keyword Occupational health and safety; items: Machinery or Castings and forgings: occupational health & safety and OHSAS).

Environmental requirements (ESP, labels, codes and management systems)
Environmental measures in the production process (also called "environmentally sound production" or in short: "ESP") are not legally compulsory in the EU, contrary to EU product legislation, but you might be confronted with requirements on e.g. waste management that are requested by EU buyers. Environmentally sound production, as per the GATT agreement, will be an essential prerogative for exporting to EU markets in the future. Developing country exporters should be aware that it is very difficult to meet such stringent demands. There are several instruments used to show environmental and/or health and safety compliance such as labels, hallmarks, management systems and codes of conduct. ISO 14000 is the most widely used environmental management system. For more information, visit AccessGuide at www.cbi.nl/accessguide (keywords ISO 14000 and cleaner production).

Packaging, marking and labelling.
All enterprises in developing countries and transition economies have to comply with international regulations and standards for their packaging, as well as with target market specifications and requirements on safety, health and environmental protection.
The function of packaging is:

- To Contain: packaging should be suitable for the quantity for sales, but can also contain more individual packages for transportation / warehousing.
- To Protect: packaging must protect against handling activities and against climatic influences during transport, warehousing and sales.
- To facilitate handling: handling is the main hazard of transport. Packaging can help to facilitate safe handling.
- To promote sales: packaging conveys a message to the user / customer.

On December 31, 1994 the European directive concerning packaging and packaging waste was launched. This directive applies to all packaging and waste of packaging introduced in the European market. The aim of this directive is to harmonise all national governance in regard to the management of packaging, and contains the guidelines for national legislation. All EU countries have made their own legislation for implementation of the guideline. The best known is "the Green Point" obligation in many European countries.
Labelling is also subject to many directives that differ from one country to the other. For more information, also for individual countries see appendix 3.6 of this EU market survey.
For more detailed information, please refer to CBI's publication "Packaging manual". It is particularly important that exporters in developing countries are aware of these regulations and take appropriate measures, in order to become or remain interesting trade partners for European importers. Packaging policy does not specifically affect "foreign" manufacturers because the importers will be held responsible for the packaging. Generally, sound marketing requires taking the importer's obligations into consideration, meaning that packaging (transport packaging, surrounding packaging and sales packaging) materials should be limited and re-usable or recyclable. The importer will otherwise be confronted with additional costs, thus reducing the competitive position of the exporter.

9.2 Tariffs and quotas

In general, all goods, including hand tools and power tools, entering the EU are subject to import duties. External trade conditions in the European Union are mostly determined by EU regulations. In the case of hand tools and power tools, the level of the tariffs depends on:

- the country of origin;
- the product.

The integrated tariff of the European Communities, known as TARIC, is designed to show the various rules applying to specific products when imported into the Customs territory of the Community or, in some cases, when exported from it.
It incorporates:

- The provisions of the Harmonised System,
- the provisions of the Combined Nomenclature,
- the provisions of the specific Community legislation such as for example:
  - Tariff suspensions
  - Tariff quotas
  - Tariff preferences (including tariff quotas and ceilings)
  - The generalised system of tariff preferences applicable to developing countries (GSP)
  - Import prohibitions and import restrictions.

To search the TARIC by country of origin, Harmonized System Code, or product description, please refer to the Directorate-General Taxation and Customs Union website, http://www.europa.eu.int/comm/taxation_customs/dds/en/. The TARIC is updated annually in April.

In 2001, the EU Commission established a new scheme of preferential rights (GSP) for the period from 1 January 2002 to 31 December 2004. Under the new GSP (see www.europe.eu.int), which covers the period 2002-2004, the preferential regime includes:

- preferential market access to Europe for industrial and agricultural goods from developing countries, depending on the sensitivity of goods. The 'sensitivity' of goods refers to the degree to which imported products cause, or threaten to cause, serious difficulties to EU producers of similar or directly competing products;
- special treatment for Least Developed Countries(LDCs), and a grouping of Latin and Central American countries;
- Separate agreements have been made between:
  - EU and ACP (African, Caribbean and Pacific Countries); separate agreement is made with South Africa (gradual mutual reduction of import duties)
  - EU and Mexico (all industrial products from Mexico are duty free from 2003 on)
  - EU and Mediterranean countries (all industrial products are duty free)
  - EU and Eastern Europe (10 countries that are in accession negotiations); all countries have bilateral "Europe agreements" including substantial trade liberalisation. Less comprehensive trade agreements are in place for Albania, the countries of former Yugoslavia and most of the countries of the former Soviet Union.
- an encouragement regime to stimulate developing countries to establish and implement trade-related social and environment policies.

In order to support the export from developing countries, the EU operates the Generalised System of Preferences. Under the current GSP scheme of the EU (Regulation 2820/98/EC), imports from a number of developing countries are admitted at a reduced tariff and imports from a group of least-developed countries at a zero tariff. The following table presents the actual tariffs for the product groups treated in this market survey.

Table 9.1 TARIC tariffs per HS code

HS code	General Tariff	**SPGA**[1]	SPGE	SPGL[2]	LOMA LOMB	MCH	South Africa/ Chile / Mexico	MGB
8201 10 - 90	1,7	0	0	0	0	0	0	0
8202 10 / 20	1,7	0	0	0	0	0	0	0
8202 31 / 39	2,7	0	0	0	0	0	0	0
8202 40	1,7	0	0	0	0	0	0	0
8202 91 – 99	2,7	0	0	0	0	0	0	0
8203 10 - 40	1,7	0	0	0	0	0	0	0
8204 11 - 20	1,7	0	0	0	0	0	0	0
8205 10	1,7	0	0	0	0	0	0	0
8205 20 - 5910	3,7	0	0	0	0	0	0	0
8205 5930 - 60	2,7	0	0	0	0	0	0	0
8205 70	3,7	0	0	0	0	0	0	0
8205 80	2,7	0	0	0	0	0	0	0
8205 90	3,7	0	0	0	0	0	0	0
8206	3,7	0	0	0	0	0	0	0
8207 13 - 9099	2,7	0	0	0	0	0	0	0
8208 10 - 90	1,7	0	0	0	0	0	0	0
8209	2,7	0	0	0	0	0	0	0
8211 10 – 93	8,5	0	0	2,9	0	0	CL = 2,7 Other = 0	0
8211 94	6,7	0	0	2,9	0	0	CL = 1,7 Other = 0	0
8211 95	2,7	0	0	0	0	0	0	0
8213	4,2	0	0	0	0	0	0	0
8467 11 - 19	1,7	0	0	0	0	0	0	0
8467 21 - 2990	2,7	0	0	0	0	0	0	0
8467 81 - 99	1,7	0	0	0	0	0	0	0

SPGA[1]: excluding Myanmar.
SPGL[2]: excluding China
Source: Dutch Customs Office, www.douane.nl/taric-nl/ (October 7, 2003)
SPGA are the least developed countries benefiting from the generalised system of preferences (Annex IV to Regulation (EC) No 2820/98),
SPGE are South and Central American countries establishing programmes to combat drug production (Annex V to Regulation (EC) No 2820/98).
SPGL are the countries benefiting from the generalised system of preferences (GSP), minus the countries of the SPGC group (3) (Annexes IV and V to Regulation (EC) No 2820/98).
LOMAB (is LOMA and LOMAB together): contains a lot of African, Caribbean, Pacific and overseas countries related to European countries.
MCH: Egypt, Jordan, Lebanon and Syria.
MGB: Algeria, Morocco and Tunisia.

The next step is, after becoming informed about the market: industrial demand, trends in demand and the requirements for market access (chapter 9), determining if there is potential for your company to export your products to the European Union. Part B introduces the areas which should be analysed before you can take a decision if exporting can be successful.

PART B EXPORT MARKETING GUIDELINES: ANALYSIS AND STRATEGY

The EU market information and EU market access requirements (Part A) identified the volume of the different product groups. It also indicated the different type of markets and customers with their demands and the trends in the different markets. Finally the sales and distribution channels were presented, a distinction being made between the different types of companies ("players"). The EU market access requirements name the existing trade barriers (technical and environmental; tariffs). The norms and standards (in both legal and business terms) should be seen as prerequisites to business with EU importers.

The purpose of the Export marketing guidelines (Part B) is to help you, the exporter, to decide:

- Which markets are most suitable for my current product portfolio?
- Am I capable of meeting the norms and standards required? Can I follow the technical developments?
- Can I run a profitable business? Are there large investments needed and what are the uncertainties? How can I manage the risks?
- What position should I aim at most logically (and what direction can I expect to grow in the next few years)?
- Who will be my most serious competitors; what is their strategy and what should my strategy be (e.g. cost and volume or niche player)?
- Is my internal organisation adequate, and if not where must I improve because the current performance is below market requirements?

Chapters 10, 11 and 12 aim at assisting potential exporters in the decision-making process (i.e. whether or not to export) by combining external and internal analysis with critical conditions and success factors. Is the market for my products large enough, can I obtain a position (and, if so, in which market segments and or EU countries), how long will it take and do I have the financial and marketing means required?

Chapter 13 supports the potential exporter once he has made a positive decision, explaining the steps he has to take in order to successfully penetrate the EU market for his chosen product market combination(s). How do I get in touch with potential customers? How do I build up a professional relationship with them? How do I expand the business with each customer?

For general export marketing information, please see the CBI's Export Planner. For general information on conducting market research, the exporter should refer to the CBI's new manual on market research.

Typical starting situations for potential exporters (in developing countries) are:

- Tool manufacturer:
  A tool manufacturer (exporter) has in place engineering, production, service and a marketing and sales department. This kind of company has specific technology and machinery (e.g. turning and milling) and skilled personnel. He produces single tools and/or assembled products. In the phase of start up of production and delivery, a lot of close communication exists between importer and exporter (in engineering and production, this entails sharing experiences and eventually improving the product). The logistics are under control and the company can guarantee short and reliable delivery times. In this case it is most common that importers (one or more) will sell the products under their brand name or under a private label name. Private label manufacturing is a good option for companies with expertise in technology and production processes, in most cases at lower cost compared with Europe. Another opportunity is contract manufacturing where products are manufactured without having an own technology.
- Brand supplier:
  "Brand supplier" means that a supplier markets his own brand. The producer needs to have expertise of end-user markets (good marketing skills), technological and production expertise. He will have an assortment of products (one or more product types and a number of variants per type). Experience and knowledge of packaging is present and some kind of service can be delivered.

In the next chapters these types are used for examples. In some cases, the equivalent types of products are used for this purpose.

It is not easy to market an own brand in the European market. Unknown brands will not be accepted in the professional market. However, it is still possible to market your own brand in the DIY market, or to sell your products there without brand labelling. Especially at the low end of that market brand names like "Top Craft", "Paradise" or "Dongsen" are sold via retail chains. These are unknown brands in the professional market.

10 EXTERNAL ANALYSIS

The external analysis should be used to determine which markets and countries are of interest to you. When markets and countries have been selected, your possible competitors and the existing sales channels should be examined. This should result in the conclusion as to whether or not you can obtain a position and how.
The way in which a potential exporter can execute its external analysis is elaborated in the following paragraphs. There you will also find specific references to websites and other specific information points.

10.1 Market developments and opportunities

An experienced exporter knows that he should first identify the most promising export product(s), export market(s) and sales channel(s), and identify whether he is capable of meeting all their requirements. He also knows that he should identify segments and niches in the various markets, and identify competition. And he knows that only then should he focus on the buyers and price issues. This means that a (starting) exporter has to start with market survey and identify the developments and trends in the selected markets.

Important questions to be answered are:

- Market size:

  What is the (estimated) market size for your potential export products? Try first to focus on your product group, then on your specific products.
- Kind of markets:

  What are the most important markets in terms of countries and kinds of markets?
- Market developments:

  How has the total market volume developed during the last 3-5 years? If there is no information on specific tool products, then try to obtain information on the development of the market in total. It is for instance not possible to obtain information about saws in the DIY market, look at the DIY market in total.
- Imports:

  How have imports developed during the last 3-5 years? Again, there probably is no specific information on all products available.
- Market access requirements:

  What are the major requirements your products have to meet, and what is the most important feature of your products?
- Are importers and potential business partners in the EU interested in new suppliers of your particular products?

In terms of value, the developing country exporters are most successful in electrical tools, plates, sets of tools and spanners. In terms of percentage, the product groups spades, sets and files are important.
The leading exporting developing countries of hand and power tools are China and India. Other important countries are Slovenia, Malaysia, Brazil and Mexico.

The market information described in **Part A of this market survey** can be very useful as a starting point for your export market research. Where applicable, the sources for this market information are also mentioned in the specific chapters.
For more general information, you can use the EU statistics bureau **Eurostat**:
http://europa.eu.int/comm/eurostat
A complete analysis report on the European DIY market can be obtained from FEDIYMA, European Federation of DIY manufacturers: www.fediyma.com, and from EDRA, the European DIY Retail Association: www.heimwerkerverband.de (section international).
An other interesting starting point for your market survey is the website of the European Tool Committee: www.ceo-tools.com. From here you get access to the individual country organisations of several European countries. Some of these country organisations have their own websites like: www.werkzeug.org (Germany), www.herramex.es (Spain) and www.symap.com (France).

Apart from the figures in chapter 3, 4 and 5 some information is given on the import, export and production of some individual countries in recent years.
More product-oriented information in the professional market can be obtained from the website www.vdma.de and www.cecimo.be

Market access requirements
Section 9.1 of this survey described a wide array of non-tariff barriers which could be applicable to exporters of hand and power tools. Important questions to be answered are:

- What standards are set on the quality of products?
- What standards are set on the quality of your company (ISO)?
- What is the importance of environmentally sound production methods?
- Are there import restrictions that limit sales opportunities?
- Which import tariffs apply to your export products?

Product quality
Consumer organisations exist in many European countries. They frequently do tests on several kinds of products, the results of which are published in their magazines and on the Internet (only accessible for members). A lot can be learned about product quality from studying these tests.
For example: in a recent test by the Dutch consumer organisation "de consumentenbond" for battery driven drilling machines, the following quality issues were measured with their weighing factors:

Versatility	5%
User guide	*5%*
Ease of use	25%
Drilling	*10%*
Screwing	27,5%
Battery	7,5%
Safety	seen as a basic feature; must be good for a good test result
Durability	20%

Many of these issues are not only applicable to this product group, but to many products.

Market development and opportunities: position for two kinds of suppliers.	
Brand supplier	Tool manufacturer
The market is dominated by strong brands for almost all kinds of products. Mainly in the DIY market, which is a continuously growing market, it can be possible to deliver own brands. Price competition is very important.	Price competition is forcing Western European companies to look for low cost production. This represents a good opportunity for tool manufacturers in developing countries. In that case it is not necessary to deal with all individual consumer markets, but you will act as a kind of industrial subcontractor. Reliability on quality and logistics is very important. Another interesting proposition is private labelling: your products will be delivered under the name of an EU company.

Promotion Organisations and other organisations which can be of assistance in entering the European Union market, can be found in Appendix 3.3. Furthermore, the exporter should take out subscriptions to magazines (appendix 3.5) and visit trade fairs (like the Practical World, every year in March in Cologne, Germany; see also Appendix 3.4).

10.2 Competitive analysis
The analysis of competitors should focus on interesting product market combinations for developing country exporters. In the previous section, the method of analysing the most interesting products and markets was depicted. Now the exporter should get a picture of the most important competitors and his own position against them.

As an initial step towards understanding your competition, you should prepare a list of all the competition and then select who your main competitors are. To learn more about competition you can do a secondary research study and ask customers and suppliers for their opinions. You can also prepare a list of your main competitors' strengths and weaknesses.

The following questions should be answered:

- Who is the competition in the markets that you want to enter?
- How strong are these companies (and supporting country policy)?
- What is the focus of these companies, and are you aware of their strategies?
- What is their market share and their specialisation?
- What are the core capabilities of the competition?
- What are the weak spots of the competition (products, production, logistics, marketing)?

What is their spare capacity and if they have relevant overcapacity, what are they doing with it (e.g. price dumping)?

- What is their cost price (operational cost)?
- In what way is your offer (product range and services, but also logistics and marketing) able to compete with the market leaders?
- What benefits are available to developing country exporters (trade quotes, hour rates, availability of resources …)?

If this investigation gives you enough positive signs, you can continue by making a business plan for your target market and products. If this is not the case, you should stop your efforts in this market and find yourself another market or try to find a partner with whom you can join forces.

An exporter to EU countries should study information on competitors from sources such as:

- Chapter 3, 4, 5, 7 and 8 of this survey;
- Internet, e.g. sector organisations and websites of the key competitors you have found;
- Trade shows and press (trends, who is present, market developments), trade promotion associations and organisations;
- ITC.

Competitive analysis: comparison of the two supplier types.	
Brand supplier	Tool manufacturer
As a result of the dominance of strong brands, competition is limited in the number of suppliers. Competition is strong between the limited suppliers, each of which has a strong position. A few, mostly very big, companies dominate the market. Most of them have several A and B brands within one house. A thorough investigation of this situation is important. On first sight it seems that there are many competitors in a fragmented market, but the real situation is different. You will find more competitors in the DIY market, in many cases competing on price. For reference, have a look at some producers; for example www.kennametal.com (Widia); www.sandvik.com; www.metabo.com. And website of distributor: www.biesheuveltechniek.nl; www.oskaro.com	The profile of a tool manufacturer comes close to the profile of a general subcontractor. This market is more fragmented and many companies are active in it. Profiles of these companies can differ a lot: varying from single tool supplier to manufacturer of completely assembled products. As most of these companies do not have an own brand, they are less easily traceable. Competitive edges can be: low cost, high quality, high flexibility.

10.3 Sales channel assessment

After evaluating the prospective products and markets and your major competitors, the particular sales channels within these markets must be assessed. After assessment of the performance of your own company (next chapter), comparison of the requirements of the sales channels with your company's performance will enable you to identify the most suitable sales channel(s) (chapter 12).

Based on the trade structure as presented in chapter 7, the following matrix represents the different possible combinations of position and sales channels used:

	Brand supplier	**Wholesale**	**Trading agent with stock**	**Trading agent without stock**	**Importer**	**Purchasing organisation**	**Retail chain**
Brand supplier		X	X	X	X	X	X
Tool manufacturer	X						

Horizontally, the type of customer is showed; vertically, the type of supplier.
In neither market (Professional market nor DIY) will it be possible for exporters in developing countries to trade directly with the end user.

Ultimately two positions can be distinguished:
Position 1:
In this position the exporter acts as subcontractor (tool manufacturer or tool parts supplier) to a brand supplier who controls the sales channels. This can also be a manufacturer who sells products under private label. A lot of power tools are made in accordance with this position, especially in low cost countries like China.
Position 2:
The exporter acts as brand supplier (B mark) and controls his own sales channels with his own brand.

It is particularly difficult for smaller retail chains or smaller distributors to conduct direct business with the big OEM companies under good purchasing conditions. For this reason they often combine their purchasing capacity in a purchasing organisation. Physically, the products can be obtained in several ways:

- Direct delivery to the distributor; purchasing organisation acts as administrator and contracting organisation;
- Purchasing organisation combines orders and distributes to distributors;
- Purchasing organisation holds stock, mainly for products on pallet for small batch delivery.

Important questions to be answered are:

- Which potential sales channels exist?
- Which products do the different sales channels trade?
- What are the most important requirements of the identified sales channels? What are the conditions for an exporter to take part in a specific supply chain?
- What quality standards do the sales channels demand?
- What kind of packaging is used in the various sales channels?
- What are the requirements concerning production process (environmental, ISO, etc.)?

E-commerce
It is very important to realise that most of the distributors and retail chains do not want to have a lot of stock, or at least do not want the financial risk of this stock. Logistical flexibility is very important. For this logistical reason and for purchasing optimisation, more and more companies introduce a kind of e-commerce.
In some cases e-marketplaces are used that can give a perfect entry to new customers without a lot of travelling. (see for example: www.newtron.net).

An institute of the European Union reports on trends and developments in e-business. See: www.ebusiness-watch.org/marketwatch/index.htm (under "publications" you will find several sectors that can be studied in detail).

The specific sales channel for each defined product should be appraised by the next questions:

- What is the structure of the sales channel (and of other available channels); what products are dealt with (and in other related channels); why should and could I be part of it?
- What lot sizes, delivery requirements and logistic performance is demanded; can I meet these requirements?
- Which companies should how be approached; am I able to set appointments and to have good presentation material?

Competitive analysis: sales channel assessment	
Brand supplier	Tool manufacturer
Many ways exist for the sales of tools, but in general the way via trading agent, importer of wholesale is basically almost the same. Attention should be paid to the way that stock is treated (financially) in combination with the flexibility requirements of the market. A more flexible market requires stock at a short distance. In many cases you will have to deal with purchasing combinations. In a way, this is an advantage because it gives access to many customers at once. On the other hand they will ask for a higher discount because of bigger volumes. Regarding own brands in retail chains, it is best to make direct contact with the procurement department of the retail chain.	Tools are delivered to brand suppliers. This is a simple and uniform business-to-business sales channel. There is a possibility of upgrading from this sales channel to the other ones, after having acquired more experience on requirements and markets.

10.4 Logistics

Be aware that in today's business in Europe logistics are of vital importance. Logistics not only concerns transportation, but also deal with stocks and responsiviness.

Important questions that the exporters should ask themselves are:

- What are required delivery times?
- How often does the sales channel require delivery?
- What cycles of delivery does this channel require?
- What lot sizes does this sales channel demand?
- What formalities does the sales channel require to behandled by the exporter?

Some important trends in logistics are:

- Elimination of stock: importers and retailers do not want stock as it raises their supply costs;
- Delivery time: general tendency to shorter delivery times;
- Reliability: this is one of the major quality issues;
- Batches: there is a strong tendency to smaller batch sizes, also in line with smaller stocks;
- Flexibility: demand dominates the supply chain, and should be followed. Take also into account the fluctuations because of the seasons (Christmas, summer holidays etc);
- E-commerce: the ordering process itself is sometimes one of the processes that need to speed up. Written orders sent by mail are sometimes too slow. Therefore all kinds of e-commerce are introduced, that should be followed by the exporter.

Packaging and labelling can be seen as a part of logistics. See also chapter 9 for reference. Packaging must suit all purposes.

The exporter should determine what the most suitable means of transport is for his kind of products. Compare air freight with shipment by boat for example. Air freight, unless considered very expensive, can be useful when a quick response to demand is required. And for goods with a high value compared to density it can be the right choice. On the other hand sea transport is interesting for bulk, slow response to demand and mainly for goods that are cheap. Especially in cases where the exporter is responsible for the freight this consideration should be handled very carefully because it will affect your competitive condition. In that case careful notice has to be taken of the delivery terms.

Figure 10.1 Incoterms 2000

	Loading on truck	Export customs formalities	Carriage to port of departure	Unloading from truck at port of departure	Loading charges at port of departure	Carriage to port of destination	Unloading charges at port of destination	Loading on truck at port of destination	Carriage to final destination	Insurance	Import customs formalities	Import taxes and duties
EXW												
FCA												
FAS												
FOB												
CFR												
CIF												
CPT												
CIP												
DAF												
DES												
DEQ												
DDU												
DDP												

Blue : included
Violet : excluded.
For complete reference see: www.incoterms2000.com (see this website also for abbreviations).

Most common delivery terms are: FOB (Free On Board), CIF (Cost Insurance Freight) and DDP (Delivery Duty Paid). Please consider that the exporter's risk and effort needed are bigger at the last option (exporter responsible until its customer has actually received the goods) than at the first (customer responsible for the goods when these have left the factory of the exporter).

Competitive analysis: logistics	
Brand supplier	Tool manufacturer
Tools (end products) can have many shapes. Important for determination of transportation is the so-called value per content. In case of high value, air freight must be considered, whereas in case of low value sea freight can be considered. In many cases, especially for electrical tools, complete containers of one product are shipped. It is important to follow the demand of the end customers (for instance: season influence). Packaging must be suitable for retail sales. The delivery batch must be determined depending on the relation and agreement with importers or wholesalers.	In the business to business market, low stocks are of utmost importance, so small batches will be demanded. This will influence the method of transportation, with similar considerations as at the Brand supplier position. It will also effect your internal logistics: flexibility will be stretched. Packaging depends on the agreement that has been made with the customer: repackaging in the end market is an alternative.

10.5 Price structure

Competitive analysis (10.2), sales channel assessment (10.3) and logistics (10.4) have been discussed in the previous chapters. It is important for the exporter to realise that the supply chain as described before

not only has its influence on logistics and logistical performance, but also is the basis for the price structure. It is important to be and stay competitive in the market.

The margins for products depend on the Added Value a company is delivering. The margins are low for the sales channels suppliers with one-of-a-kind products (developing country exporter is supplying capacity, delivering a built-to-print component). The margins increase for more special products. Most of the times the margins are the highest when supplying standard products to importers and when offering a brand to the market. The following box presents an example of what mark-ups are possible from export price to retail price.

From export price to retail price, an example for the professional market.		
Item	Mark-up	price
FOB (exporter's selling price		100
Freight, insurance, etc. (e.g. 15 percent)	15	
CIF price		115
Shipment to user (e.g. 5 percent)	5	
Duty and Customs (if applicable 1,7-8,5 percent)	5	
Landed cost Europe		125
Importer / agent / wholesaler's mark-up* (10/20/50/65 percent)	63	
Distributor's purchasing price		188
Distributor's mark up (50%)	94	
Retail price ex VAT		282**
VAT (19 percent)	54	
Selling price to industrial user		336
* mark-up depends on type of product, distribution channels used and competitive situation ** depending on customer relations discounts up to 40% or 50% are possible.		

Despite the above-mentioned mark-ups, the net margin for importing and distributing companies is around 5%. Be aware that a lot of costs are made for sales, warehousing, handling etc.

In recent years, hardly any growth has been observed in the market of hand and power tools. Generally, the consequence of such a market situation is pressure on sales prices. Another item addressed by purchasers is deliverance of more added value. Sometimes this can be in terms of more flexibility, but also in terms of service and support.

In many cases importers and distributors ask for a discount on the list price of a product. This discount depends mostly on the sales volume to a distributor. Of course, the height of the discount depends also on the negotiation skills of the purchaser. A commonly used argument is that the competitor gives better conditions. The exporter should be prepared. In chapter 8, more details of the price structure are discussed.

10.6 Product profiles

Success or failure of your export strategy depends from how efficiently you can determine attractive product market combinations, including developments in market requirements and analysis of your competitors. The product profiles below offer the essential product parameters which should be described. On the other hand, the market situation and developments are depicted. It helps you to detect if entering a certain product market combination can be successful. Developing country exporters should develop product profiles for their own (prospective) export products, in order to be able to take a correct decision.

<table>
<tr><th colspan="3">PRODUCT PROFILE</th></tr>
<tr><td colspan="3">1. Product Name: Plates</td></tr>
<tr>
<td>2. Market requirements:

Technical requirements:
ISO 3002-1 to 5 Basic quantities in cutting and grinding. Defines general terms for surfaces on the workpiece, certain elements of the tool, surfaces on the tool, the cutting edges and the tool and workpiece motion, reference system of planes which are subsequently used to define the various angles and chip breakers.

ISO 3685 Tool life testing with single point turning tools. Specifies recommended procedures for tool-life testing with high-speed steel, cemented carbide and ceramic single-point turning tools used for turning steel and cast iron workpieces. Establishes specifications for the following factors of tool-life testing: workpiece, tools, cutting fluid, cutting conditions, equipment, assessment of tool deterioration and tool life, test procedures and the recording, evaluation and presentation of results.

ISO 5421 Ground high speed tool bits.

There are no specific import regulations or restrictions for these products. Standard import documents will be needed:
- AWB or Bill of Lading
- Commercial invoice
- EUR 1 form for ACP countries
- Form A for other countries.

Packaging:
functional, single product.</td>
<td>3. Market structure:

Total imports in the EU for these products in 2001 were
€ 1,839 million.
The leading importing countries within Europe were
* Germany € 415 million
* Netherlands € 328 million
* Belgium € 326 million
* Italy € 203 million
The supply market is now dominated by European, Israeli and US manufacturers. Import from less developed countries is still low.
Second tier supply is possible.</td>
<td>4. Main suppliers:

Products which sell best have a strong brand name. Important manufacturers are for example: Sandvik , Kennametal and GE tooling.
Most of the products are sold via technical distributors.
Supply to well known brand companies is very possible.

Market leaders:
Sandvik: world market leader in cemented-carbide and high-speed steel tools for metalworking. 37,000 employees world wide. Turnover in tooling: 1784 M€ (2002).
www.sandvik.com

Kennametal: market leader in US and second in Europe. 13,800 emplyees world wide. Turnover in tools approx. 890 M€ (2003).
www.kennametal.com</td>
</tr>
<tr><td colspan="3">5. Areas of improvement:
Productivity is the most significant issue in the end market. Therefore technical issues are the most important in this market. Trends are:
Tools for faster cutting and with hight temperature resistance;
Technically oriented sales force.</td></tr>
</table>

PRODUCT PROFILE

1. Product name: Power tools

2. Market requirements:

Technical requirements:
ISO 1180 Shanks for pneumatic tools and fitting dimensions of chuck bushings. Applies to coal pick shanks, chisel shanks, rivet snap shanks (parallel or tapered), breaker and spade shanks, concrete breaker shanks and rock drill shanks. These types relate to the machine for which they are mainly designed, but this does not prevent the use of the shanks for other applications. ISO 1180 does not apply to pneumatic hammers and their chuck bushings but those features of chuck bushings (dimensions and tolerances) which ensure interchangeability are specified.
As it is very important that all kinds of tools can be used with your machines, ISO 10889, that deals with this subject, should also be considered.

Besides these technical standards, CE marking is very important. Look at the directives:
Electro magnetic compatibility
The low voltage directive
98/37/EC: hand-held non-electric power tools, safety of hand-held and transportable motor-operated electric tools.

There are no specific import regulations or restrictions for these products. Standard import documents will be needed:
- AWB or Bill of Lading
- Commercial invoice
- EUR 1 form for ACP countries
- Form A for other countries.

Packaging:
attractive appearance, sufficient information for potential client, functional.

3.Market structure:

Imports in the EU in the year 2001 were € 444 million.
The leading importing countries are:
Belgium € 132 million
Germany € 82 million
United Kingdom € 66 million
The major importing countries all have an extensive automotive industry.
Most important supply countries are the European countries Sweden and Belgium, and the United States and Japan. Also Taiwan is an important manufacturer.
Private labelling can be a good opportunity in this area.

4. Main suppliers:

Important suppliers are the well known brand names: Bosch, Black and Decker and Metabo for example. Specifically for pneumatic tools: Atlas Copco, Würth (distributor), Berner.

Profile of some market leaders:
Bosch: one of the leading industrial groups with a full line of power tools for DIY as well as professional use. Turnover in the related industrial group amounts to 7 billion euro (no figures available exclusively for power tools).
www.bosch.com

Metabo: manufacturer of professional tools. 2600 Employees, turnover 395 M€ (2002). Owner of 3 brands: Metabo, Electra Beckum, Lurem.
www.metabo.com

Blak&Decker: more than 3,1 billion € sales in 2002 on power tools. Brands are Black and Decker (home use) and Dewalt (professional use).
www.blackanddecker.com

Atlas Copco: Swedish industrial group containing 4 divisions. The industrial technique division contains a full range of pneumatic tools and electric (AEG) tools. Turnover of this group 1150 M€ (2002).
www.atlascopco.com

5. Areas of improvement:

This depends on the main application of the device: very important issues are ease of use, safety, and the quality of the tool holder. Old fashioned tool holders are no longer accepted, and new tools won't even fit into the machine. Another important feature is the versatility of the tool.
Market in recent years has been stagnating or even slightly decreasing.

11 INTERNAL ANALYSIS

The previous chapter (10) gave an external analysis for determining which markets and countries could be of interest to you. In this chapter, the company's existing internal capabilities are compared with the market demands and requirements (product, process, organisation and quality). The internal examination is an analysis of the manufacturer's strengths and weaknesses. These strengths and weaknesses indicate how well the company can seize opportunities and avoid harm from threats. The competitive strength of the company has to be measured in relation to the other suppliers in the market, just like a potential customer's attitude to the developing country exporter. Competitors and customers have to be considered in the internal analysis, because a manufacturer's strengths and weaknesses are defined as its capabilities relative to them.

In order to clarify whether or not your company is able to meet the market demands, it is important to evaluate your company's performance on five criteria as listed in the following points 11.1 to 11.5.

11.1 Product standards, quality, USP and production capacity

First you must check if your company is capable of meeting the requirements and standards which the potential customers in the target market are posing (see chapter 10). The basis will be formed by meeting the quality standards which are required. In general the (product) quality is the order "enabler". Exporters not meeting the requirements do not qualify to be in business. The basic questions for the different product groups within engineering products can roughly be divided into:

Important questions to be answered:

System quality of the exporter:
Is ISO 9000 (most common), VDA6 or QS 9000 certificate(s) or working according to their basic principles present in the company?
Adequate organisational quality, capable of professional communication with English, French and German people; methods and procedures defined for important activities; prompt attention to complaints
Process quality:
How controlled are your production processes and are these demonstrably guaranteed (e.g. CPK measurements)?
What is your reject rate ?
Product quality:
Does the product meet the common required standards (like DIN, CE, etc; certificates on time, certificates correct and complete) ?
But also does the product meet the required customer standards (visual appearance, dimensional stability, machined surfaces, packing quality and attractiveness) ?

In many cases quality is no longer a unique selling point, it is a basic requirement . Your export starting points in many markets are insufficient, if this basis (positive answering of above points) is not presently available. In some cases low quality products are sold for very low prices (for instance via so called 5€ containers). In these markets quality requirements, as mentioned earlier, are low.

The next step is to define your Unique Selling Points (USP). The exporter should determine what aspects are really unique, and need to be promoted in the new exporting markets.

Checklist Unique Selling Points.

1. Pricing:
   is your company a low cost supplier, or are other features more important?
2. Product:
   what is the special feature of your product, or is it a rather common product; how about life time?
3. Quality:
   does your product have a unique quality property, like less wear or more power?
4. Logistics:
   how about flexibility of your deliveries? Perhaps you have shorter lead-times or your ability for ramp up and down is unique?
5. Service:
   does your company have a service department or in what way is service to your customers organised? Do your employees speak the language of your customers?
6. Warranty:
   is you warranty in line with other companies in time as well as in extent?
7. Know how:
   is your company in the possession of unique know how?

Furthermore it is very important to check the volume of products to be exported to the new markets. The exporter should make an estimate of the market share to be reached in the marketplace, and translate this into a real volume. The question is: is your production capacity sufficient for this volume or should it be enhanced or expanded? Take into account that this estimate is only an approximation. Some risk assessment on this issue should be done: what in the case that the volume is 50 percent more, what if the volume is 50 percent less etc.

Company analysis: product standards, quality and USP	
Brand supplier	Tool manufacturer
Hand and power tools are delivered, via trading organisations, to end users. These end users are mainly interested in reliable quality products for as low a price as possible. They are not so interested in the quality and reliability of the manufacturing process. Depending on the market segment, unique selling points can be for example: Low price: especially in the DIY market. Low cost of ownership: especially in the professional market. Also warranty and private labelling can be good USPs.	Tools are delivered to brand supplier. Besides good quality of the product itself, these companies are also interested in the assurance of the production process in order to be convinced that they will get as few reject products as possible. Pricing, product quality, logistics and know how can be good USPs.

11.2 Logistics

Many customers demand short and reliable delivery times. The exporter must realise that he is part of the goods flow network, where companies want the lowest stocks possible. The production company must also be reliable regarding lead times and flexibility (volume, mix of products). This leads to the following attention points for the exporter in developing countries:

Checklist Logistics

- Most important: **Delivery reliability**;
  what is the track record of the exporter, regarding deliveries (planning methods, feed back loops, past performance)?
  what are normal lead times?
- Quantities; what is the average production level, what is maximum possible production per period per product?
- Logistics system

How professional is the order management system (order entry?, forecast?, stock control?, order progress control? Order status reports? Shipping details?
How are order (requests) treated? (paper, fax, EDI)
How capable regarding registering country of origin and country of destination?
How is material availability managed (right kind and quality; price)?

- Packaging (e.g. attractive package needed for several types of tools for end consumer markets); what are your possibilities? What are your possibilities in private labelling?
- Delivery conditions
  What type of conditions can be managed (EXW and or DDP)? Are you able to organise (overseas) transport?

The exporter must be aware that quick and clear contact with the importer to communicate any problems in the production is crucial for staying in business. The character of the product (quality, consumer power) demands accurate communication of progress and problems (both for physical product and paperwork).

Company analysis: logistics.	
Brand supplier	Tool manufacturer
This supplier has to deliver larger quantities of products in the shape that has been agreed. The exporter should always discuss the preferred type of packaging with his customer. As some of the exported tools are directly forwarded to the end-user, the importing company might want to have the printing work on boxes done already in the export country. Delivery in many cases will be FOB.	The tool manufacturer is quite early in the supply chain. Products have to be made in serial production, but batches have to be delivered in smaller quantities on a regular basis. Lead time are days or a limited number of weeks. Delivery reliability should be at least 99% on time and complete. Packaging is mainly functional and suited for transport, warehousing and handling. Easy unpacking is necessary.

11.3 Marketing and sales

The exporter must be aware of market developments (see Section 10.1) and sales channel structures (see Chapter 7 and Section 10.3) Per type of customer, you should develop a set of marketing and sales tools in which you present your company, its strengths and the way you are doing business. The result must be importing companies in your target group, being aware of your name and possibilities. A separate sales department, trade fair attendance, Internet presence and availability of sales material is necessary in order to create awareness of your potential. The quality of your presentation and promotion material is of crucial importance, because of the impression it gives of the professionalism of your company!

The following checklist can be used to identify if you are ready on the sales side of the company. Positive answers to these questions is necessary to start business in Europe.

* Sales:
do you have a separate sales department, are employees skilled for communication with your potential customers in a language to be understood by both parties? (mostly English)
* Marketing: please consider the five Ps (product, price, place, promotion, people)

- Product: what characteristics make your product unique and or attractive for potential customers, distinguishing properties;
- Price: what is your pricing policy, and what is the effect on turnover and profit;
- Place: how to cope with distance. Is presence in Europe necessary; how many time should you visit your customers; where do you sell; what outlets;
- Promotion: what are the means of promotion. Is Internet presence available;
- People: which employees are in contact with your customers. Are they trained and skilled for this job. Quality and availability of employees.

* Contacts:
where is this kind of business done? In most cases it will be necessary to travel to your (important) customers at least once a year. Perhaps this can be combined with a visit to a trade fair. It is important to follow all new developments, so that you are up-to-date when meeting existing and new customers.

* Communication:
in today's business it is necessary to have a good communication infrastructure. Telephone, fax, e-mail and a website are necessary. Also, as mentioned before, people speaking the language of the customer properly. In this context business behaviour is also important: in Europe adequate and quick response to questions, requirements, problems is of the highest importance. Please consider which employees must be available for communication with customers. In a personal contact, normally the sales person will visit the purchaser.
* Different requirements can be valid for the different kind of sales channels. So, this must be taken into consideration for all individual sales channels.

The term "sales organisation" refers to the organisational system that carries out the sales of the company's products and pursues quality control. A sales organisation usually consists of office personnel and a field force.

Office personnel	Field force
Handling correspondence Handling offers and orders Issuing forwarding instructions Issuing and checking invoices Controlling schedules Keeping customer records Expediting product samples Keeping sales statistics Evaluating markets Dispatching goods Quality control	Selling Visiting customers Presenting new products Discussing and implementing campaigns Discussing listings Holding yearly reviews with customers Implementing selling prices Negotiating Creating "solutions" for customers

Company analysis: marketing and sales	
Brand supplier	Tool manufacturer
A clear profile in the market as competent supplier for a certain kind of products is very important. Your brand should be recognised and associated with your unique selling points. A perfect use of the marketing instruments is crucial. Of course, professional sales and competent employees in this department are necessary.	As a tool manufacturer your know-how, competence and technical skills are important in the market. Your employees have to support these competences. A somewhat less "commercial" outlook is required compared to the brand supplier.

11.4 Financing

Customers like to be convinced that they are dealing with a stable and reliable partner. Therefore you must be able to clarify your legal structure and financial position to potential customers. In many cases customers have their own assessment methods for this, that should be followed. In this context it can also be important to show that your company is registered at a local Chamber of Commerce. Customers will check which people within your company are entitled to sign contracts and do business on behalf of the company.
Furthermore, the following issues will help in demonstrating your financial position:

1. How good is your cash - and solvency position
2. How large is your turnover per product group
3. How open are you in financial terms
4. What is your cash flow and invested capital

Export marketing is expensive. It is advisable to check the following questions:

- What amount of money can be allocated to setting up new export activities?
- What level of export operating costs can be supported?

- How are the initial expenses of export effort to be allocated?
- What other new development plans are in the works that may compete with export plans?
- Is outside capital necessary to support efforts?

The next item is the day-to-day financial transactions. In international business, several payment terms are possible. Most commonly used are:

General methods and terms of payment

Clean payment
The process is fast and reliable, depending on the credit worthiness of the importer. The bank carries out the transactions through swift electronic data system and the transfer costs are not very high.

Documents against payment (D/P)
Also known as cash against documents (CAD). The buyer takes possession of the goods only after payment. Although this method is not very popular, it is very safe and the costs amount to one pro mille. One can also make use of a 'documents against acceptance of a bill of exchange'. However, the bill of exchange is not commonly used in the European Union and it does not guarantee that the bill will be paid; it is less secure than the D/P.

Letter of Credit (LC)
The irrevocable LC is very often used in the beginning of a business relationship when the importer and exporter do not know each other very well yet. The LC is irrevocable and will always be paid. The costs are higher when compared to the D/P method, namely five pro mil. This method is widely used in the European Union when dealing with exporters from outside Europe.

Bank guarantee
The buyer's bank will present a bank guarantee for the amount of the invoice.

Cheques
Bank guaranteed cheques are generally not a problem though cashing may take some time, up to six weeks. Not all personal cheques are accepted.

A Letter of Credit (LC) is often used in the trade with companies in developing countries. It is preferable for business to obtain a standard relationship with quotes, orders and invoices.
Your should take into account that after that an invoice is booked in at the buyer, it will take some time before the payment will be made, depending on the payment term that has been agreed. This can undermine your liquidity for a while. Payment term is generally between 30 days (northern European countries) and 90 days (southern European countries). Make sure that delivery is in accordance with the agreed conditions, otherwise payments will not take place.

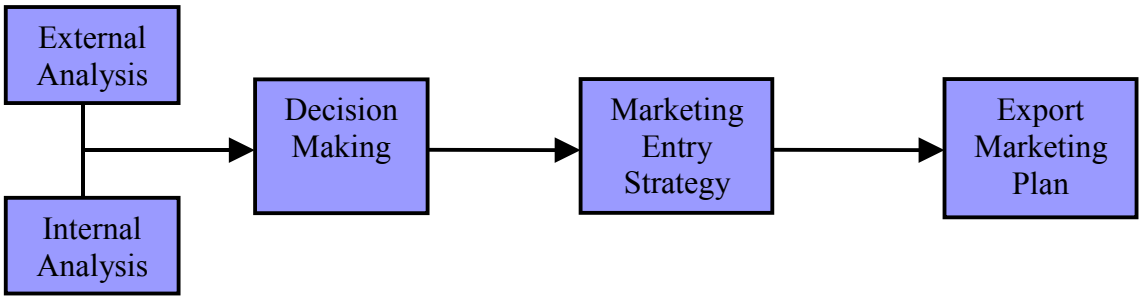
Company analysis: financing.	
Brand supplier	Tool manufacturer
As a brand supplier, you will have to do substantial marketing to enter into new business. You may sometimes have to adapt your product to local (i.e. export) markets (packaging etc). A lot of money is involved in these activities. Marketing and sales are high investments.	It is possible that you will have to invest in new tools or equipment for exporting your products. Investment has to be paid by your customer or must be depreciated. Money involved in stocks can be low.

11.5 Capabilities

A professional approach, combined with realism and restraint, is the best attitude to adopt towards European businessmen. European consumers are highly critical and price sensitive, for which reason the importers are cautious buyers and they will not start with a big order. European importers also tend to be conservative in their choice of products. Penetration by new products at the expense of already established ones requires substantial effort. Ideally, all other aspects being equal, newcomers would benefit by initially providing price advantages.

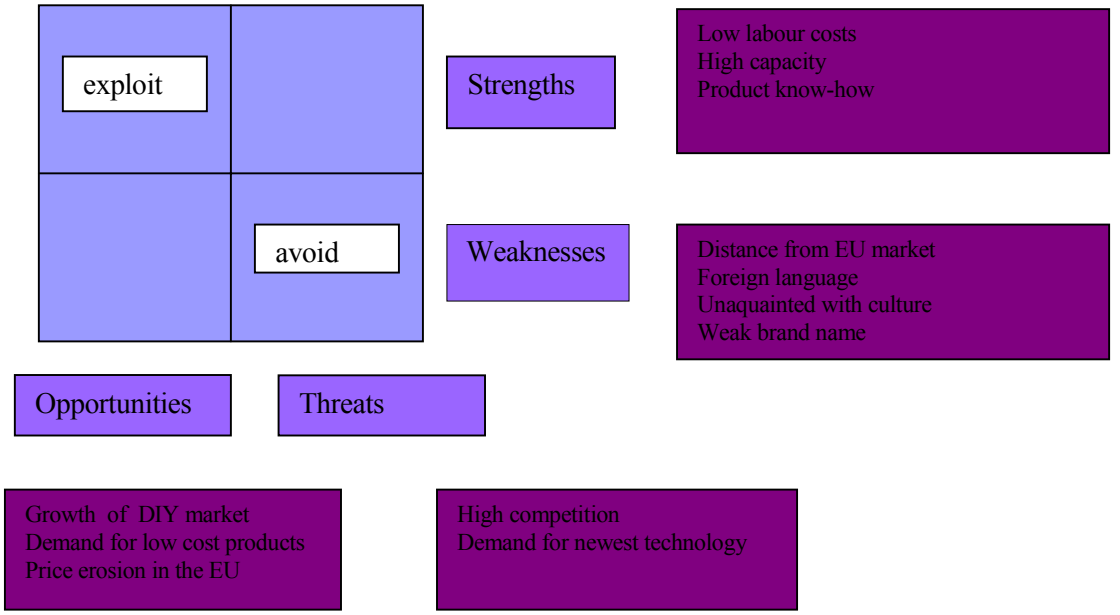
12 DECISION MAKING

The decision regarding whether or not your company is capable of exporting "hand and power tools" should be made in steps:



12.1 SWOT and decision making

Now that you have examined the external analysis (chapter 10) and the internal analysis (chapter 11) you will be able to define your position as a potential supplier for different products in several markets, as well as the issues that can or must be improved to become a successful exporter.
A SWOT matrix can illustrate the strategies to be followed:
(violet blocks are examples)



1. Opportunities and Threats: based on the external analysis, you decide whether or not there is sufficient market potential for your products and capabilities (see sections 10.1 to 10.5). You also ascertain which entity in the sales channel is best to sell your products to;
2. Strengths and Weaknesses: the checklists and assessments of the internal analyses (see chapter 11) must be answered positively as a prerequisite to become a partner for European business;
3. If both analyses (and perhaps the resulting action list) are positive, you then need to decide which product(s) for which market(s) to focus on.

This will give you a first sight of possible success in your new markets. But this alone does not give enough in-depth information. Therefore additional information is necessary:

- Study sector policies: what is the usual behaviour of parties in this market and what tendencies

can be observed (see Chapter 10)?
- Organisations: what sector and branch organisations are available, and what information can they provide that will be of interest for you? (see also Chapter 10 and appendix 3.3)
- Co-operation: study how the supply chains are organised and look for potential partners for co-operation (see Chapter 11).
- Know how and technical assistance: from whom can this kind of expertise be obtained? Perhaps it is available on the Internet or somewhere else in the public domain.
- Financing: you must be fully aware that export will require an investment. Not only out of pocket, but also in terms of capacity (see Chapter 11).

If you have come to the decision to export, the next phase of the export marketing process is to draw up an Export Marketing Plan (EMP) which defines a marketing strategy stating how the company is going to penetrate the identified market. The marketing strategy is designed around the information collected in the internal and external analysis and the marketing tools will be described in the following chapter (13).

Formulating an export marketing strategy based upon sound information and its proper assessment increases the chances that the best options will be selected, resources will be utilised effectively, and efforts will consequently be carried through to completion.

For assistance in writing an EMP and formulating answers to the questions asked in this chapter, CBI's "*Export Planner*" is an adequate tool. The next section of this chapter deals with that decision and the way(s) in which you could choose to develop further.

12.2 Strategic options and objectives

Now that the results of the SWOT analysis, completed with some other information, are known (section 12.1), the exporter should be able to decide whether or not to export, and to identify suitable target markets, trade channels etc. The following step is to make an overview of the various strategic options for export and subsequently decide upon the export strategy to be followed.
In this phase some, more general strategic questions, should be answered first:
- How profitable is the export per targeted product market combination?
- Is the goal of exporting consistent with your other company goals?
- Why should you not spend your resources on existing or new domestic business?

After you have taken the decision to start exporting to Europe, the next phase in the export marketing process is to develop a market entry strategy (MES). This plan defines the marketing strategy on how to penetrate the identified market. This long-term plan should cover:
- objectives (per year: which product in which market(s) introduced, product turnover and volume forecast for next years, growth in foreign customers, …);
- sales channel definition per product market combination (including which type of potential customer is approached; importing product supplier or agent or system supplier or …);
- how do you intend to finance foreign market development and the investments you need to make in processes and people? What are the investments and pay back times?
- action plan per market type.

Strategies: some examples	
Brand supplier	Tool Manufacturer
Supplier of low cost tools in direct sales to retail chains. Special tool supplier with a business relationship with a European importer.	Special tools supplier (specialist) for several brand suppliers. Contract manufacturer (assembly) for an EU tool manufacturer (capitalising on outsourcing trend).

Once you have decided to sell your products abroad, it is time to develop an export marketing plan (EMP). A crucial first step is to develop broad consensus among key management on the company's goals, objectives, capabilities, and constraints. All aspects of an export plan should be agreed upon by the personnel involved in the exporting process, as they will ultimately execute the export plan.

The purposes of the export plan are

1. to assemble facts, constraints, and goals
2. to compose an action statement that takes all of these into account. The statement includes specific objectives, it sets forth time schedules for implementation, and it marks milestones so that the degree of success can be measured and help motivate personnel.

Important elements of the Market Entry Plan will be covered in chapter 13. For general export marketing information see CBI's Export Planner and for general information on conducting market research see CBI's manual on market research. (www.cbi.nl).
For more information see also www.unzco.com (basic guide to exporting).

13 MARKETING TOOLS

13.1 Matching products and the product range

Hand and power tools contains a broad range of products and two important end markets (Business to Business or professional market, and Business to Consumer or DIY market). First, it is very important to define what kind of products you are supplying at the moment and in what direction you are planning to move (stable; improvement of products and or processes; diversification in product / market combinations). You must able to specify your Unique Selling Points for (potential) customers. See also Section 11.1. The following box offers a possibility to specify your supply and presents the basic prerequisites per product type for dealing with Europe.

Market	Products	Basic requirements	Organisation
Professional	Plates Saws (circular) Files and cutters Drilling and tapping tools Tools for metal working Cutting blades Electro mechanical and pneumatic professional tools	High quality Low cost of ownership Quick service Good availability Ergonomics	Technical support available for users Close market contact Good service organisation Sales and marketing staff
DIY	Spades and shovels Saws (hand) Files Sets of tools Electro mechanical tools for home improvement	Low purchasing cost Average quality Versatility Safety Consumer friendly outlook (packaging)	Sales and marketing staff Customer friendly response

Apart from the properties of individual products and the basic organisational requirements, the exporter should determine the width and depth of his product range on offer.
A product range consists of several product groups **(width)**, each with several different products **(depth).** In the market of hand and power tools it is quite common that a producer offers a product group with a wide range of products. In most cases the producer offers more than just one product group, but several related product groups.

In the European market is a strong tendency to do business with as few as possible suppliers. Therefore you will become a more interesting business relation when offering more products. Of course, studying the websites of trade organisations, consumer organisations and potential customers will give you a better view on this issue.
And last but not least: it must be made very clear to your potential customers what your offer covers. A clear presentation in your promotion materials, as well as on your website is very important, not only the product as such, but also its basic properties.
Although being an economic unity, the EU market is not equal if you look at the several countries. They have their own language and culture.
Although English is the international language, business in Germany, Italy, France and Spain can only be done if you speak their language. Many companies in Germany, France and Italy do not have many people who speak English. This will be a problem in the communication. The Netherlands has a more open culture and less tradition in manufacturing, so that gaining entrance is somewhat easier, although proven added value and political stability are necessary. Dutch businessmen tend to be open, direct and straightforward. Germany and the United Kingdom have a rather formal culture. This means that obtaining openings is only possible with patience, politeness and a proven track record (often with strong quality arguments). France and Italy have a more informal culture. Doing business means taking time for informal events.

It is wise to consult institutions that can offer assistance in this matter. For instance Overseas Embassies, Trade Promotion Organisations, International or Regional Chambers of commerce, ITC, CBI and others.

In conclusion, starting exporting companies from developing countries must:

- Focus on a limited number of products, for a certain targeted market segments;
- Determine clear and reachable goals and commit yourself to them; monitor your progress periodically;
- Good communication skills; be open and clear in your presentation, keep to appointments (be on time!) and treat "question marks" and "road blocks" adequately and with care. Correspondence should be as correct, accurate and neat as possible. Answer any question as soon as possible. Telephone, fax and e-mail are the means to communicate;
- Speak English and preferably also German, Italian and or French;
- Consistency, punctuality, reliability and honesty are very important. Be honest and direct about all important matters like delivery time, quality and production capacity;
- Appointments are made prior to any visit. Once an appointment is made, it is final. In case of delay contact the counterpart a.s.a.p.;
- Business dress should be in line with the styles in the market;
- Business gifts is a subject that should be treated with care;
- Train in know-how about the required Customs formalities, shipping facilities and packaging to guarantee delivery within the contractual time requirements;
- Patience; it will take time to explore culture and networks in a target country, to create first contact and openings at companies.

13.2 Building up a relationship with a suitable trading partner

Among the many potential customers, you must identify those whose problems, demands and wishes (stated in needed products and translated into required technologies, price, logistics, services and company drive and ambitions) match your own company core competences, capabilities and product range. These companies therefore are potentially most suited for building up a trading link. Industrial needs and products always require a good understanding of the consumer demands and wishes and of the common business practice. Many (general intermediary) organisations have major problems in understanding exactly what the product is (also trade organisations). Area-specific organisations are normally only interested in the needs of their members. Therefore Internet, trade fairs and examination of specific countries (business trips) are a useful way to select potential partners.

Sources of information
In the **producer country**: Internet The foreign-trade Chamber of Commerce of the country of destination. The Economic Affairs departments of the official representative (Embassy or Consulate) of the country of destination. In the **country of destination**: Internet Trade associations; trade fairs and trade fair organisations Business support organisation Your own country's public and private trade promotion bodies Your own country's diplomatic and consular representatives Chambers of commerce Trade fair organisers (catalogues)

First start with gaining market information from the countries you are aiming to export to. Potential sources for information are Internet, country promotion offices (especially local market surveys, list of importers), your Embassy. See also Section 11.3 and Appendices 3.3 and 5.
The next step should be participating in international trade fairs. Trade fairs and exhibitions will become more important (to get a feeling what and how people are purchasing) as increased use of e-procurement

keeps people more office based. By using the Internet, the company looking for a partner can determine the required profile, the present existing problems, demands and wishes and judge the "hit" results. Trade fairs are thus an important activity in order to create personal contact with future co-operation partners. It is important to know in advance who are the target groups of the fair. Approach suitable exhibiting importers with written / printed material about your company and products.
Before exhibiting, it is advisable to participate in the fair as a visitor. A well prepared and properly executed visit to a trade fair can constitute very cost-effective market research. At the fair it is possible to meet both future competitors and potential customers. Some important trade fairs take place in Germany (Practical world) and Italy (EMO). See Appendix 3.5 of this EU market survey for details.

The research and trade fair results can be used to develop a plan for approaching promising companies. It is also useful as a check on the present strategy and operations of the exporter.

At the end of the identification phase, the supplier should have selected the names and addresses of suitable trading partners. Always check your potential buyers' financial status and credibility, when a potential partner is found. Request a copy of the company's annual reports. Other sources of financial information are business directories, credit rating agencies and chambers of commerce.

Evaluate the names and addresses you receive or find, using the following criteria:
Is the information complete?
- full address;
- telephone and fax number, e-mail;
- name of the person to contact.

Is the importer active in the country you have selected?
Does the importer focus his activities on the corresponding product groups?
Do you have enough sound information about the reliability of this partner?

Using these criteria, draw up a priority list of the contact addresses you have received.

One of the most important steps is the first "face to face" meeting. Remember: doing business is also dependent on the match between the individual persons. It is important to refer to the social and cultural differences within Europe as stated in section 11.5.

13.3 Drawing up an offer

There are two different kinds of offers:
1 general offer – a company presentation;
2 specific offer.

1 Drawing up a general offer – a company presentation

The purpose of a general offer is to make the first contact with potential trading partners with whom the supplier is not yet personally acquainted.
A general offer consists of sending a short profile of your own company and a summary of your product range.

2 Drawing up a specific offer

A specific offer is normally submitted upon request of the customer. It is legally binding for a certain period of time that should be stated in your offer. You must therefore be capable of fulfilling the terms of contract. You should make up a specific offer only when you know the business partner personally or after you have made the initial contact.

When sending a specific offer, it should consist of three parts:
(1) written offer:
- Name of your company and of the person responsible in your company;
- Reference to an RFQ (Request for quotation) of your customer;

- Need of the customer and your solution to that need;
- Exact description of the goods offered (preferably using an internationally valid quality standard specification);
- Price of the goods offered in accordance with the requested Incoterm;
- Leadtime;
- Terms of delivery;
- Payment condition;
- General sales conditions.

(2) product samples:

- Product samples must correspond to the goods available for delivery (if they do not, this can have a lasting negative effect on business relations);

(3) commercial information:

- a profile of your company including a statement of your policy also in respect to the quality;
- send a reference list of existing customers.

Although it is not usual in the first offer to be made, it can be necessary to make your quotation in a certain open costing model after some time.

Recommendable actions in the follow up of an offer
▪ Make a telephone check to ask if the offer (and samples, if applicable) have arrived ▪ Send samples free of charge ▪ Extend an invitation to visit your company ▪ Offer to visit the customer. If necessary, hire an interpreter (for instance via your consulate). ▪ Communication by e-mail is a quick and excellent tool

The best way for every exporting company to act is to ensure optimal exposure to, and communication with, the decision-making personnel in a client company. The best method of achieving this objective is to have an able company representative in the county concerned.

13.4 Handling the contract

Definition of a contract in a business relationship: a paper the written contents of which is accepted by both parties, containing all elements that have been agreed by the parties.
Please be aware of the fact that an oral agreement is legally binding as well, but proof of the contents is, of course, very difficult.
In may cases a single purchasing transaction from your customer is done under his general purchasing conditions. If you do not reject these, they will be valid for this transaction. If you do, the general conditions of the purchase will be dependent on the law of the individual countries. If you want to be sure, legal advice is unavoidable. Just never forget to quote under your own sales conditions.

Checklist for the (main)contents of a contract:

- Identification: complete and exact identification of parties.
- Consideration: short description of intention and co-operation between parties.
- Deliverables: an exact description of the deliverables.
- Battle of the forms: what general conditions are valid, or are not valid? This has to be determined.
- Delivery term: INCO term, place and time.
- Payment: method and term of payment.
- Insurance: if not included in the delivery term.
- Termination: under what circumstances is termination allowed, or under what conditions will the contract be terminated automatically (for example bankruptcy).
- Warranty and quality: quality level and warranty period if not agreed elsewhere.
- Applicable law: description of the law that rules the contract and the court that has to deal with conflicts.

- Intellectual property: what intellectual property has to be protected, and what can be used freely.
- Non-disclosure agreement: many companies do not want their name to be used without prior written notice.

These are only the most important clauses to be used in contracts: many more are possible.
For an overview of delivery terms see section 10.4 where also those most used are listed. For usual payment methods and terms see section 11.4. For more information, check CBI's Export Planner. (www.cbi.nl).

13.5 Sales promotion

Sales promotion is a marketing instrument for the creation of demand. This means that clear communication is of the utmost importance. The prerequisites for successful communication measures are:

A clearly defined target group	⇨ "Who buys (wants to buy) my products?"
A well-formulated message	⇨ "What do I want to tell the customer?"
	⇨ "How do I want to tell him that?"

Costs and dispersion losses

Two parameters are used to measure the costs of any communication measure:

Cost per contact	⇨ "How much does it cost to convey the message to one target company/person?"
Total costs	⇨ "How much does the whole campaign cost?"

It is important to know that not all messages sent actually reach the addressees (target persons). The costs for messages that do not reach the right addressee are called dispersion losses.

Criteria Measures	Target group	Amount of planning and Co-ordination	Cost per Contact	Total costs	Dispersion losses
Standard printed matter (letterheads etc.)	Existing customers	+	+	+	+
Telephone and mailing campaigns	Existing and potential customers (known by name)	++	++	++	+++
Advertising in trade journals	Existing and potential customers (partly unknown)	+++	++	++	++
Promotion through an Internet site	Existing and potential customers (partly unknown)	+++	+	++	+

+++ = high ++ = medium + = low

source: IPL Consultants

Trade fairs
Exporters in developing countries will find that the participation in fairs, exhibitions and sample displays is an important tool for their sales promotion programme. They give the visitor a survey of the goods offered on the market and specifically of the exporter. The exporter will gain direct access to the potential customer, and this gives the opportunity to distribute brochures and eventually samples.
For an overview of relevant fairs see appendix 3.4.
Helpful information is also available at www.cbi.nl under "expo coach".

Internet
Due to search engines, importers find it favourable to use the Internet if they are looking for new producers in a certain region. If you have your own website on the Internet, be sure that it will be found by the regular search engines they use or through business directories.
All the questions your customers have should basically be answered by your Internet presence. Most of these questions relate to company background, an overview of the staff, the products and their full specifications etc.
As well as direct sales promotion, the demand for online support is growing rapidly. Customers expect at least a first line of support in response to their questions.
The very fact that it has become easy and technically possible to publish massive amounts of information places a burden on your company to actually provide the relevant information to your customer in an organised and concise way.

In this context it is important to mention that the image of your communication has to be consistent and professional, on paper as well as on the Internet. A constant, prompt and reliable communication gives the best guarantee for a good business relationship. This can also be seen as part of a professional after-sales service.

B-to-B portals
One practical development is that suppliers of engineering components are participating more and more in global sites promoting these products. Often these sites are the initiatives of private companies backed by government bodies. In this way a number of "country" sites are being developed, the aim of which is to promote national industry. These are not always in the form of a marketplace with direct buy-sell possibilities, but often in the form of brokering trade leads or business-to-business portals. All kinds of additional services such as consultancy, trade information etc are provided. Each site aims to become a meeting place for customers and suppliers, quite often for more than one industry.
It is therefore important to consider developing a promotion policy that includes compiling a short list of these market sites and using them to promote (a part of) your product range.

Alibaba.com is the world's largest marketplace for global trade and is the leading provider of online marketing services for importers and exporters. Alibaba.com is the number one destination for buyers and sellers looking for trade opportunities and wishing to promote their businesses online.
www.alibaba.com, keyword e.g. hand tools.

A good Internet marketing policy can present your company to every potential client with access to the Internet, in any country. This approach means, however, that your organisation must be thoroughly prepared to deal with requests from all over the world.

When using Internet you will need to look at complementary products and products fulfilling the same demands. The Internet sites of Standard Organisations and Trade Associations (see Appendix 3.1 and 3.3 of CBI's EU Market Survey 'Hand and power tools' respectively) are a good source of information on guidelines, services, news and events.

If you build links to other interesting sites into your site, you will be providing added value. If other sites place links to your site, you will also attract more visitors.

Since each customer decides for himself where he chooses to browse on the Internet, it is important to address him personally. Many European suppliers are taking the possibility of global outsourcing increasingly seriously. Often, they make their initial selection via Internet. It is essential that your company is on Internet, to ensure that you are included in the initial selection phase.

APPENDIX 1 DETAILED HS CODES

Hand tools

82	tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal
8201	spades, shovels, mattocks, picks, hoes, forks and rakes of base metal; axes, bill hooks and similar hewing tools of base metal; poultry shears, secateurs and pruners of any kind of base metal; scythes, sickles, hay knives, hedge shears, timber wedges and other tools of a kind used in agriculture, horticulture or forestry, of base metal
820110	spades and shovels, with working parts of base metal
82011000	spades and shovels, with working parts of base metal
820120	garden forks and pitchforks, with working parts of base metal
82012000	garden forks and pitchforks, with working parts of base metal
820130	mattocks, picks, hoes and rakes, with working parts of base metal (excl. ice axes)
82013000	mattocks, picks, hoes and rakes, with working parts of base metal (excl. ice axes)
820140	axes, bill hooks and similar hewing tools, with working parts of base metal
82014000	axes, bill hooks and similar hewing tools, with working parts of base metal
820150	secateurs and similar one-handed pruners and shears, incl. poultry shears, with working parts of base metal
82015000	secateurs and similar one-handed pruners and shears, incl. poultry shears, with working parts of base metal
820160	hedge shears, two-handed pruning shears and similar two-handed shears, with working parts of base metal
82016000	hedge shears, two-handed pruning shears and similar two-handed shears, with working parts of base metal
820190	scythes, sickles, hay knives, timber wedges and other hand tools of a kind used in agriculture, horticulture or forestry, with working parts of base metal, n.e.s. (not elsewhere specified)
82019000	scythes, sickles, hay knives, timber wedges and other hand tools of a kind used in agriculture, horticulture or forestry, with working parts of base metal, n.e.s.
8202	hand saws, with working parts of base metal (excl. power-operated saws); blades for saws of all kinds, incl. slitting, slotting or toothless saw blades, of base metal
820210	hand saws, with working parts of base metal (excl. power-operated saws)
82021000	hand saws, with working parts of base metal, (excl. power-operated saws)
820220	band saw blades of base metal
82022000	band saw blades of base metal
820231	circular saw blades, incl. slitting or slotting saw blades, of base metal, with working parts of steel
82023100	circular saw blades, incl. slitting or slotting saw blades, of base metal, with working parts of steel
820239	circular saw blades, incl. slitting or slotting saw blades, and parts thereof, of base metal, with working parts of materials other than steel
82023900	circular saw blades, incl. slitting or slotting saw blades, and parts thereof, of base metal, with working parts of materials other than steel
820240	chain saw blades of base metal
82024000	chain saw blades of base metal
820291	straight saw blades, of base metals, for working metal
82029100	straight saw blades, of base metals, for working metal
820299	saw blades, incl. toothless saw blades, of base metal (excl. band saw blades, circular saw blades, slitting or slotting saw blades, chain saw blades and straight saw blades for working metal)
82029911	saw blades, incl, toothless saw blades, of base metal, with working parts of steel, for working metal, (excl. band saw blades, circular saw blades and straight saw blades)

82029919	saw blades, incl. toothless saw blades, of base metal, with working parts of steel, for working materials other than metal (excl. band saw blades, circular saw blades, slitting or slotting saw blades and chain saw blades)
82029990	saw blades, incl. toothless saw blades, of base metal, with working parts of materials other than steel (excl. band saw blades, circular saw blades, slitting or slotting saw blades and chain saw blades)
8203	files, rasps, pliers, incl. cutting pliers, pincers and tweezers for non-medical use, metal cutting shears, pipe-cutters, bolt croppers, perforating punches and similar hand tools, of base metal
820310	files, rasps and similar hand tools of base metal
82031000	files, rasps and similar hand tools of base metal
820320	pliers, incl.cutting pliers, pincers and tweezers for non-medical use and similar hand tools, of base metal
82032010	pincers and tweezers for non-medical use, of base metal
82032090	pliers, incl. cutting pliers, and similar hand tools of base metal (excl. pincers and tweezers)
820330	metal cutting shears and similar hand tools, of base metal
82033000	metal cutting shears and similar hand tools, of base metal
820340	pipe-cutters, bolt croppers, perforating punches and similar hand tools, of base metal
82034000	pipe-cutters, bolt croppers, perforating punches and similar hand tools, of base metal
8204	hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal; interchangeable spanner sockets, with or without handles, of base metal
820411	hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal non-adjustable
82041100	hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal, adjustable
820412	hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal, adjustable
82041200	hand-operated spanners and wrenches, incl. torque meter wrenches, adjustable (excl. tap wrenches)
820420	interchangeable spanner sockets, with or without handles, of base metal
82042000	interchangeable spanner sockets, with or without handles, of base metal
8205	hand tools, incl. glaziers' diamonds, of base metal, n.e.s.; blow lamps and the like; vices, clamps and the like, other than accessories for and parts of machine tools); anvils; portable forges; hand or pedal-operated grinding wheels with frameworks
820510	hand-operated drilling, threading or tapping tools
82051000	hand-operated drilling, threading or tapping hand tools
820520	hammers and sledge hammers with working parts of base metal
82052000	hammers and sledge hammers with working parts of base metal
820530	planes, chisels, gouges and similar cutting tools for working wood
82053000	planes, chisels, gouges and similar cutting tools for working wood
820540	hand-operated screwdrivers
82054000	hand-operated screwdrivers
820551	household hand tools, non-mechanical, with working parts of base metal, n.e.s.
82055100	household hand tools, non-mechanical, with working parts of base metal, n.e.s.
820559	hand tools, incl. glaziers' diamonds, n.e.s.
82055910	hand tools for masons, moulders, cement workers, plasterers and painters, of base metal, n.e.s.
82055930	cartridge operated riveting, wallplugging, etc., hand tools
82055990	hand tools, incl. glaziers' diamonds n.e.s.
820560	blow lamps and the like, of base metal (excl. gas-powered blow lamps)
82056000	blow lamps and the like, of base metal (excl. gas-powered blow lamps)
820570	vices, clamps and the like (excl. accessories for and parts of machine tools)
82057000	vices, clamps and the like (excl. accessories for and parts of machine tools)
820580	anvils; portable forges; hand or pedal-operated grinding wheels with frameworks
82058000	anvils; portable forges; hand or pedal-operated grinding wheels with frameworks
820590	sets of two or more tools of subheadings of heading no 8205
82059000	sets of two or more tools of subheadings of heading no 8205

8206	sets of two or more tools of heading nos 8202 to 8205, put up in sets for retail sale
820600	sets of two or more tools of heading nos 8202 to 8205, put up in sets for retail sale
82060000	sets of two or more tools of heading nos 8202 to 8205, put up in sets for retail sale
8207	tools, interchangeable, for hand tools, whether or not power-operated, or for machine-tools (e.g. for pressing, stamping, punching, tapping, threading, drilling, boring, broaching, milling, turning or screw driving) incl. dies for drawing or extruding metal, and rock drilling or earth boring tools
820713	rock-drilling or earth-boring tools, interchangeable, with working parts of sintered metal carbides or cermets
82071300	rock-drilling or earth-boring tools, interchangeable, with working parts of sintered metal carbides or cermets
820719	rock drilling or earth boring tools, interchangeable, and parts therefor, with working parts of materials other than sintered metal carbide or cermets
82071910	rock drilling or earth boring tools, interchangeable, with working parts of diamond or agglomerated diamond
82071990	rock drilling or earth boring tools, interchangeable, with working parts of materials other than sintered metal carbide, cermets, diamond or agglomerated diamond
820720	interchangeable dies for drawing or extruding metal
82072010	interchangeable dies for drawing or extruding metal, with working parts of diamond or agglomerated diamond
82072090	interchangeable dies for drawing or extruding metal, with working parts of materials other than diamond or agglomerated diamond
820730	interchangeable tools for pressing, stamping or punching
82073010	interchangeable tools for pressing, stamping or punching, for working metal
82073090	interchangeable tools for pressing, stamping or punching, for working materials other than metal
820740	tools for tapping or threading, interchangeable
82074010	tools for tapping metals, interchangeable
82074030	tools for threading metals, interchangeable
82074090	tools for threading materials other than metals, interchangeable
820750	tools for drilling, interchangeable, (excl. rock drilling or earth boring tools and tools for tapping)
82075010	tools for drilling, interchangeable, with working parts of diamond or agglomerated diamond (excl. tools for rock drilling, earth boring and tapping)
82075030	interchangeable masonry drills, with working parts of materials other than diamond or agglomerated diamond
82075050	tools for drilling, interchangeable, for metals, with working parts of sintered metal carbide (excl. tools for tapping)
82075060	tools for drilling, interchangeable, for metals, with working parts of high speed steel (excl. tools for tapping)
82075070	tools for drilling, interchangeable, for metals, with working parts of materials other than diamond, agglomerated diamond, sintered metal carbide or high speed steel (excl. tools for tapping)
82075090	tools for drilling, interchangeable, for materials other than metals, with working parts of materials other than diamond or agglomerated diamond (excl. tools for rock drilling, earth boring, wall boring and tapping)
820760	interchangeable tools for boring or broaching
82076010	interchangeable tools for boring or broaching, with working parts of diamond or agglomerated diamond
82076030	interchangeable tools for boring or drilling metals
82076050	interchangeable tools for boring materials other than metal, with working parts of materials other than diamond or agglomerated diamond
82076070	interchangeable tools for broaching metals
82076090	interchangeable tools for broaching materials other than metal with working parts of materials other than diamond or agglomerated diamond
820770	interchangeable tools for milling

82077010 interchangeable tools for milling metals, with working parts of sintered metal carbide

82077031 interchangeable shank type tools for milling metal, with working parts of materials other than sintered metal carbide

82077035 hobs, interchangeable, for working metal, with working part of materials other than sintered metal carbide

82077038 tools for milling, interchangeable, for working metal, with working part of materials other than sintered metal carbide (excl. shank-type and hobs)

82077090 interchangeable tools for milling materials other than metals

820780 interchangeable tools for turning

82078011 interchangeable tools for turning metals, with working parts of sintered metal carbide

82078019 tools for turning, interchangeable, for working metal, with working part of materials other than sintered metal carbide or cermets

82078090 interchangeable tools for turning materials other than metals

820790 interchangeable tools for hand tools, whether or not power-operated, or for machine-tools n.e.s.

82079010 interchangeable tools for hand tools, whether or not power-operated, or for machine-tools, with working parts of diamond or agglomerated diamond, n.e.s.

82079030 screwdriver bits of base metal

82079050 interchangeable gear-cutting tools (excl. milling tools for gear-cutting)

82079071 interchangeable tools for hand tools, whether or not power-operated, or for machine-tools, with working parts of sintered metal carbide n.e.s.

82079078 tools, interchangeable, for use in mechanical or non-mechanical hand-held appliances or in machine tools, for working materials other than metals, with working part of sintered metal carbides, n.e.s.

82079091 interchangeable tools for hand tools, whether or not power-operated, or for machine-tools, for the working of metals, with working parts of materials other than diamond, agglomerated diamond or sintered metal carbide, n.e.s.

82079099 interchangeable tools for hand tools, whether or not power-operated, or for machine-tools, for the working of materials other than metals, with working parts of materials other than diamond, agglomerated diamond or sintered metal carbide, n.e.s.

8208 knives and cutting blades of base metal, for machines or for mechanical appliances

820810 knives and cutting blades of base metal, for machines or for mechanical appliances, for metal working

82081000 knives and cutting blades of base metal, for machines or for mechanical appliances, for metal working

820820 knives and cutting blades of base metal, for machines or for mechanical appliances, for wood working

82082000 knives and cutting blades of base metal, for machines or for mechanical appliances, for wood working

820830 knives and cutting blades of base metal, for kitchen appliances or for machines used by the food industry

82083010 circular knives of base metal for kitchen appliances or for machines used by the food industry

82083090 knives and cutting blades of base metal, for kitchen appliances or for machines used by the food industry (excl. circular knives)

820840 knives and cutting blades of base metal, for agricultural, horticultural or forestry machines (excl. those for wood working)

82084000 knives and cutting blades of base metal, for agricultural, horticultural or forestry machines (excl. those for wood working)

820890 knives and cutting blades of base metal for machines or for mechanical appliances (excl. those for metal or wood working, kitchen appliances or machines used by the food industry and those for agricultural, horticultural or forestry machines)

	82089000	knives and cutting blades of base metal for machines or for mechanical appliances (excl. those for metal or wood working, kitchen appliances or machines used by the food industry and those for agricultural, horticultural or forestry machines)
	8209	plates, sticks, tips and the like, for tools, unmounted, of sintered metal carbides or cermets
	820900	plates, sticks, tips and the like, for tools, unmounted, of sintered metal carbides or cermets
	82090020	disposable bits for tools, unmounted, of sintered metal carbide or cermets
	82090080	plates, sticks, tips and the like, for tools (unmounted) of sintered metal carbides or cermets (excl. disposable bits)
	8210	hand-operated mechanical devices, of base metals, weighing =< 10 kg, used in the preparation, conditioning or serving of food or drink
	821000	hand-operated mechanical devices, of base metals, weighing =< 10 kg, used in the preparation, conditioning or serving of food or drink
	82100000	hand-operated mechanical devices, of base metals, weighing =< 10 kg, used in the preparation, conditioning or serving of food or drink

Power tools

	8467	tools for working in the hand, pneumatic or with self-contained non-electric motor
	846711	tools for working in the hand, pneumatic, rotary type (incl. combined rotary-percussion)
	84671110	tools for working in the hand, pneumatic, rotary type, for working metal
	84671190	tools for working in the hand, pneumatic, rotary type, other than for working metal
	846719	hand-held pneumatic tools, non-rotary
	84671900	hand-held pneumatic tools, non-rotary
Until 2001 846721 – 84672990 were classified under code 8508 ; this code 8508 is taken into account in the import and export statistics in Chapter 5 and 6 and in Appendix 2.	846721	drills of all kinds, for working in the hand, with self-contained electric motor
	84672110	drills of all kinds, for working in the hand, with self-contained electric motor capable of operation without an external source of power
	84672191	electropneumatic drills of all kinds, for working in the hand
	84672199	drills of all kinds, for working in the hand, with self-contained electric motor operating with an external source of power (excl. electropneumatic drills)
	846722	saws, for working in the hand, with self-contained electric motor
	84672210	chainsaws, for working in the hand, with self-contained electric motor
	84672230	circular saws, for working in the hand, with self-contained electric motor
	84672290	saws, for working in the hand, with self-contained electric motor (excl. chain saws and circular saws)
	846729	electro-mechanical tools, for working in the hand, with self-contained electric motor (excl. saws and drills)
	84672910	electro-mechanical tools, for working in the hand, with self-contained electric motor, for working textile materials
	84672930	electro-mechanical tools, for working in the hand, with self-contained electric motor, capable of operation without an external source of power (excl. those for working textile materials, saws and drills)
	84672951	angle grinders, for working in the hand, with self-contained electric motor, operating with an external source of power
	84672953	belt sanders, for working in the hand, with self-contained electric motor, operating with an external source of power
	84672959	grinders and sanders, for working in the hand, with self-contained electric motor, operating with an external source of power (excl. angle grinders and belt sanders)
	84672970	planers, for working in the hand, with self-contained electric motor, operating with an external source of power
	84672980	hedge trimmers and lawn edge cutters, for working in the hand, with self-contained electric motor, operating with an external source of power
	84672990	electro-mechanical tools, for working in the hand, with self-contained electric motor, operating with an external source of power (excl. those for working textile materials, saws, drills, grinders, sanders, planers, hedge trimmers and lawn edge cutters)

846781	chain saws, for working in the hand, with self-contained non-electric motor
84678100	chain saws, for working in the hand, with self-contained non-electric motor
846789	tools for working in the hand, with self-contained non-electric motor (excl. chain saws and pneumatic tools)
84678900	tools for working in the hand, with self-contained non-electric motor (excl. chain saws and pneumatic tools)
846791	parts of chain saws, for working in the hand, with self-contained non-electric motor n.e.s.
84679100	parts of chain saws, for working in the hand, with self-contained non-electric motor n.e.s.
846792	parts of pneumatic tools for working in the hand n.e.s.
84679200	parts of pneumatic tools for working in the hand n.e.s.
846799	parts of pneumatic tools for working in the hand non-electric motor n.e.s.
84679900	parts of pneumatic tools for working in the hand, with self-contained non-electric motor n.e.s.

APPENDIX 2 DETAILED IMPORT/EXPORT STATISTICS

Imports of H&P Tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	6,621,200	528,628	7,959,896	600,249	7,544,215	698,652
Extra-EU	2,773,709	262,139	3,429,623	312,032	3,408,975	363,768
Developing Countries	731,082	136,127	1,086,854	185,167	1,079,451	201,633
Major suppliers:						
Germany	1,142,555	70,950	1,307,865	77,206	1,237,589	74,072
China	593,802	115,969	911,965	163,193	893,145	178,067
Belgium	381,342	18,086	600,424	43,361	637,911	41,444
the Netherlands	486,581	26,464	539,225	30,865	510,791	123,655
United States	414,720	16,666	484,033	16,113	495,342	15,429
Switzerland	495,051	22,666	479,906	22,305	459,746	20,957
Sweden	390,718	9,305	482,193	10,396	431,554	8,013
Japan	357,079	13,344	432,040	12,814	405,478	59,882
United Kingdom	522,604	32,004	589,697	32,215	381,058	17,076
Israel	215,796	727	284,101	800	305,030	996
Taiwan	250,097	49,883	300,806	49,622	271,553	40,013
Italy	237,606	62,958	274,578	36,995	231,098	25,067
France	245,104	17,379	254,828	20,190	217,583	17,673
Austria	158,083	7,089	172,604	16,384	187,731	7,302
Liechtenstein	123,518	3,610	142,850	4,047	155,407	4,399
Luxembourg	57,693	873	67,546	1,032	73,437	1,289
Spain	76,495	8,833	73,023	6,732	69,672	7,262
Denmark	69,477	5,865	71,907	4,490	55,077	3,951
Czech Republic	28,783	4,020	36,830	4,705	43,104	4,957
India	28,549	9,856	34,099	10,476	41,769	12,135
Ireland	37,222	3,359	36,682	3,156	35,885	2,687
Slovenia	31,642	4,315	31,166	4,262	34,540	4,105
South Korea	16,505	646	24,660	1,024	34,274	1,203
Malaysia	20,437	1,630	31,661	1,857	30,375	1,996
Mexico	16,665	979	26,048	1,394	25,403	1,264
Portugal	26,457	2,119	26,326	2,868	22,130	2,666
Hungary	13,597	1,428	16,661	1,618	19,350	1,722
Brazil	8,529	831	14,890	1,021	19,325	1,030
Norway	17,032	1,617	18,221	1,551	17,978	1,336
Poland	10,766	1,953	14,861	2,384	17,529	2,714
Singapore	10,710	889	12,329	837	14,221	774
Finland	5,719	618	11,545	988	12,050	765
Canada	8,186	1,277	9,794	1,312	10,206	1,177
Turkey	5,263	845	7,238	1,146	8,752	1,049
Hong Kong	8,243	1,277	8,466	1,040	8,079	836
Romania	5,893	1,576	6,871	1,578	7,944	1,431
Bulgaria	8,017	857	9,808	875	7,558	675
Argentina	10,483	397	10,437	391	7,384	308
South Africa	4,011	284	6,124	228	4,408	257
Australia	1,991	198	1,901	119	3,622	140

Imports of electro-mechanical tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	3,165,973	295,666	3,931,702	328,087	3,440,701	353,309
Extra-EU	1,489,820	133,481	1,834,882	170,720	1,742,352	226,991
Developing Countries	532,969	82,467	817,301	119,750	776,804	130,998
Major suppliers:						
China	481,719	78,111	752,363	115,181	715,446	126,693
Germany	642,614	42,852	760,512	49,007	675,199	43,828
Belgium	160,922	11,846	339,985	27,753	356,037	31,508
Switzerland	366,480	20,172	342,202	19,605	316,547	18,209
Japan	203,028	9,621	240,661	9,074	224,613	56,489
the Netherlands	156,912	12,820	176,985	15,202	165,753	14,273
United Kingdom	317,932	24,449	360,832	24,486	160,920	9,700
Liechtenstein	121,665	3,577	141,792	4,027	154,005	4,381
United States	142,103	8,234	151,032	7,538	142,607	6,903
Italy	128,705	52,021	154,093	24,944	108,378	13,962
France	91,259	6,937	96,598	6,281	64,109	5,214
Sweden	58,206	2,351	78,847	2,378	45,674	1,059
Austria	28,724	1,138	34,771	1,208	36,829	1,306
Taiwan	34,003	3,631	39,933	3,703	29,907	3,042
Malaysia	18,076	1,369	27,839	1,667	27,327	1,785
Czech Republic	13,031	1,019	17,349	1,537	20,475	1,973
Ireland	23,653	1,400	21,946	1,423	20,019	1,179
Spain	26,030	3,140	22,861	1,835	17,895	1,640
Slovenia	18,083	1,949	16,632	1,805	17,374	1,605
Denmark	20,815	2,198	17,372	868	17,198	916
Mexico	10,650	665	16,125	739	12,495	513
Singapore	7,706	615	9,881	704	9,011	625
Norway	7,619	542	8,633	550	7,378	457
Finland	888	67	3,867	277	4,886	134
Bulgaria	6,555	771	6,812	740	4,291	475
Hong Kong	5,311	674	4,463	423	4,025	351
Poland	3,489	259	3,824	345	4,016	386
Hungary	1,878	199	2,723	320	3,614	426
Luxembourg	4,080	176	3,356	111	2,853	145
Portugal	6,988	348	5,471	555	1,778	123
Romania	1,174	167	1,376	117	1,660	139
Canada	959	144	852	162	1,229	122
Malta	1,266	87	1,322	85	1,170	80
Brazil	171	13	1,103	81	1,027	62
Turkey	624	110	539	85	648	100
Latvia	556	84	824	100	526	54
India	327	52	368	29	525	55
South Korea	288	46	546	106	510	26
Israel	146	11	359	41	278	48
Australia	188	20	126	12	226	13

Imports of spades, mattocks, forks, axes, etc. into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	101,525	28,088	122,965	30,565	109,621	28,536
Extra-EU	46,782	17,639	58,233	19,132	54,711	18,625
Developing Countries	22,778	9,727	28,528	11,325	28,936	11,480
Major suppliers:						
China	16,952	6,732	20,985	7,570	20,935	7,103
Germany	17,612	3,099	19,038	3,159	16,642	2,583
Taiwan	10,508	2,844	13,614	2,870	10,005	2,273
the Netherlands	9,742	1,173	11,461	1,690	9,511	1,584
Italy	7,007	1,969	8,140	2,452	6,853	1,967
Sweden	3,070	299	4,213	395	4,035	442
India	1,633	1,068	2,957	1,737	3,966	2,511
United Kingdom	3,221	608	3,640	452	3,256	381
Poland	1,653	1,073	1,961	1,036	3,154	1,356
France	2,792	838	3,908	612	3,104	530
Canada	3,106	865	3,359	911	3,022	773
Czech Republic	2,617	1,222	2,760	1,327	2,906	1,335
Austria	3,778	604	3,642	441	2,322	384
Portugal	949	398	1,508	593	2,250	667
Slovenia	2,306	941	2,468	962	2,110	852
Japan	1,538	106	2,850	147	1,972	135
United States	1,664	277	1,762	224	1,833	228
Finland	849	135	2,531	246	1,536	181
Spain	1,179	296	1,617	394	1,506	330
Belgium	1,488	441	2,826	507	1,394	346
Brazil	725	463	1,103	662	1,174	714
Denmark	1,197	330	1,241	309	1,141	286
South Korea	717	213	1,005	236	1,115	225
Ireland	1,459	242	960	177	1,061	191
Russia	568	504	466	346	456	358
Hong Kong	123	35	319	58	335	101
Luxembourg	392	16	43	6	292	39
Turkey	410	196	356	154	290	125
Slovakia	461	306	356	224	278	171
Switzerland	110	19	138	27	249	37
Norway	216	65	266	71	164	38
Mexico	136	71	142	55	107	45
South Africa	105	98	113	68	106	69
Dominican R.	56	11	52	10	64	12
Australia	77	5	80	12	62	6
Israel	37	4	27	1	61	6
Vietnam	10	2	0	0	55	15
New Zealand	41	3	68	11	53	8
Estonia	80	46	117	97	46	39
Pakistan	6	0	26	1	28	4

Imports of hand saws into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	130,751	19,187	153,195	20,456	155,908	20,049
Extra-EU	46,618	9,542	56,371	9,951	51,884	8,425
Developing Countries	9,857	3,906	13,941	5,288	17,161	5,496
Major suppliers:						
the Netherlands	21,640	2,013	23,628	2,120	24,769	2,425
Germany	10,587	1,051	15,314	1,494	21,996	2,431
Sweden	17,499	1,895	20,529	2,162	21,345	2,183
China	8,895	3,645	12,872	4,946	15,792	5,190
France	8,326	1,068	7,518	959	12,222	1,567
Taiwan	14,922	4,467	14,527	3,403	10,492	1,825
Switzerland	7,578	191	9,373	228	7,109	204
United States	6,547	544	7,651	547	7,109	400
Denmark	7,638	1,199	9,555	1,375	6,214	986
United Kingdom	5,222	347	7,288	454	5,633	377
Japan	4,819	206	5,806	145	4,755	152
South Korea	2,179	129	3,833	209	4,156	243
Italy	3,949	806	3,886	764	4,057	845
Belgium	4,058	453	4,320	584	3,582	383
Austria	695	32	832	28	1,110	30
Spain	1,917	347	1,325	143	1,100	106
Portugal	1,653	331	1,455	329	687	188
Greece	638	58	722	59	660	48
India	420	180	493	161	394	117
Bahrain	0	0	8	0	349	5
Czech Republic	205	23	214	32	281	35
Finland	166	32	352	24	270	21
Norway	46	3	258	21	250	21
Slovenia	54	4	60	4	231	16
Ireland	63	5	55	5	210	18
Croatia	45	27	194	122	191	136
Hong Kong	93	37	236	55	150	17
Hungary	20	1	43	3	124	9
Israel	48	1	106	1	122	1
Brazil	147	33	184	40	88	17
Poland	36	3	30	3	41	1
Argentina	5	0	0	0	35	1
Romania	4	3	0	0	31	14
Canada	86	9	54	3	28	0
New Zealand	34	5	7	2	25	5
Turkey	18	2	17	7	22	8
Singapore	5	0	7	0	22	2
Costa Rica	16	1	39	2	21	0
Luxembourg	78	7	20	2	18	1
U.A.Emirates	3	1	0	0	11	0

Imports of files, rasps and pliers into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	104,458	16,668	120,267	12,865	114,070	100,973
Extra-EU	46,888	6,018	56,997	6,696	53,681	6,672
Developing Countries	14,295	3,308	19,073	3,980	20,275	4,263
Major suppliers:						
Germany	13,304	3,147	16,141	1,599	15,737	1,095
Switzerland	12,937	439	13,011	446	11,698	306
the Netherlands	9,892	967	10,033	727	8,555	90,689
United States	7,229	484	11,018	553	8,208	422
China	4,784	1,931	7,075	2,389	7,531	2,456
Portugal	6,709	674	7,599	680	7,333	620
Belgium	7,018	602	7,484	458	6,846	340
Taiwan	5,644	1,014	6,903	992	6,416	888
India	4,980	954	5,799	1,067	6,326	1,201
France	3,856	1,277	3,469	683	5,165	292
Spain	4,753	874	4,820	406	4,790	373
United Kingdom	4,547	464	5,439	839	3,927	379
Japan	3,719	343	4,110	350	3,487	321
Sweden	2,624	171	3,345	387	3,264	182
Italy	3,363	1,339	3,165	232	2,837	175
Mexico	1,664	139	2,622	191	2,720	196
Slovenia	291	61	1,735	176	1,285	162
Brazil	1,727	151	991	102	884	95
Denmark	681	691	727	43	757	41
Austria	688	68	828	116	652	68
Czech Republic	482	80	506	78	603	87
Hungary	378	71	572	84	529	99
Poland	614	82	372	32	466	33
Ireland	514	409	459	36	463	42
Turkey	494	41	458	31	461	33
Canada	203	15	80	3	410	71
Romania	248	83	374	97	389	99
Indonesia	0	0	0	0	343	60
South Korea	242	23	169	15	309	37
Hong Kong	35	17	46	2	229	10
Israel	114	0	99	0	191	3
Tunisia	29	1	49	1	164	3
Thailand	2	0	0	0	155	18
Norway	142	10	81	3	141	2
Singapore	20	0	26	0	105	5
Liechtenstein	57	1	64	1	103	2
Malta	0	0	10	1	101	2
Malaysia	58	7	7	0	73	0
Croatia	11	0	10	0	58	25
Luxembourg	12	0	45	11	48	4

Imports of hand-operated spanners and wrenches into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	298,777	45,571	337,526	48,802	345,152	47,538
Extra-EU	164,148	31,939	190,967	33,836	189,179	31,796
Developing Countries	43,113	13,712	48,727	14,777	51,443	15,816
Major suppliers:						
Taiwan	73,690	14,851	91,234	15,549	85,070	12,908
Germany	53,550	4,010	56,878	4,466	58,510	4,925
United States	27,000	1,152	27,902	991	29,542	1,041
the Netherlands	17,604	1,738	18,371	1,672	25,262	2,039
France	16,572	1,317	19,771	1,674	19,647	2,272
China	14,022	5,692	17,008	6,855	19,009	6,913
India	14,541	6,819	15,694	6,553	18,327	7,378
Italy	11,574	1,717	11,724	1,996	13,010	2,012
Japan	8,910	489	11,443	552	10,577	537
United Kingdom	6,006	597	7,706	954	9,015	1,179
Belgium	5,252	740	7,922	776	6,602	491
Argentina	7,462	289	8,399	303	5,469	241
Spain	5,848	576	5,473	458	5,104	477
Sweden	7,362	557	7,680	545	5,084	264
Switzerland	4,119	179	4,472	170	4,446	167
Ireland	2,947	451	3,859	569	4,227	637
Slovenia	4,910	526	3,791	387	4,135	428
Austria	4,525	1,591	3,412	1,373	3,498	793
Czech Republic	1,336	389	1,930	249	2,673	288
Romania	1,452	511	1,864	625	2,449	673
Turkey	763	144	1,346	252	2,063	377
Barbados	624	68	1,090	118	1,297	131
Luxembourg	1,096	54	1,573	73	1,126	54
Finland	642	187	894	276	889	242
Denmark	1,440	76	1,108	65	867	48
Slovakia	19	6	331	91	500	96
Israel	592	55	373	45	500	33
Hungary	619	220	621	224	463	45
Hong Kong	315	96	464	124	418	78
Croatia	301	73	457	123	401	109
Portugal	124	11	134	19	392	78
Norway	320	10	475	17	259	9
Singapore	299	13	152	9	185	14
Poland	208	132	545	351	167	37
Malaysia	148	36	81	53	165	74
South Africa	57	5	99	8	160	12
South Korea	98	9	130	10	133	6
Brazil	24	9	95	36	120	55
Canada	37	3	37	1	108	5
Vietnam	16	18	87	49	103	88

Imports of hand tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	96,333	12,734	112,806	14,700	110,397	13,267
Extra-EU	39,632	6,161	48,571	6,236	49,808	5,977
Developing Countries	11,551	3,023	17,992	3,650	18,011	3,603
Major suppliers:						
Germany	21,423	1,498	25,370	2,234	23,328	2,105
China	8,000	2,487	13,045	3,071	12,722	2,963
United States	9,405	363	11,106	357	12,262	440
Taiwan	7,458	1,520	7,824	1,098	7,404	1,004
France	5,249	552	7,424	2,001	7,161	615
Spain	3,048	503	5,104	908	5,896	1,271
United Kingdom	5,448	793	6,909	508	5,533	466
Italy	5,182	401	5,090	490	5,263	780
the Netherlands	7,623	1,713	6,215	1,208	4,556	953
Switzerland	2,849	109	3,574	152	3,662	145
Belgium	3,321	316	2,267	253	2,421	205
Japan	1,767	143	2,202	79	2,348	122
Austria	1,051	98	1,134	101	1,843	168
Ireland	1,684	423	1,725	530	1,573	399
Portugal	383	63	651	123	1,211	220
India	470	112	501	110	981	182
Denmark	962	119	709	37	945	66
Slovenia	474	46	692	77	937	108
Sweden	1,219	56	1,047	45	810	40
Poland	235	19	232	27	804	95
Hungary	425	34	468	79	789	96
Norway	1,544	279	722	108	749	103
Turkey	1,202	284	1,228	272	565	133
Bosnia-Herz.	8	2	57	16	470	31
Romania	1,198	466	941	429	435	164
South Korea	575	8	342	7	378	13
Czech Republic	211	27	310	36	372	24
Hong Kong	493	64	506	38	368	18
South Africa	237	2	442	12	289	17
Mexico	218	5	118	8	286	18
Canada	309	11	296	14	271	12
Singapore	87	2	70	4	254	6
Bulgaria	18	2	408	26	218	11
Israel	327	4	308	10	204	11
Brazil	61	9	191	3	202	13
Cyprus	1	0	26	3	191	7
Pakistan	26	1	166	11	179	3
Australia	50	4	53	3	167	6
Saudi Arabia	9	0	93	4	161	25
Philippines	56	5	15	0	124	3

Imports of sets of two or more tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	334,930	57,528	386,312	66,518	390,986	64,238
Extra-EU	149,810	37,368	195,418	42,910	197,962	41,300
Developing Countries	43,316	16,224	68,720	21,494	79,682	24,220
Major suppliers:						
Taiwan	69,524	18,672	86,418	18,844	78,420	14,532
China	39,004	15,342	63,912	20,508	74,476	23,504
Germany	63,178	5,840	63,178	5,820	69,620	6,614
France	47,230	3,590	46,730	5,302	41,892	5,106
the Netherlands	27,974	2,814	26,510	3,596	21,642	2,980
United States	19,144	866	22,072	918	20,186	776
Belgium	6,150	990	14,910	2,888	17,552	2,518
Spain	12,264	2,294	9,870	1,770	10,374	2,154
United Kingdom	9,184	1,800	7,776	800	9,990	844
Italy	10,962	1,822	11,604	1,838	9,872	1,104
Switzerland	6,536	214	7,308	246	8,210	324
Czech Republic	3,012	576	4,346	720	5,114	814
Sweden	3,656	298	3,800	490	4,640	512
Portugal	498	144	2,140	408	3,140	654
Japan	3,604	168	2,138	76	1,712	50
Hong Kong	880	260	1,268	290	1,596	202
Argentina	1,808	70	1,592	58	1,396	60
Austria	1,064	108	1,604	198	1,008	110
India	696	444	1,084	538	980	358
Denmark	618	68	1,112	132	748	132
Luxembourg	222	16	186	18	670	28
Norway	1,316	94	728	28	598	46
Slovenia	214	24	246	28	560	64
Poland	206	16	674	138	470	104
Hungary	230	76	342	36	430	64
Turkey	204	28	824	154	408	34
Mexico	32	2	318	80	398	68
Sudan	0	0	0	0	378	2
Ireland	1,408	294	1,106	232	336	18
Canada	468	46	222	30	274	6
Finland	382	36	130	20	186	32
U.A.Emirates	64	6	132	4	176	28
Malaysia	364	160	266	68	170	48
Russia	40	6	20	0	150	4
Gabon	4	0	0	0	142	0
Israel	116	0	366	42	136	94
Bulgaria	0	0	4	0	130	2
Singapore	24	2	34	2	126	4
South Korea	116	10	172	10	96	2
Saudi Arabia	4	0	14	0	94	2

Imports of interchangeable tools for hand tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	253,926	16,136	316,295	20,821	354,712	27,722
Extra-EU	133,102	8,023	162,228	9,186	169,885	9,452
Developing Countries	15,530	1,942	19,741	2,577	19,660	2,628
Major suppliers:						
United States	40,004	1,747	47,909	1,753	56,639	2,168
Germany	39,116	2,274	50,058	3,324	45,931	3,006
Belgium	3,024	301	13,859	1,102	38,325	3,084
Italy	22,878	1,229	25,798	1,410	34,111	1,879
Switzerland	20,871	522	24,962	634	26,167	621
United Kingdom	9,446	655	14,738	1,073	12,525	947
Spain	5,807	425	5,324	244	12,030	574
Sweden	12,593	1,123	16,383	1,507	11,142	855
Taiwan	9,867	848	12,199	1,108	10,861	1,175
Japan	15,008	589	18,811	704	10,358	443
China	6,380	1,431	8,813	1,859	9,118	1,806
Hungary	7,999	525	9,077	557	8,919	585
South Korea	1,796	61	4,050	143	8,083	260
France	6,169	533	6,477	1,167	7,128	565
the Netherlands	10,133	513	6,798	580	6,026	6,131
Norway	3,338	366	4,371	500	5,880	460
Israel	3,588	41	5,131	48	5,651	48
Denmark	4,285	442	3,921	474	5,394	532
Austria	4,546	497	6,042	527	5,215	340
Poland	1,956	265	3,739	261	3,857	365
Ireland	1,626	89	2,191	135	3,093	156
Australia	796	147	794	76	2,557	89
South Africa	1,025	87	1,298	36	2,298	106
Canada	1,367	116	2,369	46	2,268	99
Finland	1,458	74	1,802	65	2,263	82
Czech Republic	1,962	172	2,428	207	2,110	146
Slovakia	308	33	859	52	1,654	96
Turkey	264	20	756	167	1,478	163
Portugal	1,019	58	889	50	1,405	77
Liechtenstein	1,363	26	775	19	972	11
Malaysia	716	7	2,166	15	964	6
Singapore	2,316	235	1,087	96	892	90
Slovenia	582	144	540	171	814	190
Brazil	343	14	593	19	718	15
Mexico	1,253	38	739	43	699	121
India	616	63	677	59	679	38
Hong Kong	451	51	574	38	575	43
U.A.Emirates	639	28	793	113	449	21
Romania	237	73	240	39	379	31
Saudi Arabia	441	26	450	12	365	15

Imports of knives and cutting blades into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	223,286	12,391	256,287	28,652	235,554	14,511
Extra-EU	81,034	3,983	96,413	4,513	93,745	4,240
Developing Countries	9,953	1,079	11,400	1,178	13,505	1,240
Major suppliers:						
Germany	56,631	2,070	63,989	2,423	59,761	2,889
United States	25,904	775	29,965	830	30,339	702
Switzerland	12,648	233	15,087	237	14,946	241
the Netherlands	15,356	1,134	17,248	2,539	14,538	1,001
France	13,061	455	18,040	585	14,120	694
Japan	12,630	316	20,448	241	13,872	213
United Kingdom	12,429	630	12,708	680	12,150	622
Austria	12,643	1,639	12,061	8,098	11,726	2,729
Belgium	11,500	431	13,336	7,584	10,491	594
Italy	7,244	442	7,412	975	6,599	647
Sweden	7,454	1,301	6,981	828	5,091	837
Slovenia	3,925	541	4,455	581	4,898	574
China	2,899	304	3,146	391	3,842	443
Hungary	1,661	245	2,287	280	3,633	345
Spain	2,879	166	3,723	276	3,629	146
Taiwan	2,490	186	3,112	276	3,197	303
Poland	1,749	91	2,438	110	2,573	77
Czech Republic	2,000	412	2,419	390	2,290	118
Romania	898	112	1,392	225	2,047	278
Israel	5,278	34	2,513	22	1,781	25
South Korea	1,208	93	1,270	141	1,726	296
Malaysia	991	38	1,098	49	1,437	77
Finland	350	13	650	34	1,327	40
Denmark	1,464	79	1,487	70	1,144	46
Canada	568	28	669	25	787	32
India	727	51	980	74	770	49
Slovakia	243	31	546	61	696	53
Ireland	663	30	841	11	666	8
Croatia	380	34	488	31	517	24
Ukraine	414	96	290	107	484	143
Norway	496	30	341	16	425	15
Argentina	57	2	66	2	408	2
Bulgaria	311	29	393	26	404	72
Portugal	555	17	825	27	317	12
Luxembourg	331	5	593	6	267	6
Hong Kong	217	4	346	4	247	13
Brazil	138	67	64	0	220	4
Serb.Monten.	88	5	129	5	208	10
Turkey	142	6	328	4	191	8
Thailand	13	0	22	2	181	13

Imports of plates, sticks and tips into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	1,524,679	11,296	1,748,468	15,949	1,836,915	14,525
Extra-EU	453,400	2,335	581,022	2,924	648,042	3,516
Developing Countries	22,487	278	35,840	636	41,655	616
Major suppliers:						
Israel	205,369	567	274,695	588	296,082	727
Sweden	194,075	700	231,934	1,074	240,015	1,070
the Netherlands	200,046	1,186	221,465	1,097	218,994	1,097
Germany	186,568	1,647	197,506	2,089	209,495	2,185
Belgium	120,716	1,070	122,613	441	127,351	911
United States	87,043	578	112,992	670	126,007	647
Austria	99,205	1,270	106,491	4,208	122,578	1,332
United Kingdom	124,794	1,335	124,290	1,445	117,659	1,414
Japan	64,673	241	78,244	271	88,365	326
Luxembourg	49,570	562	60,412	775	67,218	999
Switzerland	55,903	494	54,660	459	59,277	531
France	29,444	232	29,458	246	31,599	344
Italy	18,664	238	22,125	421	22,648	691
Denmark	29,110	588	33,239	1,043	19,391	840
South Korea	9,065	39	11,769	51	16,838	58
Brazil	4,270	22	10,440	67	14,636	47
China	10,114	128	11,334	191	9,930	184
Mexico	2,635	55	5,858	273	8,615	302
Spain	10,463	67	10,409	117	5,501	87
Taiwan	1,396	21	1,994	38	4,905	268
India	2,172	15	2,948	19	4,461	25
Czech Republic	2,676	31	2,647	47	4,383	65
Singapore	133	0	931	7	3,512	13
Portugal	7,365	64	5,330	59	3,440	18
Ireland	1,768	3	2,235	11	2,826	21
Turkey	1,015	8	1,266	3	2,333	14
Bulgaria	1,045	36	2,095	77	2,306	89
South Africa	1,941	48	3,641	70	1,238	30
Serb.Monten.	0	0	2	0	798	4
Estonia	372	4	606	8	790	138
Norway	150	9	130	0	552	7
Poland	494	2	771	37	459	5
Canada	607	3	447	2	390	1
Hungary	178	4	247	8	387	10
Russia	358	14	1,962	2	381	1
Finland	164	2	10	0	272	0
Slovakia	78	0	225	14	261	6
Liechtenstein	321	4	150	0	173	2
Malaysia	8	0	4	0	153	2
Lebanon	0	0	0	0	150	4

Imports of pneumatic tools into the EU by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	382,536	13,171	471,635	12,668	444,124	13,816
Extra-EU	122,475	5,650	148,521	5,928	157,726	6,774
Developing Countries	5,233	461	5,591	512	12,319	1,273
Major suppliers:						
Sweden	82,960	554	107,434	585	90,454	569
Belgium	57,893	896	70,902	1,015	67,310	1,064
United States	48,677	1,646	60,624	1,732	60,610	1,702
Japan	37,383	1,122	45,327	1,175	43,419	1,094
Germany	37,972	3,462	39,881	1,591	41,370	2,411
United Kingdom	24,375	326	38,371	524	40,450	767
Taiwan	20,595	1,829	23,048	1,741	24,876	1,795
Italy	18,078	974	21,541	1,473	17,470	1,005
France	21,146	580	15,435	680	11,436	474
the Netherlands	9,659	393	20,511	434	11,185	483
Switzerland	5,020	94	5,119	101	7,435	172
India	1,967	98	2,598	129	4,360	221
China	1,033	166	1,412	232	4,344	812
Slovenia	648	77	397	61	2,135	100
Czech Republic	1,251	69	1,921	82	1,897	72
Spain	2,307	145	2,497	181	1,847	104
Norway	1,845	209	2,216	237	1,582	178
Poland	126	11	275	44	1,522	255
Canada	476	37	1,409	115	1,419	56
Ireland	1,437	13	1,305	27	1,411	18
Denmark	1,267	75	1,436	74	1,278	58
Austria	1,164	44	1,787	86	950	42
South Korea	221	15	1,374	96	930	37
Luxembourg	1,521	29	1,072	11	772	9
Croatia	196	35	338	39	579	63
Hungary	130	6	217	6	443	38
Romania	201	35	522	31	443	26
Finland	279	21	643	34	338	30
Turkey	127	6	120	17	293	54
Brazil	773	38	88	7	226	8
Australia	219	11	132	3	211	10
Portugal	214	11	324	25	177	9
San Marino	76	20	70	19	174	36
Singapore	24	18	28	4	83	14
South Africa	55	1	45	1	78	5
Bulgaria	3	0	19	0	77	6
Malta	115	8	56	1	72	1
Hong Kong	265	39	67	5	64	3
Mexico	8	0	28	2	51	1
New Zealand	10	0	21	0	43	1

Imports of H&P tools into the the Netherlands by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	740,638	56,957	808,089	56,321	746,410	48,707
Extra-EU	268,242	35,579	304,497	36,204	282,423	31,656
Developing Countries	119,209	21,718	158,627	24,901	147,352	22,438
Major suppliers:						
Sweden	141,220	2,266	167,603	2,786	170,763	2,684
United Kingdom	119,598	1,825	122,293	1,977	116,480	1,899
China	75,977	17,422	98,780	20,660	86,765	18,705
Germany	67,427	7,885	75,500	5,996	71,342	4,969
United States	67,816	4,342	56,303	3,446	55,210	2,806
Japan	39,553	1,445	52,446	1,599	41,783	1,244
Belgium	53,128	3,794	52,853	3,982	40,912	2,949
France	43,013	2,594	37,672	2,242	29,999	2,145
Taiwan	18,495	5,302	20,873	4,650	20,941	3,430
Denmark	26,631	1,193	25,767	1,187	15,698	943
Brazil	5,899	176	11,248	283	15,293	216
Mexico	11,391	583	21,464	1,033	14,951	605
Malaysia	7,885	788	10,602	679	13,394	928
Portugal	6,305	755	7,314	796	6,542	658
Italy	8,493	655	7,879	685	6,489	515
Slovenia	5,401	938	4,397	723	5,765	698
India	5,529	1,485	5,221	1,203	5,760	1,039
Argentina	6,228	251	6,347	245	4,507	204
Switzerland	8,068	240	4,694	156	4,262	155
Singapore	1,753	235	2,229	182	3,641	155
Ireland	3,291	148	2,533	100	2,841	94
Canada	2,258	560	2,156	493	2,305	520
South Korea	1,155	190	1,122	149	1,047	167
Israel	721	30	809	35	999	16
Hong Kong	3,250	743	1,748	225	934	180
Norway	840	140	553	33	903	28
Czech Republic	1,083	174	1,189	164	863	137
Poland	793	61	506	73	804	102
Spain	646	53	519	31	790	37
Austria	1,359	108	1,004	96	549	51
Luxembourg	342	2	381	2	453	4
Hungary	177	13	131	8	406	59
Romania	170	20	201	12	286	28
Greece	11	0	87	11	273	40
Russia	73	12	49	2	230	0
Slovakia	42	5	25	6	152	34
Ecuador	0	0	0	0	123	2
Bangladesh	4	0	0	0	117	6
Finland	343	22	690	18	109	8
Turkey	162	22	35	3	107	4

Imports of H&P tools into France by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	**volume**	**value €**	**volume**	**value €**	**volume**
Total	812,275	60,948	902,492	73,621	866,573	67,949
Extra-EU	294,553	28,945	323,451	32,976	237,620	25,397
Developing Countries	65,872	14,688	87,179	18,299	78,674	16,984
Major suppliers:						
Germany	163,128	7,432	193,540	9,705	202,495	11,076
Belgium	82,235	4,884	120,645	7,994	167,115	13,898
the Netherlands	90,123	5,346	103,660	6,346	108,984	6,330
China	57,765	12,931	77,042	16,490	67,314	15,024
Italy	35,146	3,605	40,398	4,230	40,524	3,789
Liechtenstein	14,408	353	34,693	881	39,563	1,041
Japan	29,668	1,254	29,799	1,192	29,911	1,184
United States	34,442	1,021	32,594	689	29,769	570
Austria	27,313	937	26,611	3,886	28,706	998
United Kingdom	69,018	5,722	37,858	3,835	25,838	1,948
Taiwan	25,672	5,233	31,324	5,467	23,815	3,659
Spain	16,398	2,048	19,235	2,227	22,223	2,682
Switzerland	110,376	5,149	92,395	4,905	18,986	350
Luxembourg	11,872	196	10,955	236	10,713	244
Sweden	10,702	767	12,668	997	9,400	663
Ireland	6,022	368	5,335	373	6,879	391
Israel	5,041	47	5,134	36	5,211	28
Denmark	2,776	210	5,479	309	3,893	238
Slovenia	3,585	310	3,070	252	3,232	283
India	2,277	1,238	2,724	1,265	3,006	1,323
Poland	1,080	579	1,748	744	2,923	843
Hungary	1,535	78	1,858	98	2,393	120
Malaysia	425	24	2,218	115	1,756	96
Portugal	2,401	452	1,967	470	1,495	247
Czech Republic	718	150	1,398	230	1,494	203
Singapore	2,626	164	1,515	125	1,248	100
Canada	592	47	639	80	882	28
Romania	185	4	115	16	823	202
Finland	590	36	609	25	618	37
Turkey	326	41	500	33	473	25
South Korea	541	8	671	6	418	5
Argentina	116	5	38	0	378	1
Tunisia	199	9	252	53	364	31
Morocco	247	24	216	13	304	27
Slovakia	72	9	140	6	242	3
Brazil	90	28	198	28	208	85
Lebanon	33	1	5	0	193	10
Pakistan	31	1	12	0	188	2
Serb.Monten.	0	0	0	0	186	5
Norway	434	46	297	26	181	8

Imports of H&P tools into Germany by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	1,344,990	100,698	1,595,234	122,691	1,611,647	126,030
Extra-EU	810,222	70,470	978,062	86,284	1,072,288	99,337
Developing Countries	180,718	33,364	273,177	47,573	293,341	58,438
Major suppliers:						
Switzerland	236,981	11,197	245,851	11,457	294,145	14,380
China	147,273	28,481	232,693	42,159	252,066	52,680
Japan	103,228	1,847	124,238	1,811	133,505	1,742
the Netherlands	130,762	8,464	132,916	8,884	126,551	6,846
United States	94,233	2,740	106,249	2,674	119,598	2,785
Belgium	57,882	1,371	109,611	6,246	101,293	5,855
Austria	77,728	3,577	84,628	3,451	95,070	2,513
Taiwan	67,607	12,393	82,004	12,308	79,166	11,491
Luxembourg	25,972	372	34,691	464	40,293	633
Italy	36,227	3,186	49,742	4,945	37,838	3,339
Sweden	31,157	552	35,335	500	36,039	423
France	40,996	2,334	36,146	1,910	34,056	1,867
United Kingdom	97,646	7,122	87,379	6,364	33,682	1,593
Czech Republic	21,565	2,908	27,690	3,531	31,171	3,972
Israel	16,748	65	21,433	74	30,699	117
Liechtenstein	17,695	405	17,208	381	14,689	359
Slovenia	10,817	1,614	10,864	1,636	11,261	1,528
Hungary	6,957	850	8,954	976	10,227	1,123
Malaysia	9,175	599	12,644	703	10,046	599
India	6,638	1,832	7,136	1,853	9,899	2,541
Portugal	6,822	161	7,675	547	7,884	1,077
Spain	12,598	1,561	9,405	920	7,699	898
Poland	4,890	681	6,644	986	6,457	754
South Korea	3,017	132	3,701	128	5,139	264
Ireland	5,126	614	5,927	741	5,063	673
Bulgaria	6,125	755	6,642	711	4,406	510
Turkey	2,900	434	4,143	658	3,912	388
Romania	2,455	470	2,726	483	2,948	472
Denmark	2,885	406	4,009	370	2,779	345
Croatia	866	195	1,198	302	1,467	345
Brazil	1,073	103	1,225	89	1,170	67
Finland	668	72	910	80	1,104	109
Slovakia	1,043	357	908	257	1,036	214
South Africa	1,172	49	1,864	51	975	54
Serb.Monten.	36	10	22	6	868	9
Hong Kong	1,031	119	1,880	275	849	93
Russia	1,693	641	2,780	618	846	383
Norway	787	48	721	62	768	98
Mexico	106	2	346	16	764	26
Ukraine	294	142	298	140	606	183

Imports of H&P tools into Italy by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	632,650	40,206	726,104	43,956	731,362	43,908
Extra-EU	206,325	20,050	238,879	23,276	243,648	23,036
Developing Countries	37,812	10,087	56,249	14,168	54,926	14,703
Major suppliers:						
Germany	180,462	7,389	191,923	7,736	194,048	7,774
Belgium	56,054	2,323	106,641	4,353	110,510	5,279
the Netherlands	65,364	2,847	75,199	2,732	74,605	2,698
Switzerland	50,582	2,158	52,532	2,208	48,468	2,059
China	27,830	8,033	44,089	11,804	43,286	12,354
Japan	34,814	1,536	40,002	1,385	41,362	1,412
France	41,159	2,248	45,321	2,290	35,876	1,952
Liechtenstein	31,583	1,245	27,859	1,021	31,399	861
United States	21,409	784	26,208	525	28,131	497
Austria	21,150	1,083	22,497	975	25,553	1,004
United Kingdom	35,826	2,885	17,429	1,153	18,235	830
Taiwan	12,512	2,547	13,222	2,086	14,829	1,954
Spain	8,777	635	8,708	605	11,359	731
Luxembourg	7,942	103	9,082	118	8,386	138
South Korea	3,993	114	6,982	301	8,104	315
Israel	2,622	31	4,675	24	5,066	26
Sweden	5,502	397	6,093	378	4,234	214
Slovenia	4,239	396	4,009	413	3,749	404
India	2,625	1,375	3,808	1,573	3,479	1,562
Romania	2,749	981	3,439	995	3,380	670
Ireland	2,186	126	2,248	143	2,355	148
Hungary	1,637	111	1,760	114	1,984	114
Denmark	930	47	1,253	57	1,406	68
Czech Republic	725	32	803	24	1,263	54
Canada	520	32	1,079	60	998	45
Malta	834	63	936	66	939	64
Turkey	536	79	907	118	871	106
Portugal	559	56	648	123	862	29
Poland	531	51	850	67	675	36
Bulgaria	596	42	794	75	582	55
Norway	407	53	616	94	569	96
Singapore	450	31	497	17	481	17
Brazil	70	6	267	34	406	11
Serb.Monten.	279	15	330	10	387	12
South Africa	365	5	483	4	308	4
Mexico	66	1	70	0	299	13
Malaysia	172	9	426	24	254	9
Finland	268	11	143	8	246	7
Lithuania	9	0	1	0	240	1
Albania	81	5	178	12	200	26

Imports of H&P tools into the United Kingdom by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	915,881	125,344	1,045,761	112,328	995,316	149,023
Extra-EU	458,810	48,389	623,463	62,555	609,417	111,564
Developing Countries	143,422	23,895	238,061	36,809	233,301	40,560
Major suppliers:						
China	128,847	20,923	219,916	33,062	213,133	35,968
United States	107,859	4,344	136,859	4,248	141,885	4,474
Germany	150,248	15,750	155,613	12,436	138,600	11,120
the Netherlands	90,418	2,608	88,338	4,858	74,497	9,570
Japan	63,109	3,352	83,116	3,063	70,435	51,027
Belgium	64,908	1,401	68,714	8,793	65,611	1,215
Taiwan	63,112	12,500	79,183	13,553	63,742	9,956
Switzerland	44,942	2,368	39,970	2,018	47,145	2,476
Italy	71,043	47,121	40,565	16,313	40,101	9,194
France	22,013	3,509	20,421	4,066	25,974	2,519
Liechtenstein	13,592	459	18,789	702	19,842	837
Austria	13,322	600	14,124	422	15,166	1,580
Ireland	8,693	1,447	8,156	1,014	9,501	791
India	5,367	1,839	6,561	2,299	7,942	3,135
Spain	14,450	1,762	9,917	658	6,664	672
South Korea	1,619	66	3,396	243	5,464	239
Hong Kong	2,664	274	3,477	423	4,562	447
Sweden	7,521	345	8,981	338	4,383	284
Israel	7,892	71	4,950	43	4,099	74
Canada	3,090	471	4,343	579	4,002	451
Poland	1,073	113	3,265	195	3,951	461
Denmark	10,144	2,318	5,248	616	3,732	471
Slovenia	1,745	449	3,072	608	3,547	400
Norway	1,134	83	1,685	56	3,481	122
Australia	389	31	523	57	2,599	81
Mexico	1,797	130	764	31	1,828	138
Singapore	1,893	136	2,525	136	1,756	87
Malaysia	499	39	1,420	74	1,256	81
Turkey	292	115	595	231	1,134	288
Czech Republic	655	130	674	68	1,043	125
Luxembourg	94	0	380	4	915	14
Brazil	258	81	488	187	775	272
Finland	217	20	1,419	225	639	23
South Africa	601	144	878	105	606	102
U.A.Emirates	854	52	106	8	560	25
Saudi Arabia	412	25	326	5	408	30
Bahrain	52	0	55	1	356	5
Barbados	55	5	232	35	353	30
Faroe Isles	0	0	8	0	313	21
Hungary	166	10	108	6	293	41

Imports of H&P tools into Belgium by country of origin, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	850,893	42,639	1,329,675	64,723	1,033,938	140,181
Extra-EU	342,114	18,257	494,776	27,033	481,347	26,089
Developing Countries	92,919	12,779	146,708	19,669	134,909	20,542
Major suppliers:						
Israel	174,637	449	237,450	483	251,616	555
Germany	194,460	11,244	252,510	13,509	193,681	11,107
Sweden	127,707	664	173,386	879	154,630	817
China	89,000	12,307	140,953	18,963	126,275	19,616
United Kingdom	86,693	5,552	247,595	13,414	101,311	4,995
United States	29,170	1,154	51,410	2,323	43,806	2,173
France	41,450	2,505	60,628	3,891	34,623	2,289
the Netherlands	29,715	2,825	42,760	2,745	32,775	92,897
Japan	21,080	934	26,339	832	23,966	793
Italy	9,145	819	39,607	2,530	18,973	1,271
Taiwan	14,483	2,596	20,374	3,243	10,817	1,603
South Korea	3,629	35	5,541	44	9,839	45
Luxembourg	6,647	142	6,337	131	6,547	125
India	1,102	241	3,162	468	5,128	536
Switzerland	3,559	47	4,123	81	3,932	64
Ireland	5,111	266	5,302	274	3,584	173
Austria	3,074	56	2,893	63	3,314	123
Slovenia	1,253	102	995	93	2,155	243
Spain	2,570	118	2,059	116	1,809	178
Greece	671	61	747	61	628	46
Malaysia	174	12	611	87	542	78
Poland	191	138	251	84	485	180
Singapore	264	20	549	42	461	30
Denmark	1,015	58	524	31	383	26
Czech Republic	192	9	240	21	380	20
Slovakia	12	2	213	32	284	43
Portugal	360	47	333	21	211	39
Turkey	139	27	221	30	180	20
Norway	86	3	104	2	173	8
Gabon	3	0	2	0	135	20
Canada	145	10	156	14	134	5
Mexico	684	64	241	10	133	14
Hungary	29	0	115	2	119	1
Hong Kong	110	20	200	19	118	2
Finland	170	25	216	25	115	6
Romania	34	11	57	15	102	15
Russia	29	0	397	46	82	7
Algeria	0	0	35	2	82	2
Brazil	73	2	12	0	67	2
South Africa	69	2	88	3	65	3

Exports of H&P tools by the EU by country of destination, 1999 - 2001, € 1,000 / tonnes

	1999		2000		2001	
	value €	volume	value €	volume	value €	volume
Total	5,802,104	348,739	6,807,659	365,460	6,436,564	333,020
Extra-EU	2,016,169	113,272	2,490,702	133,966	2,475,601	130,464
Developing Countries	501,116	36,159	621,652	42,879	604,322	40,536
Major destinations:						
Germany	695,553	48,214	808,272	47,240	683,460	34,650
France	561,606	33,912	618,362	40,414	568,000	34,887
United States	508,611	18,676	622,806	19,909	559,742	18,994
Belgium	411,186	42,326	528,430	26,567	485,466	23,535
the Netherlands	487,701	18,228	504,912	17,203	445,099	15,649
Italy	353,268	16,517	434,934	18,892	417,681	15,607
United Kingdom	302,612	13,258	345,290	14,384	337,317	14,748
Spain	249,470	17,992	251,300	17,008	247,706	16,135
Sweden	185,857	9,749	239,689	11,916	203,491	9,772
Switzerland	161,729	8,319	181,503	10,745	190,207	7,666
Austria	144,208	7,883	158,586	8,557	156,909	8,153
Poland	88,609	5,534	101,145	6,470	118,657	7,313
Russia	29,304	1,986	66,942	4,185	106,833	6,553
Denmark	100,401	5,016	105,663	6,292	104,224	5,080
Czech Republic	63,257	4,186	78,405	4,774	100,330	4,780
Norway	105,822	6,942	110,370	7,099	98,459	6,582
Finland	75,883	4,202	88,722	4,707	82,889	4,606
Portugal	89,081	8,688	101,435	7,760	79,477	6,513
Singapore	23,450	1,075	41,567	1,608	77,152	1,383
Japan	65,258	2,129	95,122	2,086	70,747	2,690
Ireland	71,235	5,579	62,639	6,412	70,402	8,352
Hungary	49,854	3,521	62,621	4,714	63,182	4,194
Brazil	35,826	1,535	51,200	1,992	55,178	1,649
China	41,358	1,707	51,819	1,962	54,721	3,270
Australia	65,314	3,769	73,896	3,825	51,983	2,925
Greece	37,896	2,992	43,897	3,319	49,987	3,820
Liechtenstein	34,593	1,490	39,661	1,681	46,663	2,008
Turkey	40,854	2,212	69,894	4,196	42,969	2,200
Hong Kong	30,190	1,993	44,137	2,137	42,841	2,444
South Africa	34,028	1,971	40,566	2,225	42,670	2,599
South Korea	28,075	1,005	40,307	1,430	39,823	1,599
Canada	41,359	1,683	45,612	1,724	36,831	1,412
Israel	32,680	1,499	33,121	1,685	33,717	1,680
Mexico	30,317	1,823	44,676	2,379	28,291	1,398
Slovenia	26,315	2,210	25,542	2,035	28,132	1,940
Slovakia	15,198	1,002	20,739	1,698	27,524	1,954
Luxembourg	19,826	880	23,867	769	27,200	920
Iran	14,126	448	19,786	631	24,973	1,010
Romania	13,174	1,067	17,640	1,390	24,493	1,779
Taiwan	27,052	829	33,348	1,095	23,653	659

APPENDIX 3 USEFUL ADDRESSES

Appendix 3.1 Standards organisations

INTERNATIONAL

Council on Economic Priorities Accreditation Agency (CEPAA)
E-mail: info@cepaa.org
Internet: www.cepaa.org

International Standardisation Institute (ISO)
E-mail: central@isocs.iso.ch
Internet: www.iso.ch

EUROPEAN UNION

Comité Européen de Normalisation (CEN)
E-mail: infodesk@cenclcbel.be
Internet: www.cennorm.be

Comité Européen de Normalisation de Electrotechnique (CENELEC)
Telephone: +32 (0)2 519 68 71
Fax: +32 (0)2 519 69 19
E-mail: cenelec@cenclcbel.be

SGS European Quality Certification Institute E.E.S.V.
Email: sgs.ti.nl@sgsgroup.com
Internet: www.sgs.nl

AUSTRIA
Austrian Standards organisation, Österreichisches Normungsinstitut
E-Mail: sales@on-norm.at
Internet: www.on-norm.at

BELGIUM
Belgian Standards organisation, Institut Belge de Normalisation (IBN)
Telephone: +32 (0)2 734 92 05
Fax: +32 (0)2 733 42 64
E-mail: belgische.normen@ibn.be

FINLAND
Finnish Standards organisation, Suomen standardisoimisliito r.y. (SFS)
Telephone: +358 (0)9 149 93 31
Fax: +358 (0)9 146 49 25

FRANCE
French Standards organisation, Association Française de Normalisation (AFNOR)
Telephone: +33 (0)1 429 15 555
Fax: +33 (0)1 429 15 656

GERMANY
German Standards organisation, Deutsches Institut für Normung eV (DIN)
E-mail: briesenmeister@vertr.de

Internet: www.din.de

German customs organisation, RAL, Deutsches Institut für Gütesicherung & Kennzeichnung
Telephone: +49 (0)2241 1605 23
Fax: +49 (0)2241 1605 11

GREECE
Hellenic Organisation for Standardisation
Telephone: +30 (0)1 2280001
Fax: +30 (0)1 2025917

ITALY
Italian Standards organisation, Ente Nazionale Italiano di Unificazione (UNI)
Telephone: +39 (0)2 700 24 1
Fax: +39 (0)2 701 06 106
E-mail: presidenzi@uni.unicei.it

IRELAND
National standards Authority of Ireland (NSAI)
Telephone: +353 (0)1 807 38 00
Fax: +353 (0)1 807 38 44

THE NETHERLANDS
Stichting Aboma+Keboma, EC-Certification sound production motor compressors
Telephone: +31 (0)318 631481
Fax: +31 (0)318 632013
E-mail: info@aboma.nl

Nederlands Normalisatie Instituut (NNI), Netherlands Standardisation Institute
Telephone: +31 (0)15 269 0390
Fax: +31 (0)15 269 0190
Internet: www.nni.nl

PORTUGAL
Instituto Portugues da Qualidade (IPQ), Portugese standards organisation
Telephone: +351 (0)1 2948102
Fax: +351 (0)1 2948223

SPAIN
Instituto Español Normalization y Certificacion (AENOR), Spanish standards organisation
E-mail: informacion@aenor.es
Internet: www.aenor.es

SWEDEN
Standardiseringskommissionen i Sverige (SIS), Swedish standards organisation
Telephone: +46 (0)8 6103000
Fax: +46 (0)8 307757
E-mail: info@sis.se

UNITED KINGDOM
British Standards Institution (BSI)
Telephone: +44 (0)171 6299000
Fax: +44 (0)171 9967400
Internet: www.bsi.org.uk

Appendix 3.2 Sources of price information

The are no European or country-specific associations which have or can supply price information.

Looking at where information can be found, consultants, customers, international organisations, international trade fairs and suppliers are the most important sources of information. Smaller firms will find that making use of consultants and Internet will be the most economic way, while large firms could make most use of national and international trade fairs (besides internet). In general, the most-used is Internet and international trade fairs, followed by customers and suppliers.

Consumer prices can furthermore be found in magazines and promotional material, but foremost in wholesalers' catalogues. Wholesalers' often very bulky catalogues of 400-500 pages, quote recommended consumer prices (excluding VAT) on which they give the discounts agreed upon with their retailer clients. Of course the best way to get a good view of the different market segments and the prices is a visit in the chosen country(ies) to the various types of retail outlets, such as department stores, chain stores, home stores, building material markets, DIY stores, specialised tool shops, etc.

See Appendix 3.6 for the contact information of companies.

Appendix 3.3 Trade associations

EUROPEAN UNION

EUROPEAN TOOL COMMITTEE
E-mail: ceo@ceo-tools.org
Internet : www.ceo-tool.org

FEDIYMA
European Federation of DIY Manufacturers
Internet: www.fediyma.com

FENETEC
Federation of Technical Traders
Internet: www.fenetec.com

BELGIUM

FEBIN BELGIUM
E-mail: secr@febin.be
Internet: www.febin.be

DENMARK

BLF DENMARK & SCANDINAVIA, Danish and Scandinavian manufacturing sectors organisation
E-mail: blf@byggevarebranchen.dk
Internet: www.byggevarebranchen.dk

Dansk Isenkram Forening, Danish steel trade association
E-Mail: til@isenkrambranchen.dk
Internet: www.isenkrambranchen.dk

FINLAND

Finnish Hardware Association
Fax: + 358 (0)9 4315 6481
E-Mail: kari.kulmala@rasi.net

FRANCE

Federation Francaise De La Quincaillerie (FFQ), French hardware federation
Fax: + 33 (0)1 4 225 77 52
E-Mail: fquincaillerie@wanadoo.fr

S.I.O.
E-mail: direction@symap.com
Internet: www.symap.com

Unibal France, important DIY trade association
E-mail: info@unibal.org
Internet: www.unibal.org

GERMANY

BAU + DIY GERMANY
Construction and DIY Germany
E-mail: info@bau-und-diy.de
Internet: www.bau-und-diy.de

BHB
Bundesverband Deutscher Heimwerker-, Bau- und Gartenfachmärkte e.V.
Federal federation of Germany for DIY, construction and gardening retailers
Internet: www.heimwerkerverband.de

EDE - Einkaufsbüro Deutscher Eisenhändler GmbH
Purchasing office of German hardware traders
E-Mail: info@ede.de
Internet: www.ede.de

FWI
Fachverband Werkzeugindustrie e. V.
Committee of Tooling industry
E-mail: fwi@werkzeug.org
Internet: www.werkzeug.org

ZHH, Zentralverband Hartwarenhandel e.V.
General federation of hardware traders.
E-Mail: zhh@hartwaren.de
Internet: www.zhh.de

IRELAND

Irish Hardware & Building Materials Association
E-Mail: info@irishhardware.ie
Internet: www.irishhardware.ie

ITALY

Assofermet, Italian steel trade association
E-Mail: marcemas@tin.it
Internet: www.assofermet.it

Assoutensili, Italian hardware federation
Fax: +39 (0)2 33 10 67 89
E-mail: assoutensili@tiscalinet.it

THE NETHERLANDS

Vertaz, brancheorganisatie technische handel
Organisation of technical traders
E-Mail: info@vertaz.nl
Internet: www.vertaz.nl

VIMAG
Vereniging van Importeurs van Machines en Gereedschappen voor de Metaalindustrie
Dutch association of importers of machines and tools for the metal industries
Telephone: +31 (0)79 3531266
Internet: www.vimag.nl

VNT
Vereniging Nederlandse Tussenpersonen, Sectie Gereedschappen (section tools)
Federation of Dutch traders, section Tools
E-mail: agentuur@schoonneveldt.nl
Internet: www.vnt.org

NORWAY

Jernvaregrossistenes Landesforening, Norwegian trade statistics organisation
Telephone: + 47 (0)22 44 78 73
Fax: + 47 (0)22 44 87 47

SPAIN

HERRAMEX
E-mail: herramex@jet.es
Internet: www.herramex.es

SWEDEN

Sveriges Järnhandlareförbund
E-Mail: info@jarnhandlarna.se
Internet: www.jarnhandlarna.se

UNITED KINGDOM

BHHMA UNITED KINGDOM
E-mail: bhhma@brookehouse.co.uk
Internet: www.bhhma.co.uk

British Hardware Federation
E-Mail: jonathanswift@bhfgroup.co.uk
Internet : www.bhfgroup.co.uk

FBHTM
Federation of British Hand Tool Manufacturers c/o Institute of Spring Technology
E-mail: jrm@britishtools.com
Internet : www.britishtools.com

Appendix 3.4 Trade fair organisers

GERMANY

AUTOMECHANICA,
Frankfurt/M. (D)
Segment especially tooling for automotive industry
Frequency: 14.-19.09.2004
Internet: www.messefrankfurt.com

PRACTICAL WORLD
Segment most important tooling show in Europe. International Hardware Show, Cologne (D)
Frequency: 14.-17.03.2004
Internet: www.practical-world.de

TURNTEC
Segment turning technique
Frequency annually in December
e-mail info@demat.com
internet www.turntec.com

EUROMOLD
Segment mold production
Frequency annually in December
e-mail info@demat.com
internet www.euromold.com

METAV
Segment production technique
Frequency every two years in Düsseldorf and Munich
e-mail j.roedelbronn@vdi.de
internet www.metav.de

HEIM UND HANDWERK
Segment do-it-yourself, home improvement
Frequency annually
e-mail info@ghm.de
internet www.hh-online.de

I.H.M.
Segment home improvement; business oriented as well as DIY oriented
e-mail info@ghm.de
internet www.ihm.de

ITALY

EMO MILANO 2003
c/o CEU-CENTRO ESPOSIZIONI UCIMU SPA (UCIMU Exhibition Centre)
Segment professional tooling
Frequency: Every year in october in Milan.
E-mail: emo.vista@ucimu.it
Internet: www.emo-milan.com,

NETHERLANDS

Techni Show (Utrecht, Jaarbeurs) and ESEF
Segment professional tooling and subcontracting
Frequency: Every two years in March. (next: March 2004)
E-mail: technishow@jem.nl
Internet: www.jaarbeursutrecht.nl

GARDENJOY
Segment gardening
Frequency: every year in February (next: February 2004)
e-mail robwolfs@home.nl
internet www.delfair.nl

GARDENEXPO and DIY AND HARDWARE
Segment gardening
Frequency: every year in September (next: 12-14 September 2004)
e-mail info@gardenexpo.nl
internet www.gardenexpo.nl

BELGIUM

DIY expo (Kortrijk, Expo)
Segment DIY, hardware, power tools
Frequency: every year in March (next: March 2004)
Internet: www.diy-xpo.be

HOBBYSALON
Segment DIY
Frequency several times in several cities in Belgium per year
e-mail info@hobbysalon.com
Internet www.hobbysalon.com

SPAIN

FERROFORMA,
Bilbao (E),
Frequency: 23.-26.09.2004
Internet: www.feriaint-bilbao.es

BIEMH
Segment international machine tool fair
Frequency once in two years (2004)
e-mail communicacion@feriadebilbao.com
internet www.feriadebilbao.com

FERROFORMA AND BRICOFORMA
Segment hardware show and construction
Frequency once in two years (2004)
e-mail communicacion@feriadebilbao.com
internet www.feriadebilbao.com

CZECH REPUBLIC,

IMT
Brno, machine tool exposition
Segment professional tooling

Frequency every two years in September
E-mail expoexpert@bvv.cz
Internet www.imt.cz

AUTOTEC
Segment tools in the automotive branch
Frequency annually
e-mail info@bvv.cz
internet www.bvv.cz/autotec-de

UNITED KINGDOM

MACH
Segment manufacturing technology
Frequency annually
e-mail info@mta.org.uk
internet www.mach2004.com

INTERNATIONAL CRAFT AND HOBBY FAIR
Segment do-it-yourself (strictly trade)
Telephone +44(0)1425 272711
Fax +44 (0)1425 279369e-mail
internet www.ichf.co.uk

FRANCE

MIDEST
Segment show for industrial subcontracting
Frequency annually, November or December
E-mail info@midest.com
Internet www.midest.com

INTEROUTIL / INDUSTRIE 2004
Segment tool show
internet www.industrie-expo.com

BATIMAT
Segment building exposition, DIY
e-mail info@batimat.com
internet www.batimat.com

BATINOV
Segment construction
e-mail info@batinov.com
internet www.batinov.com

EXPOBOIS
Segment woodworking
Frequency biennial
e-mail esimon@exposium.fr
internet www.expobois.net

JARDITEC - CREABITAT - URBAVERT - URBATEC
Segment solutions and machinery for garden and leisure
internet www.promosalons.com

PORTUGAL

EMAF
Segment machine tool exhibition
e-mail dir.emaf@exponor.pt
internet www.emaf.exponor.pt

FIMAP AND FERRALIA
Segment woodworking machines
e-mail visit.fimap@exponor.pt
internet www.fimap.exponor.pt

HABITAT
Segment home improvement
e-mail visit.expornovel@exponor.pt
internet www.habitat.exponor.pt

Appendix 3.5 Trade press

France

Bricomag
Internet: www.bricomag-news.com

Maison Bricolages
Telephone: +33 (0)1 41 10 13 00
Fax: +33 (0)1 41 10 13 71

GERMANY

Bau & Heimwerker markt
E-Mail: rohn@rudolf-mueller.de
Internet: www.rohn.de

DIY-Branchenmagazin
E-Mail: info@daehne.de
Internet: www.diyonline.de

DIY in Europe
E-Mail: info@daehne.de
Internet: www.diyonline.de
Contents: specialist magazine for the European DIY trade
Language: german & englisch
Distribution: Europe
Frequency: 11 times per annum

Eisenwaren-Zeitung
E-Mail: info@ez-hz.de
Internet: www.ez-hz.de

H&E Hausrat & Eisenwarenzeitung
Telephone: + 49 (0)69 363560
Fax: + 49 (0)69 362654

Maschine + Werkzeug
E-Mail: mw@verlag.henrich.de
Internet: www.maschinewerkzeug.de

ITALY

Il Commercio Edile
Telephone: + 39 (0)2 688 02 06
Fax: + 39 (0)2 688 35 29

Il Giornale dell'Edilizia Italiana
E-Mail: info@giornaleedilizia.it
Internet: www.giornaleedilizia.it

Il Giornale dell'Rivenditore Edile
E-Mail: info@giornaleedilizia.it
Internet: www.giornaleedilizia.it/giornale/rivenditore.html

GDS – Il Giornale del Serramento
E-Mail: info@faenza.com
Internet: www.faenza.com/RivisteOnLineDx.asp?ID=419&Flagk=1

THE NETHERLANDS

DHZ-Markt
Telephone: + 31 (0)23 5719334
Fax: + 31 (0)23 5717516
Contents: specialists magazine for do it yourself products
Language: dutch
Distribution: the Netherlands
Frequency: 11 times per annum

Karwei
E-mail: info@qumedia.nl
Internet: www.karwei.net

Metaal en Techniek
Internet: www.metaalunie.nl

Cobouw
E-mail: cobouw@wkths.nl
Internet: www.cobouw.nl
Contents: daily magazine for the building industry; news about building techniques / materials, announcements of buildingprojects, tenders, contracts etc.
Language: dutch
Distribution: the Netherlands
Frequency: 5 times per week

Technische Revue
E-Mail: DR-Online@ebi.nl
Telephone: +31 (0)314 358244
Fax: +31 (0)314 358165

Vakblad MIX
E-Mail: redactie@mixpress.nl
Internet: www.vakbladmix.nl

TIM (Technical Buyers Magazine)
E-Mail: redactie@indpers.nl
Internet: www.vakblad-tim.nl
Contents: specialist magazine for head technical support & maintenance; MRO-products (Maintenance, Repair & Operations)
Language: dutch
Distribution: the Netherlands
Frequency: 8 times per annum

SPAIN

Ferreteria Actualidad
E-Mail: ferreteria@sbnprensatecnica.com
Internet: www.sbnprensatecnica.com/ferreteria

Nueva Ferreteria
E-Mail: ferreteria@tecnipublicaciones.com
Internet: www.tecnipublicaciones.com/ferreteria

UNITED KINGDOM

Engineering Distributor
E-Mail: justine.smart@nexusmedia.com
Internet: www.thru.to/edweblink

Appendix 3.6 Other useful adresses

National organisations for packaging and labelling:

International Trade Forum (ITC)
www.intracen.org

Austria: Altstoff Recycling Austria (ARA)
www.ara.at

Belgium: FostPlus
www.fostplus.be

Denmark: Miljøstyrelsen (Danish Environment Protection Agency)
www.mst.dk

Germany: Duales System Deutschland (DSD)
www.gruener-punkt.de

Finland: The Environmental Register of Packaging (PYR)
www.pyr.fi

France: Eco-Emballages
www.ecoemballages.fr

Hungary: Ôko-pannon
www.okopannon.hu

Ireland: Repak
www.repak.ie

Italy: Conai
www.conai.org

Luxembourg: Valorlux
www.valorlux.lu

Netherlands: SVM.PACT
www.svm-pact.nl

Norway: Materialretur
www.materialretur.no

Poland : RekoPol
www.rekopol.pl

Portugal: Sociedade Ponto Verde
www.pontoverde.pt

Spain: Ecoembalajes España
www.ecoembes.com

Sweden: Repa registred
www.repa.se

Czech republic: Eko-kom
www.ekokom.cz

United Kingdom: Valpak
www.valpak.co.uk

Some major companies acting in the market of hand and power tools:

www.bosch.com	power tools, domestic and professional use
www.metabo.com	power tools, mainly professional use
www.kennametal.com	plates etc
www.blackanddecker.com	power tools, B&D mainly domestic use, Dewalt for professional use
www.sandvik.com	hand tools
www.aeg.com	power tools, consumer market.
www.biesheuveltechniek.nl	important Dutch trading company
www.atlascopco-group.com	hand tools, power tools, domestic and professional use

APPENDIX 4 LIST OF DEVELOPING COUNTRIES

Afghanistan
Albania
Algeria
Angola
Anguilla
Antigua and Barbuda
Argentina
Armenia
Azerbaijan
Bahrain
Bangladesh
Barbados
Belize
Benin
Bhutan
Bolivia
Bosnia & Herzegovina
Botswana
Brazil
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
Central African rep.
Chad
Chile
China
Colombia
Comoros
Congo Dem. Rep.
Congo Rep.
Cook Islands
Costa Rica
Côte d'Ivoire
Croatia
Cuba
Djibouti
Dominica
Dominican republic
Ecuador
East Timor
Egypt
El Salvador
Equatorial Guinea
Eritrea
Ethiopia
Fiji
Gabon
Gambia
Georgia
Ghana
Grenada
Guatemala
Guinea
Guinea-Bissau
Guyana
Haiti
Honduras
India
Indonesia
Iran
Iraq
Jamaica
Jordan
Kazakhstan
Kenya
Kiribati
Korea, rep of
Kyrghyz Rep.
Laos
Lebanon
Lesotho
Liberia
Macedonia
Madagascar
Malawi
Malaysia
Maldives
Mali
Marshall Islands
Mauritania
Mauritius
Mayotte
Mexico
Micronesia, Fed. States
Moldova
Mongolia
Montserrat
Morocco
Mozambique
Myanmar
Namibia
Nauru
Nepal
Nicaragua
Niger
Nigeria
Niue
Oman
Pakistan
Palau Islands
Palestinian Admin. Areas
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Rwanda
Samoa
São Tomé & Principe
Saudi Arabia
Senegal
Serbia and Montenegro
Seychelles
Sierra Leone
Solomon Islands
Somalia
South Africa
Sri Lanka
St. Helena
St. Kitts-Nevis
St. Lucia
St. Vincent and Grenadines
Sudan
Surinam
Swaziland
Syria
Tajikistan
Tanzania
Thailand
Togo
Tokelau
Tonga
Trinidad & Tobago
Tunisia
Turkey
Turkmenistan
Turks & Caicos Islands
Tuvalu
Uganda
Uruguay
Uzbekistan
Vanuatu
Venezuela
Vietnam
Wallis & Futuna
Yemen
Zambia
Zimbabwe

APPENDIX 5 USEFUL INTERNET SITES

www.cbi.nl
The Centre for the Promotion of Imports from developing countries (CBI) was established in 1971 and is an Agency of the Ministry of Foreign Affairs of the Netherlands. The CBI's mission is to contribute to the economic development of developing countries by strengthening the competitiveness of companies from those countries on the EU market.

www.cecimo.be
Cecimo is the European Committee for the Co-operation of the Machine Tool Industries, representing the common interests of the European machine tool industry, particularly in relation to authorities and other associations. The website contains information about Machine Tool Statistics and studies, technical information and standards, links and press releases.

www.europa.eu.int/comm/trade/
Website of the European commission with information of sectoral issues (statistics, tariffs and non-tariff barriers, technical barriers to trade), market access database (statistics, studies, barriers and formalities) and information per sector (/goods/index_en.htm: general and economic information for a number of sectors).

www.europa.eu.int/comm/competition/antitrust/legislation/
Website of the European commission containing information about antitrust legislation.

www.europa.eu.int/comm/enterprise/newapproach/legislation/nb/listnotifiedbodies
Website of the European commission with a list and information of independent certification bodies which are, amongst other aspects, officially authorised to test and certify EU requirements.

www.iso.ch
Website of the international standards organisations. The website contains a lot of information about existing standards and about upcoming standards. In ISO store it is possible to find individual standards, the documentation for which can be bought on line.

www.douane.nl
Website of the Dutch Customs Office. Information can be found about the Customs system, but also gives access to the Customs tariffs of the EU.

www.zhh.de
Zentralverband Hartwarenhandel e.V is a German association for SME in tools. Much information about importers, members and background information about the market. Very good access to the German market. Here you will find links to many equivalent organisations in Europe and elsewhere.

www.incoterms2000.com
Website of the International Chamber of Commerce (ICC), contains in this section a complete description of all Incoterms. Documentation can be bought on line.

www.intracen.org
The International Trade Centre (ITC) is the technical cooperation agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO) for operational, enterprise-oriented aspects of trade development. ITC supports developing and transition economies, particularly their business sector, in their efforts to realize their full potential for developing exports and improving import operations.

www.eib.nl/jvs2002.pdf

Annual report of the Dutch construction industry.

www.cbs.nl
Website of the Dutch office for Statistics. More specific information about the construction industry can be obtained from: http://www.cbs.nl/nl/cijfers/kerncijfers/bedrijfsleven.htm#Bouwnijverheid

www.bosch.com
Website of the Bosch group, one of the biggest manufacturers of power tools. Company figures can be obtained from this site, as well as information for potential suppliers.

http://strategis.ic.gc.ca/SSGF/dd72810f.html
Figures about the DIY market in Europe and more specifically the Netherlands.

Reports about the DIY market can be obtained from the following websites, against payment:
http://www.the-list.co.uk/acatalog/am52052.html#TABLE
http://www.amaresearch.co.uk/DIYMarket03.html
http://www.the-infoshop.com/study/ah11498_uk_diy_toc.html

APPENDIX 6 REFERENCES

Customer Data Sheet

Company:

Company:	.....	Customer No.:	_ _ _ _ _ _ _ _
Street:	.....	Customer class*:	☐ A ☐ B ☐ C
P.O. Box:	.....	First contact date:	_ _ / _ _ / _ _
Postal code:	.....	Sales person:	.....
Town:	.....	Customer type: (agent, importer, manufacturer)	.....
Country:	.....		
Tel.:	.....	Sales last year:	.....
Fax:	.....	Sales planned this year:	.....
E-mail:	.....	Method of payment:	.....
Internet:	.....	Delivery conditions:	.....
Bank:	.....	Remarks:	.....
Bank address:	……..…….		.....
Account No:	……		.....

Business partners:

1 Title: ..... First name: ..... Name: .....
Function: ..... Tel.: ..... Fax: ..... E-mail: .....

2 Title: ..... First name: ..... Name: .....
Function: ..... Tel.: ..... Fax: ..... E-mail: .....

3 Title: ..... First name: ..... Name: .....
Function: ..... Tel.: ..... Fax: ..... E-mail: .....

4 Title: ..... First name: ..... Name: .....
Function: ..... Tel.: ..... Fax: ..... E-mail: .....

* Classify customers by importance to your company (sales potential, quality of relation, etc).

Customer contact record			
Date	Contact person	Topic / Offer	Contract

EXAMPLE QUESTIONNAIRE USED BY THE IMPORTER (to supply him with information about a potential supplier for him)
(this questionnaire is handed over by the importer to the exporter and should be completed by the exporter, providing information to potential clients of him)

1. GENERAL INFORMATION

1.1. Address and communication details

Name of company: …….

Office address: ……..

Postal address: ……..

Country: ……...

Telephone no. : ……

Telefax no. : ……

E-mail address: ……

Internet site: …….

V.A.T. no. : ……. Number of employees: ……..

1.2 Contact persons in the company:

Sales director Name: ……..

Direct E-mail address : ……

Direct tel. no. : ……. Direct fax. no. : ……

Sales manager Name: ……..

Direct E-mail address : ……

Direct tel. no. : ……. Direct fax. no. : ……

Financial manager Name: ……..

Direct E-mail address : ……

Direct tel. no. : ……. Direct fax. no. : ……

QA-QC manager Name: ……..

Direct E-mail address : ……

Direct tel. no. : ……. Direct fax. no. : ……

1.3 COMPANY STRUCTURE

Please specify if you are a member of a group, holding company, etc.:
……..…….

1.4 COMPANY TYPE

Please indicate type of your company, such as:

- ❑ Producer
- ❑ Stockist
- ❑ Agent
- ❑ Additional processing company

If you are an agent, please indicate the relevant manufacturer(s) you represent:

1. …….
2. …….
3. …….

2. DELIVERY / PRODUCTION PROGRAMME

Please indicate your product range:

Products

1.	…….	Material: ……..
2.	……..	Material: ……..
3.	…….	Material: ……..
4.	…….	Material: ……..

Size range: min. …….. max. …….
According to:

- ❑ DIN
- ❑ ASTM
- ❑ ANSI
- ❑ API
- ❑ ISO
- ❑ NF
- ❑ BS
- ❑ EN

Annually produced quantities ……metric tons
Stock quantities ……...metric tons
Minimal delivery per order …….kg

3. MATERIAL CERTIFICATES AND INSPECTION DOCUMENTS

Will you comply with our requirement to have the material test certificates / test reports available at our company at the time of arrival of goods?

- ❑ Yes
- ❑ No

4. QUALITY ASSURANCE / QUALITY CONTROL

4.1

Do you have a quality assurance system as per ISO 9000 which has been assessed by a qualified body

- ❑ Yes
- ❑ No
- ❑ Date of latest assessment: ……

4.2

Please specify your manufacturing / product approvals, if any:

- ❑ CE marking following the Pressure Equipment Directive (PED) 97/23/EC (including scope)
- ❑ CE marking following the Machine Directive (MD) 89/392/EC (including scope)
- ❑ T.U.V. AD Merkblatt WO/TRD 100/HP 0 (including scope)
- ❑ Lloyd's Register
- ❑ Stoomwezen
- ❑ Germanischer Lloyd
- ❑ Det Norske Veritas
- ❑ Bureau Veritas
- ❑ American Bureau of Shipping
- ❑ American Petroleum Institute
- ❑ Übereinstimmingsnachweis (Ü-Zeichen) Germany
- ❑ If other, please specify: …….

5. AUTHORIZATION

5.1.

Comments of vendor:……
……

5.2

Required documentation:

- ♦ Copies of certificates of approval, see 4
- ♦ Company brochure
- ♦ Delivery / production programme
- ♦ Financial annual report

- ❑ Bursting test reports (please mark if sent with this document)
- ❑ Fittings drawings / calculations (please mark if sent with this document)

5.3

This questionnaire has been completed by:
Name: …….. Position: ……

Signature: …… Date : ……..