

III European Tooling Forum



Tooling Sector: the Italian situation and
Strategy for the future

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Members of UCISAP

- 120 companies
(as of April 2004)

87% in North Italy
10% in Centre
3% in South





Members of UCISAP

Principal productions (as % of turnover):

- Moulds 51%
- Dies 40%
- Others 16,5%

Note: the total percentage exceeds 100% cause several companies have more principal productions



Italian Business Conditions

General economic situation

- General big crisis with big impact in employment
- High public debit
- Political instability

On the other side:

- Big Country with big internal market
- Strong and concentrated structure of industry with high flexibility
- Wide and large presence of high skills and knowledge
- Wide culture in problem solving



Italian Business Conditions

The tooling industry situation

- Slowing down started in 2002
- Decline started slowly, with
 - Work load up and down
 - Progressive erosion of margins
 - Progressive erosion of business conditions
- 2009-2011 the situation has dropped down
 - Reduction of number of companies
 - Lost of employment
 - Progressive restructuring of the sector/companies



Italian Business Conditions

The tooling industry situation

- Reaction to the 2009 - 2011 crisis
 - Progressive restructuring of the sector/companies
 - Searching and repositioning in new markets
 - Focus on new management and organizational methods



Italian Business Conditions

Market situation

Business conditions

- Operative margins contraction
- High variability in demand
- Decreasing volumes

Solutions implemented

- Automation and technology increase
- Focus on (technology and/or market) niche that can still pay a plus
- Research in cost reduction



Italian Business Conditions

Difficulties

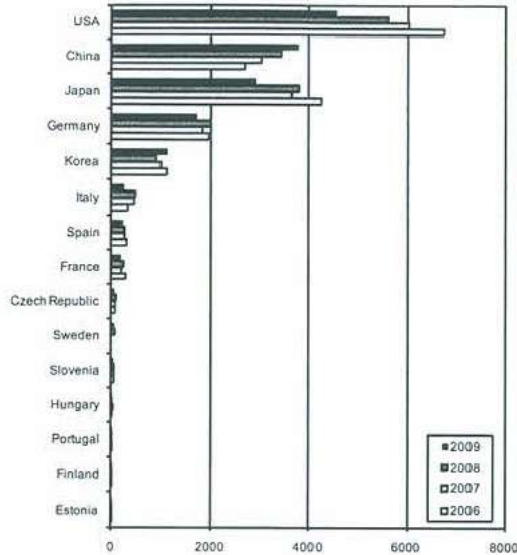
- Respect of delivery date asked from customer
- Orders are not well distributed all along the year
- Control of projects work in progress
- Profitable use of available resources
- Growing and taking decisions for future of business
- Lack of tools and method for people forming
- Innovation in organization (improvement has been just technical)
- Consideration as “usual” supplier: we can’t show the value of our job for customer’s business
- Competitiveness is often based just on price
- Competitors are increased and with new technologies it’s easy to obtain good quality with less skills and knowledge



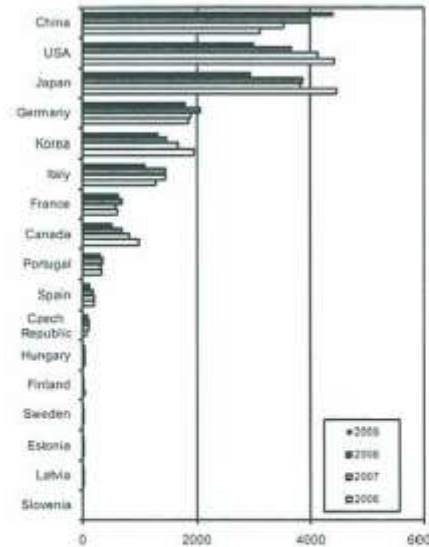
Italian Tooling Sector

Production

4.1.1.3. Dies Production – EUR million



4.1.2.3. Moulds for Plastic and Rubber Production – EUR million

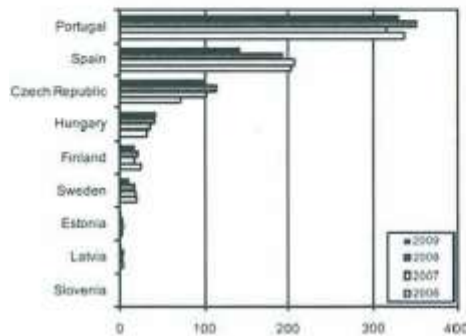
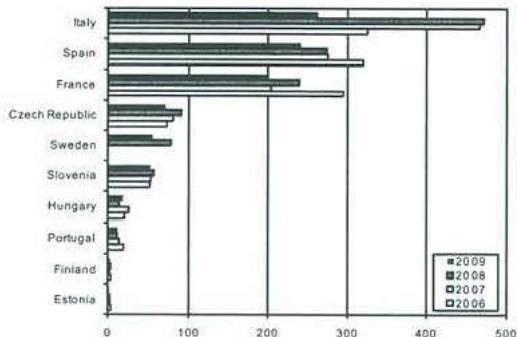


EU production:

€ . 14 MLD

IT production:

€ . 2 MLD

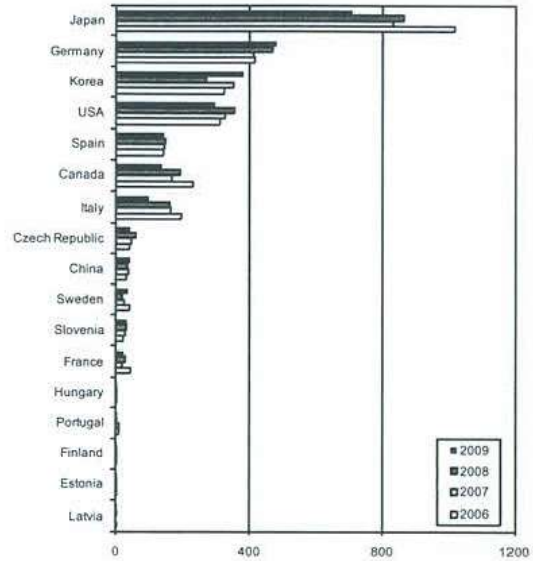




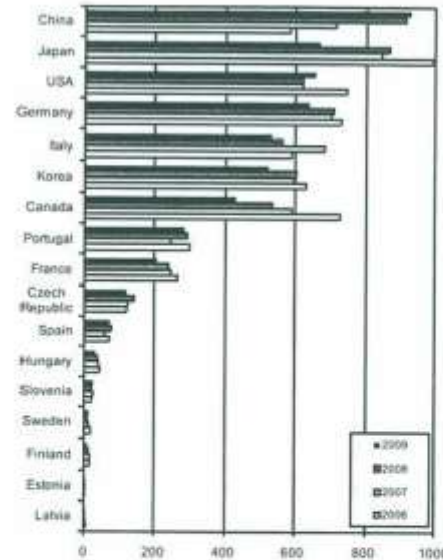
Italian Tooling Sector

Export

4.1.1.6. Dies Exports – EUR million



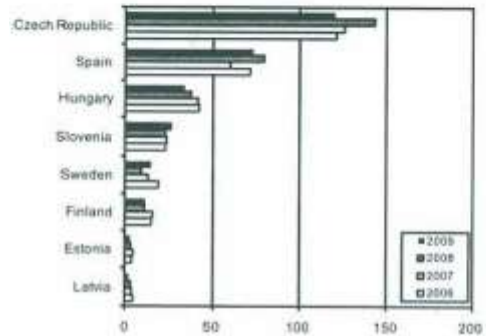
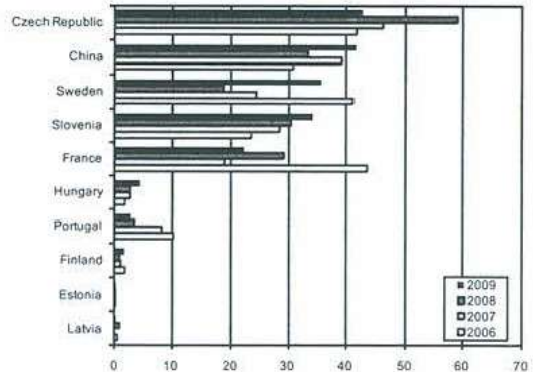
4.1.2.6. Moulds for Plastic and Rubber Exports – EUR million



Export IT:

€ 700 MLN

(1/3 of production)

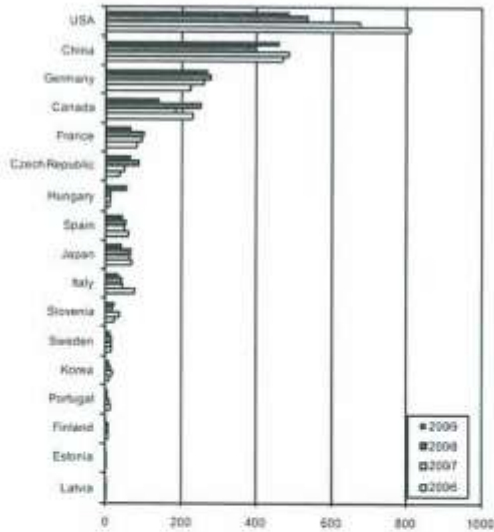




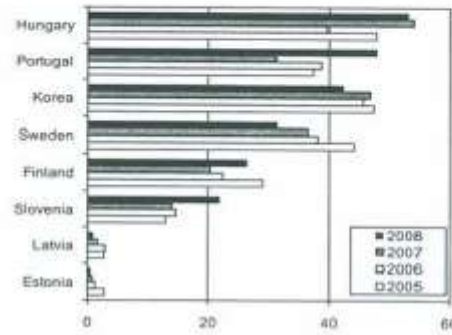
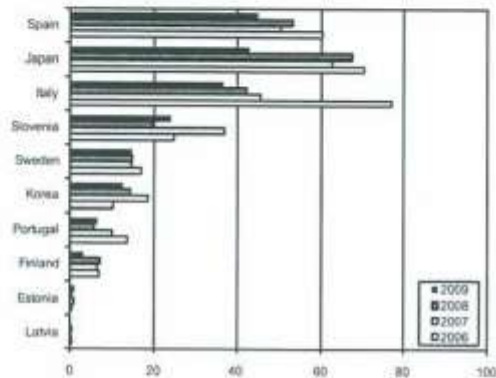
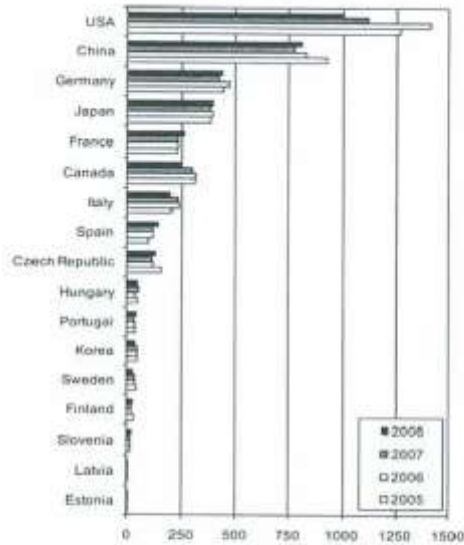
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Import

4.1.1.9. Dies Imports – EUR million



4.1.2.9. Moulds for Plastic and Rubber Imports – EUR million



Import IT:

€ . 270 MLN

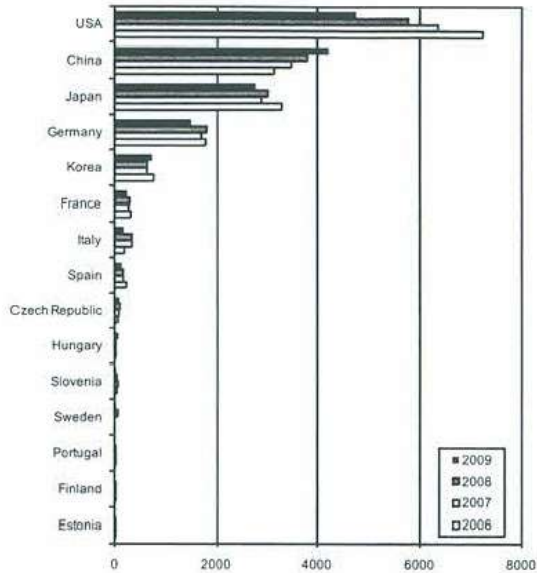
(13% of production)



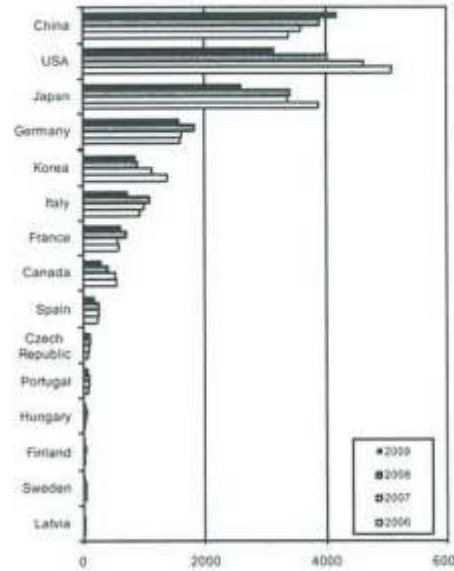
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Apparent market

4.1.1.11. Dies Apparent Market – EUR million

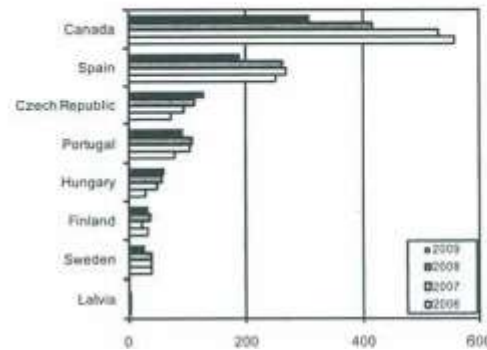
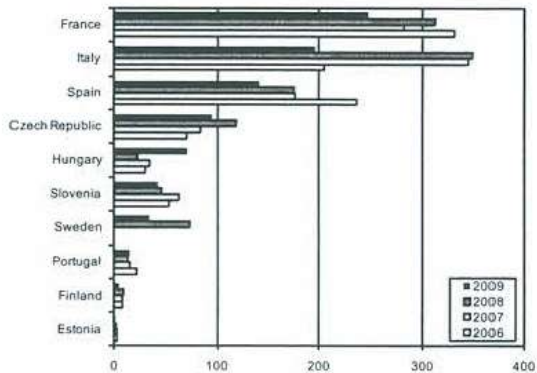


4.1.2.11. Moulds for Plastic and Rubber Apparent Market – EUR million



IT market:

€ . > 1,5 MLD

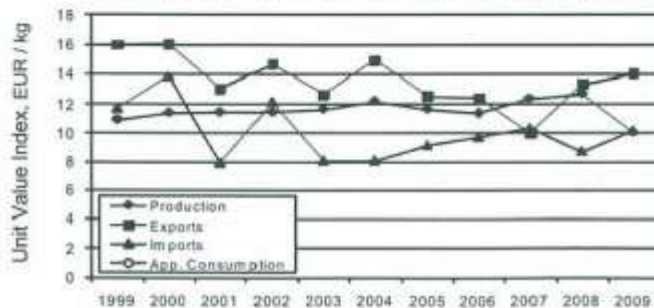
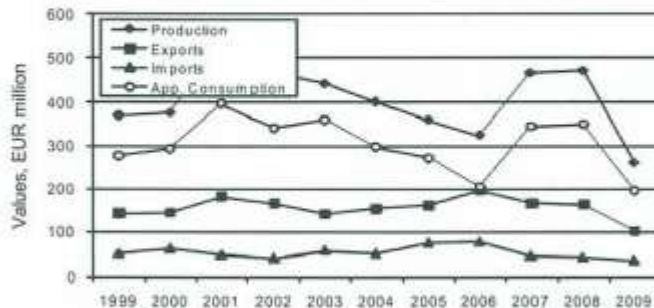
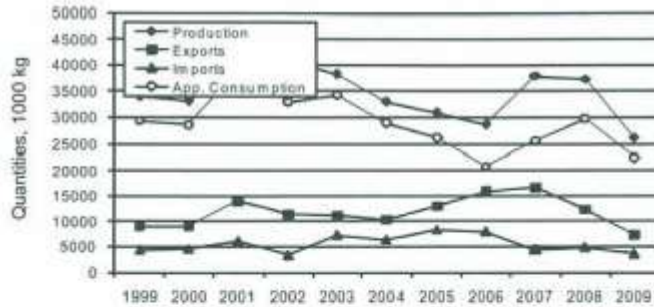




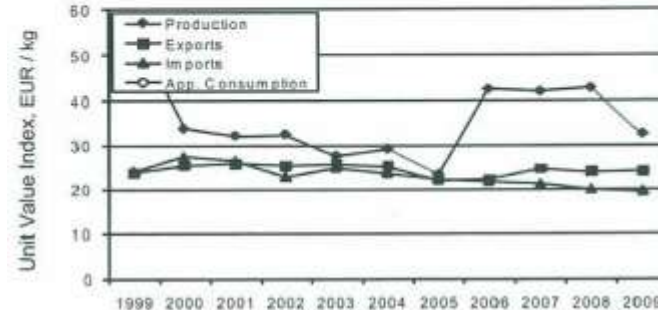
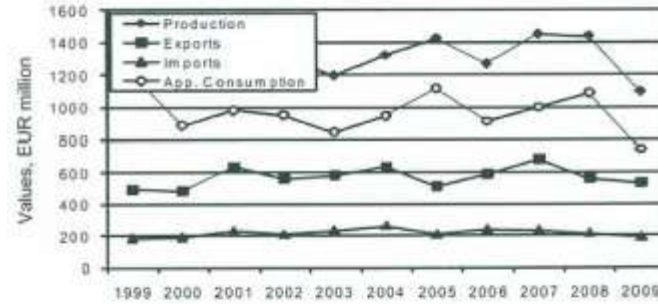
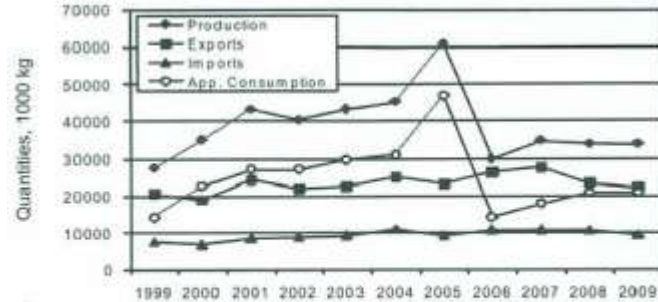
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Apparent market

Italy - Tools for pressing, stamping, punching and forming (820730)



Italy - Injection and compression moulds for plastics (848071+848079)





Italian Tooling Sector

Institution point of view

All the institutions are trying to support the development of the industry, with different activities at the different levels.

Guide lines for development of industry development:

- Network activity (net of companies, consortium, etc.)
- R&D, innovation, knowledge



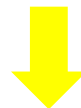
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Institution point of view - Lombardia Region example

Lombardia is one of the most industrialized and advanced region in Europe:

- > 9 million people
- GDP > 325 Bln €.

Support of the local industry through the support of projects of R&D developed by groups of SME's together with R&D Centers



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Italian Tooling Sector

UCISAP

UCISAP is supporting the tooling industry:

- The official representative of the tooling industry in Italy
- Is supporting group of companies joining together for specific projects
- Is participating to the specific projects with the role of disseminator of the results to the whole sector



Strategy and Future of Toolmaking

Strategy

Working to eliminate/reduce the weak points:

- Market (contractual position)
- Financial problems (long payments and delay from the contract)
- Know how transfer to LCC
- Lost of competitiveness by the big customers => supply chain



Strategy and Future of Toolmaking

Strategy

- Supporting and pushing on the strength points:
 - Technology
 - Skills
 - Knowledge
 - Organization
- Improve the environmental conditions for SME's
 - Focus on the SME's structure and needs
 - Support projects (ex. R&D) suited to SME's
 - Focus not only to long term strategies but also to short/medium term results



The Positive Effect of the CRISIS

The final effect will be a big change in the Italian Tooling sector:

“From heavy industry
to
Thinking industry”



Thank you

UCISAP

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