



Pacific-West Fastener Association

10842 Noel Street #107, Los Alamitos, CA 90720
 Phone (714) 484-4747 or (877) 606-5232 • Fax (562) 684-0695 or (877) 607-5232
www.pac-west.org info@pac-west.org

Fastener Imports Dinner Meeting - June 28, 2011

Karen Ardizone		Steve Somers	Duncan Bolt Co.
Kurt Nelson		Curt Leo	Epicor
Kevin Chappell CFS	Ababa Bolt	George Milton	Epicor
Jim Law	Ababa Bolt	Joe Cenk	H.W. Eckhardt
Tom McAllister CFS	Ababa Bolt	Becky Jones	H.W. Eckhardt
Yon Rasmussen CFS	Ababa Bolt	Hank Schaffner	Hank Schaffner Associates
Jill Alvarez	ACF Components & Fastener	Suzanne Dukes	Hayes Bolt & Supply
Rick Cook CFS	ACF Components & Fastener	Terri O'Barski	Hayes Bolt & Supply
Carole "CJ" Johnson	ACF Components & Fastener	Cathie Nofts	Hi-Q Fasteners
Mike Macci	Alcoa Fastening Systems	Diane Palmer	Hi-Q Fasteners
Pete Salazar	Atlas Testing Laboratories	Celia Ballard	Industrial Threaded Products
Lori Barron CFS	Brighton-Best International	Garrett Futrell	Industrial Threaded Products
Len Bost	Brighton-Best International	Jill Jones	Industrial Threaded Products
Rosa Hearn CFS	Brighton-Best International	Susie Lawrence	Industrial Threaded Products
George Martinez	Brighton-Best International	Suzie Perez	Industrial Threaded Products
Jessie Portillo	Brighton-Best International	Beth Van Zandt	Industrial Threaded Products
Jorge Rosales CFS	Brighton-Best International	Clay Weaver	Industrial Threaded Products
Tammy Slemmer	Brighton-Best International	John Dooley	J.D. Dooley & Associates
Dennis Cowhey	Computer Insights	Sydney Dooley	J.D. Dooley & Associates
Brent Dooley	DB Building Fasteners	Courtney Jones	Mesa Fastener
Marabeth McSeveney	DB Building Fasteners	Jenny Jones	Mesa Fastener
John Wachman	Desert Distribution	Randy Jones	Mesa Fastener
Dale Tarantino CFS	DT Sales	Suzanne Jones	Mesa Fastener
Bill Bernard	Duncan Bolt Co.	Boris Elbaum	Mr Washerman
Eleanor Beuck	Duncan Bolt Co.	Paul Mudge	Mudge Fasteners
Andy Cohn	Duncan Bolt Co.	Curt Holmes	ND Industries
Terry Crocket	Duncan Bolt Co.	Angela Smith	ND Industries
Mike Nicassio CFS	Duncan Bolt Co.	Sarah Ortega-Avalos	Nylok Corporation
Maria Raygoza CFS	Duncan Bolt Co.	Nic Seid	Nylok Corporation
James Socrates	Duncan Bolt Co.	George Bilezikjian	Pacific Coast Bolt

Joe Santa Maria	Pacific Coast Bolt
Edgar Huerta CFS	Pacific Warehouse Sales
Bob Lehman	Pacific Warehouse Sales
Kelly Lehman	Pacific Warehouse Sales
Bill Lusky	Pacific Warehouse Sales
Rene Moran CFS	Pacific Warehouse Sales
Roy Harper	Pell Mell Supply
Roy Harper Jr	Pell Mell Supply
Frank Grana	Pentrate Metal Processing
Nick Grana	Pentrate Metal Processing
Vince Grana	Pentrate Metal Processing
Carlos Rosales CFS	Pentrate Metal Processing
Irene Brockelmeyer	Porteous Fastener Company
Maria Casas	Porteous Fastener Company
Emerie Castillo CFS	Porteous Fastener Company
Kevin Chavis	Porteous Fastener Company
Bruce Darling	Porteous Fastener Company
Jim Davidson	Porteous Fastener Company
Scott Gibson	Porteous Fastener Company
Sylvia Guerrero	Porteous Fastener Company
John Gumz CFS	Porteous Fastener Company
Ed Smith	Porteous Fastener Company
Kevin Vesneski	Porteous Fastener Company
Gloria Yanez	Porteous Fastener Company
Carmen Vertullo CFS	Simply Better Inc.
Andy Maule	Southern Fasteners & Supply
Melissa Purcell	Southern Fasteners & Supply
Chris Rodriguez	Southern Fasteners & Supply
Joe Sandoval	Southern Fasteners & Supply
Robert Lopez	Specialty Sales
Jeff Bush	SPS Technologies
Linda Basket	Star Stainless Screw
Fernando Padilla CFS	Star Stainless Screw
Mary Ellen Dinicola	The Socket Source
Paul Vittori	The Socket Source
Kevin Halliburton	U.S. Fastener LLC
Kelly Cole	WCL Company
Patricia Goss	Wrought Washer

Pacific-West Dinner Meeting
 La Mirada, CA– June 28, 2011

Forces Behind Fastener Prices

Bruce Darling
 Porteous Fastener Company
 Vice President, Materials Management
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E-mail me for copies of my speaking notes

C1008 Low Carbon CHQ Wire Rod per Metric Ton

Gd5 steel about \$75 higher and Gd8 steel about \$250 higher

	* * * TAIWAN * *		> > > China > > >		
	*				
Date	Cost (Per ton)	% Change	Cost (Per ton)	% Change	Diff. % (TW to CN)
End of 2003	364		375		-2.9
4 th Qtr 2009	605		531		+13.9
1 st Qtr 2010	660	-1.5	531	+ 24.7	+24.3
2 nd Qtr 2010	650	+15.4	662	-10.0	-1.8
3 rd Qtr 2010	750	+1.3	596	+11.0	+25.8
4 th Qtr 2010	760	+6.5	662	+8.6	+14.8
1 st Qtr 2011	810	+7.6	719	+8.6	+12.
2 nd Qtr 2011	885	+9.3	745	+3.6	+18.8
3 rd Qtr 2011	885	-0-	742	-0.04	+19.3

- In Taiwan most mills buy their 1008 steel from import market at about \$50 less than these figures.
- Weakness of US\$ has affected prices from Taiwan causing them to be higher.

WHAT ELSE HAS BEEN HAPPENING?

- Aug 2009: The Wall Street Journal reports that China's production of nickel is about 25% below its needs.
- Jan 11, 2010: The Wall Street Journal carried an article reporting China's surging demand for steel will cause a production increase of 10% and will still fall short of demand.
- Feb 9, 2010: Reports from Melbourne, Australia detail plans for an \$8 billion investment to supply coal to China.
- Feb 11, 2010: China indicts the four Rio Tinto executives on charges of bribery and obtaining commercial secrets. Case could affect foreign investments.
- Apr 9, 2010: One of our major trading partners advises that the labor situation in China is getting worse.
- Sept 7, 2010: In China it is either "feast or famine." The central government vs. steel producers.

WHAT ELSE HAS BEEN HAPPENING?

- Jan 4, 2011: Nucor announces a price increase on all parts.
- Jan 13, 2011: China Steel (Taiwan) announced no price change for March delivery but a significant increase is rumored for April.
- Jan 14, 2011: Don Haggerty resigns from PFC and Bruce Darling comes out of retirement.
- Jan 2011: Price increases as Chinese New Year approaches.
- Jan 2011: In Japan, Nippon Steel and Sumitomo Metals Industries agree to merge creating the world's #2 steel producer.
- Jan 31, 2011: In the US, Alpha Natural Resources has reached an agreement to acquire Massey Energy.
- Feb 1, 2011: A directive went out from Porteous to its suppliers regarding their intent to convert the remainder of the PFC product lines from CR6 hexavalent chrome plating to CR3 Trivalent chrome plating.

WHAT ELSE HAS BEEN HAPPENING?

- Feb 14, 2011 – Heads and Threads ceased normal operations.
- Feb 14, 2011 – China passes Japan as the No. 2 world economy.
- Mar 11, 2011 – Earth quake and tsunami hits Japan. Many die and much damage, even to nuclear reactors.
- Mar 12, 2011 – PFC retired employee reports on damage at Japanese steel mills.
- Apr 6, 2011 – Electricity rationing is announced this summer in some cities.
- Apr 14, 2011 – Cleveland Research surveyed their manufacturer and industrial distribution industry sources about the impact of the Japanese crisis.
- Apr 22, 2011 – Chinese truck drivers strike.
- Apr. 2011 – We experienced erratic price changes.

WHAT ELSE HAS BEEN HAPPENING?

- Early May – PFC buyers visit four countries and report what they found.
- May 17, 2011 – PFC closed on the purchase of HTI's inventory, fixed assets, and intellectual property. 650 truck loads of parts to be moved in about 30 days.
- May 27, 2011 – CSC (Taiwan) announced steel prices to remain unchanged for next two months.
- May 31, 2011 – During May we experienced price increases of 1-5%. Few items remained unchanged.
- June 14-15, 2011 – Wall Street Journal ran articles about China civil unrest and the government's reaction.

SUMMARY: This is what we see and what our vendors tell us.

- Taiwan
- China
- Other Countries

Questions?

Bruce Darling
Porteous Fastener Company
Vice President, Materials Management
bruced@porteousfastener.com

E-mail me for copies of my speaking notes



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Save the Date!

**The Pac-West Fall Conference
will take place September 15-17
in the mile high city of
Denver, Colorado**

**We'll have our first ever Tabletop Show along
with great sessions on domestic manufacturing,
fastener plating and using social media to
generate business.**

**Optional activities will include golf and a
baseball game, Colorado Rockies vs. the San
Francisco Giants.**

**You can register for the conference online at
pac-west.org, or just call the office to
register over the phone.**

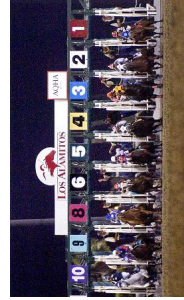
See you there!

Pac-West Announces A Night at the Races

**Friday, July 22, 2011
6:00 p.m.**

Los Alamitos Race Course

Join your Pac-West friends for a night at the races!



On Friday, July 22 we'll be at Los Alamitos Race Course for heart pounding, action packed racing featuring the fastest horses in the world, Quarter Horses.

Our group will be on the outdoor Vista Terrace overlooking the finish line: a great place to enjoy a summer evening with fastener friends.

Bet on the ponies or just enjoy the beauty and ability of these magnificent animals. Gambling is not required to have fun at this event! Plus six lucky Pac-West members will get their picture taken in the winner's circle!

Your registration fee includes admission and a buffet dinner. General parking is free; preferred parking is \$5.

Please be aware there is a dress code (including children) for the Vista Terrace.

Ladies: Suits, pantsuits or daytime dresses preferred. Dress jeans may be acceptable only if worn with a well tailored sport coat. Tee-shirts, shorts, jogging or exercise clothes, or athletic-type shoes are not permitted.



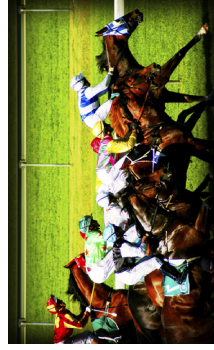
Gentlemen: Suits, sport coats, and dress shoes are preferred. Dress jeans may be acceptable only if worn with a well tailored sport coat. Collared golf shirts may be acceptable if cleaned, tucked in, and cleaned, tucked in, and stylish. Tee-shirts, shorts, baseball caps, canvas or athletic shoes are not permitted.

When: Friday, July 22, 2011 • 6:00 p.m.

Where: Los Alamitos Race Course
4961 Katella Avenue
Los Alamitos, CA 90720
(two miles east of the 605 Fwy)



A Night at the Races



**Friday, July 22, 2011
6:00pm
Los Alamitos Race Course**

HOW TO REGISTER

- Complete this registration form and either mail it to the Pac-West office along with a check or fax it with a Visa, MasterCard or American Express credit card number. Or register online at www.pac-west.org
- Because of our obligation to the meeting venue, all no-shows will be invoiced for full registration fees. No refunds will be given for cancellations received after noon on Friday, July 15.

PAC-WEST PREMIER PARTNERS

PLATINUM PARTNER



**Porteous
Fastener
Company**

SILVER PARTNERS



**BRIGHTON-BEST
INTERNATIONAL**



**WCL
Company**

BRONZE PARTNERS



InxSQL Software
Metric and Multistandard



QUESTIONS?

Telephone **877-606-5232**

Fax **877-607-5232**

info@pac-west.org • www.pac-west.org

REGISTRATION FORM JULY 22, 2011

Night at the Races

Company

Address

City State Zip

Telephone Fax

Name, Email

Amount Paid

	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

REGISTRATION FEES PAID \$

TOTAL AMOUNT PAID \$

Check enclosed. Charge to Visa/MasterCard/Amex Exp

Name & billing address (if different from above)

Mail to: Pac-West, 10842 Noel Street #107, Los Alamitos, CA 90720 • Fax to: (877) 607-5232

REGISTRATION FEES

	Pac-West Members	Non-Members
Paid by July 14	\$50	\$70
Paid after July 14	\$70	\$90

NO REGISTRATIONS WILL BE ACCEPTED AFTER TUESDAY, JULY 19.



Strengthening our member companies through collective learning and highly effective relationships.



**FASTENER
TRAINING
INSTITUTE**



2011 Calendar

Tuesday, January 18	Product Training Program Part #1 (Class in La Mirada CA)
Thurs.- Fri., Feb. 10-11	Fastening Technology & Bolted/Screwed Joint Design (Class in La Mirada CA)
Tuesday, February 22	Product Training Program Part #2 (Class in La Mirada CA)
Tuesday, March 8	Pac-West Dinner Meeting, La Mirada CA
Thurs.-Sat., March 16-19	Pac-West Spring Conference, Seattle WA
Tuesday, March 29	Product Training Program Part #3 (Class in La Mirada CA)
<i>Wed.-Fri., April 6-8</i>	<i>NFDA Annual Spring Meeting, TBA</i>
Tuesday, April 19	Fastener Manufacturing Plant Tour (CFS™ Class in La Mirada CA)
Tuesday, April 26	Fastener Seminar (Class in Columbus OH)
<i>Tues. – Wed., Apr. 26-27</i>	<i>National Industrial Fastener Show-East, Columbus OH</i>
Wed.-Thurs., April 27-28	Automotive Fastener Technology (Classes in Detroit MI)
Friday, May 6	Mel Kirsner Memorial Golf Outing
Tuesday, May 17	Fastener Secondary Processes Plant Tour (CFS™ Class in La Mirada CA)
Tuesday, June 7	Fastener Specifications & Terminology (CFS™ Class in La Mirada CA)
Monday, June 13	Fastening Technology Workshop (Class in Rosemont IL)
<i>Mon. – Wed., June 13-15</i>	<i>Fastener Tech '11</i>
Tuesday, June 28	Pac-West Dinner Meeting, La Mirada CA
Tuesday, July 12	Understanding the Bolted Joint (CFS™ Class in La Mirada CA)
Friday, July 22	Pac-West “A Night at the Races”
Mon.-Fri., July 25-29	Fastener Training Institute/IFI Cleveland 2011 (CFS™ Classes in Cleveland OH)
Tuesday, August 16	Dimensional & Material Specifications (CFS™ Class in La Mirada CA)
Tuesday, August 30	Fastener Basics (Class in La Mirada CA)
Thurs.-Sat., Sept. 15-17	Pac-West Fall Conference, Denver CO
Tuesday, September 20	Fastener Quality Assurance (CFS™ Class in La Mirada CA)
Tuesday, September 27	Pac-West Dinner Meeting, La Mirada CA
Tuesday, October 11	Fastener Testing Seminar (CFS™ Class in Rancho Cucamonga CA)
<i>Sun.-Tues., Oct. 16-18</i>	<i>NFDA Annual Fall Meeting, Las Vegas NV</i>
Wednesday, October 19	Fastener Technology Workshop (Class in Las Vegas NV)
Wednesday, October 19	Crowdsourced Fastener Training: Get What You Need!, Las Vegas NV
<i>Wed. – Fri., Oct. 19-21</i>	<i>National Industrial Fastener & Mill Supply Expo, Las Vegas NV</i>
<i>Sun.-Tues., Nov. 13-15</i>	<i>STAFDA, San Antonio TX</i>
Thursday, December 1	Pac-West Holiday Dinner Meeting, La Mirada CA

Other industry events are in italics.