

# WAXMAGAZINE

## World Investment Casting Markets Review

The 12<sup>th</sup> World Conference on Investment Casting held in Dallas from October 19<sup>th</sup> – 22<sup>nd</sup> opened with Ron Williams leading the World Investment Casting Markets session with contributions from Doug Kovatch (N America); Junichi Takeuchi (Japan/Taiwan/Korea); Zhigang Lu (China); Kishan Gohil (India); Milan Horacek (Central/East Europe); Richard Hirst (W Europe).

Knowledge of the performance of investment casting as an industry is essential, showing changes and trends and assisting the industry in forming a view of how investment casting will fare in the future.

Minor changes to the way the information is presented reflect greater knowledge of the markets and have allowed a more accurate picture to emerge.

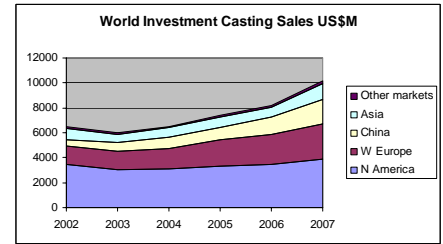
### World Market Overview

2007 total identified World sales increased by 23% to US\$10.1 Billion.

In part this increase is due to revised statistics (India has been added), but high metal costs also make a contribution. However the bulk of the increase is due to higher sales, particularly in the 'High Added Value' sector.

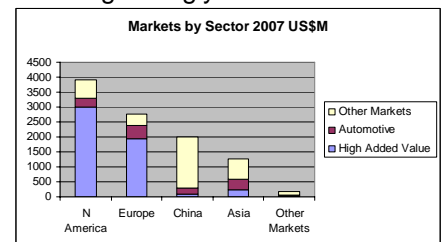
N America remains the largest single producer with 37% of the identified World total sales. China's figures have been amended to only show statistics from 'Category 1' foundries, giving a more realistic comparison with other markets. Total Asian sales (including China) now total 33% of the World total.

Full details of the World Market Review can be downloaded from [www.investmentcastingwax.com](http://www.investmentcastingwax.com) Click the 'Library' tab, 'Market Lectures'

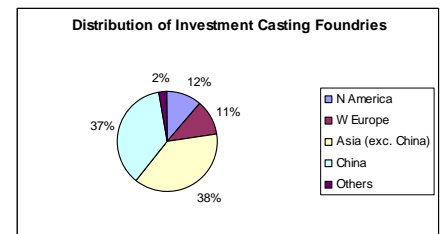


### East: West Divide

The regions of the world continue to display big differences in the make up of their sales. In the West 'High Added Value' sales dominate. In Asia the commercial 'Other markets' sector leads the way, although 'Automotive' is growing and now featuring strongly.



The opposite is true with regard to distribution of investment casting foundries where Asia dominates with 75% of foundries.



### Challenges for 2008 onwards

Increased prices driven by oil and supply issues continue to affect all raw materials including metals. Energy prices have been soaring and the global 'credit crunch' has reduced spending power and led to inflationary pressures. Added together the potential for a World recession that would threaten growth looms large.

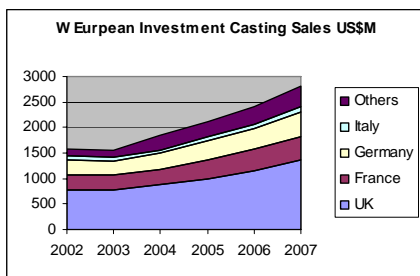
However the success of the 'High Added Value' sector appears set to continue and as a result should maintain investment casting's strong growth trend for the foreseeable future.

## W European Market Update

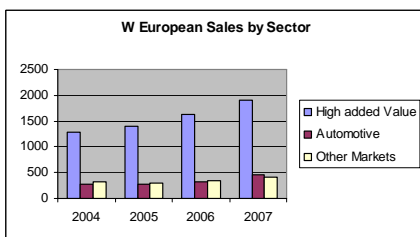
Against a background of economic downturn, with inflation and unemployment rising and business confidence down, the European Engineering Federation reports that W European manufacturing "has a dynamic, innovative and increasingly high value sector that is competing successfully across the globe". This is perfectly demonstrated by Western Europe's investment casting industry.

W European sales reached US\$2,800M in 2007. This is an increase of 16% v 2006, and is the 4th consecutive year of strong growth.

The basis for these excellent figures results from the High Added Value and Automotive sectors being extremely busy. Commercial castings continue to be imported from lower production cost regions, but stabilisation is being seen. With energy and raw material costs at record levels cost pressures are intense.



The make up of sales continues to be led by the UK (50%), followed by Germany (17%) and France (16%).



'High Added Value' sales dominate and with aerospace and igt both running at full capacity high sales will continue through 2008.

Whilst Automotive has increased measurably, with the present financial pressures affecting expendable income this sector is likely to suffer a fall back in the coming months.

### Summary

The strong growth trend is predicted to continue through 2008 despite the economic difficulties.

W European investment casting is investing in new equipment to meet demand and importantly to reduce production costs. This suggests a good future for W European investment casters and increased sales values into 2009.

## Blayson Japan

After over 10 years with Blayson Japan, **Koji Nishikawa** has decided to retire.

His widely acknowledged technical expertise has been responsible for many of the groundbreaking developments in The Blayson Group. Importantly Koji's contribution has been a major factor in establishing Blayson Japan as the leading supplier of wax and equipment to the Japanese investment casting industry. It's not goodbye to Koji though – he takes up a role with the Japan Foundry Society where he will continue to influence the future of investment casting in Japan.

Meanwhile Blayson Japan continues to innovate and several significant new development projects are nearing completion. The co-operation and regular meetings between the technical teams in Chiba and Cambridge ensure that The Blayson Group strengthens its position as the leading specialist supplier of wax materials and equipment to the wider investment casting industry.

## Blayson Global Image



Blayson is taking the opportunity presented by the World Conference to launch an updated company image.

A new media campaign will focus on the global reach of The Blayson Group in its specialist niche 'Serving the World of Investment Casting'.

Examples are shown of the exhibition display and the first in a new series of advertisements designed to emphasise the technical background to the company's wax materials.

