

**KOREA VISIT
ISTMA Annual Meeting & Intermold Trade Show
Seoul, South Korea
March 13 to 22, 2009**

CTMA Executive Director Leslie Payne attended the International Special Tooling and Machining Association (ISTMA) and the Federation of Asian Die and Mould Association (FADMA) meetings held in Seoul, Korea, from March 15th -18th, 2009. The host association, Korean Die and Mold Industry Cooperative (KODMIC), invited all participants to visit the bi-annual trade show *Intermold Korea 2009* which was held from March 18th – 22nd, 2009. The trade show took place in a large conference and trade show complex located in Kintex. Ownership of this show has provided the association, KODMIC, with the financial stability to enable them to support their 500+ member companies in many ways (see the membership directory and show guide that has been provided as one of the proof documents).

South Korea is certainly not a low-cost country (LCC). Tool and die makers are earning in excess of \$20 US per hour; cars and electronic products are similar in cost to those in North America; and the pump price for gasoline is twice the current Canadian price at the pump (see the Korean Country Report for more highlights).

The Korean die and mould industry moved to a trade surplus in 1994 and since then has enjoyed an excellent average growth of 10% per year, however the industry has recently slowed like most other countries. Here are some data based on Korea's official government numbers for 2007:

The total number of die and mold companies in Korea is 1,680 companies

- of these, 1,470 have 10 or more employees.
- of these, 210 are contract manufacturing companies
- 61.8% of the companies have 1-19 employees
- 32,396 employees were working for the die and mould sector in 2007

The percentage of die and mould production by item is as follows:

- moulds for plastic parts - 46.2%
- press die making - 27.3%
- die-casting - 3.2%
- other mould making - 23.3%



Les Payne represented CTMA at Intermold Korea 2009 and ISTMA-World & ISTMA-Asia meetings that were hosted by FADMA in Seoul, South Korea.

March 16, 2009: ISTMA World Board Meeting Highlights

This meeting was held at the Ambassador Hotel in Seoul, South Korea. Highlights were:

1. ISTMA World will call an annual meeting to be held in Chicago during the NPE show on June 25, 2009.
2. The World Conference following Canada in 2010, will be held in India in 2013. India has assumed the FADMA Regional Secretariat role as of March 2009.
3. The membership issue between FADMA and Australia is being resolved and we believe it would be possible to attract Australia back into ISTMA when this issue is resolved, sometime this year.
4. Pakistan has not paid its membership dues and it does not look like they will at this time.
5. The subject of closer ties between FADMA and ISTMA was a common discussion. throughout our meetings.
6. Sweden's membership has not yet been paid and Sandvik's Global Partnership status is a question mark.
7. There are high hopes of a new global partner from the trade show in South Korea.
8. China and India are to increase their participation within ISTMA-World.
9. 2007 ISTMA Statistical Year Book was distributed and the 2008 version should be available this September. Cost is 60 Euros.

A Welcome Dinner, hosted by KODMIC, was held at the Ambassador Hotel in the evening.

March 17, 2009: Annual Meeting Highlights

The ISTMA-Asia Annual Meeting was held at the Lotte Hotel. Opening comments were given by FADMA Chairman, Mr. N. Reguraj from India and by the host association's President, Mr. Kim Dong-Sup of KODMIC.

1. FADMA's Secretariat has moved to TAGMA in India and Mr. P. N. Surendranath is the Secretary General.
2. The new FADMA printed membership directory was provided which contained 10 Countries
3. The next FADMA Annual Meeting is scheduled for March 2010 in India.
4. CTMA Executive Director Leslie Payne provided a PowerPoint presentation of the ISTMA- World Conference to be held from June 20th–24th, 2010 in Windsor, Ontario, Canada. CTMA Buyers Guides & Membership Capability Directories, along with World Tooling Conference invitations were distributed and a positive response to attend this meeting was received.
5. Country reports from China, India, Japan, Malaysia, South Korea, Philippines, and Thailand are available from the CTMA office.

The Evening Dinner was hosted by FADMA.

Three Presidents

N. Reguraj, President of ISTMA-Asia & FADMA; Joachim Menezes, President of ISTMA-World; Kim Dong-Sup, President of KODMIC



March 18, 2009: Pre-Visit of Intermold Korea Trade Show and Plant Tours

Our host association KODMIC invited all attendees to pre-visit the Intermold Korea 2009 show prior to assisting in the 11:00 am opening ceremony. Afternoon plant tours included:

- Top Metal Works Co. Ltd. - stamping die manufacturer with 236 employees, www.topmetal.co.kr.
- Samu Dies Corporation – injection mould making with 200 employees, www.samudies.co.kr

The plant tours were followed by an evening dinner hosted by KODMIC.

March 19, 2009: Plant Tours

A full day of plant tours included the following companies:

- Woojin Selex Co Ltd. www.iselex.com
- Autogen – 2 plants www.iautogen.com
- Shn Kwang Ind. Co Ltd. www.shinkwangprec.co.kr
- YDP Steel Co Ltd., 2 plants www.ydpsteel.com

March 20, 2009: 19th Annual Intermold Korea

The trade show was officially open from March 18 to 22, 2009. The Korea Die and Mold Industry Cooperative (KODMIC) are the owners of the show. Total floor space was 22,000 square meters, with 320 exhibiting companies from 19 countries. In size and scope, this was very similar to the Canadian Manufacturing Technology Show that is held in Toronto every two years, however it had a much narrower focus which was on the die and mould sector only. Of note, Canon exhibited a small injection molding machine that was running small micro-parts.



*Opening Ceremony of
19th Annual Intermold Korea*

Conclusion

The Korean tool die and mould sector has certainly slowed down dramatically recently. This will affect the industry's consistently positive trade balance and, due to perceived trade protectionism from the world-wide economic slowdown, it will force many of the larger companies to investigate the benefits of joint venture opportunities in North America as this threat is very real for them. This opinion was a common discussion point with the Korean company personnel that we met during our visit. The CTMA now has many personal contacts available for any interested Canadian member wishing to expand their market.

Several possible 2010 conference sponsors were met in Korea and those expressing interest were Yudo www.yudo.com and Korloy Incorporated www.korloy.com.

Michael Lee, President/CEO of OTRA Co Ltd., (www.otra.co.kr) with a copy of the Premier Edition of CTMA VIEW magazine.



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Respectfully submitted,

*Les Payne, Executive Director
Canadian Tooling & Machining Association
April 8th, 2009*