



MAGTITE® 2000™ Screws – Considerations When Introducing New Products by Peter Kammüller

REMINC introduced our latest product innovation, the MAGTITE 2000® thread forming screw for magnesium, at the Global Licensee Meeting held on April 4, 2008 in Zurich, Switzerland which was reported in a recent edition of the REMINC REGISTER. As with all our products, whether TAPTITE 2000®, FASTITE 2000® or the earlier TAPTITE® iterations, convincing commercial and technical arguments have to be made in order to achieve a marketing success.

Companies from various sectors have been working with lightweight construction and hence magnesium alloys have been tested and utilized for some time now. We find reports in the print media, radio and television almost daily concerning cost and weight reduction programs. In many companies it appears to be the dominant topic. Against this background we, as the “leaders in lowering the cost of assembly”, are pleased the timing of the market launch of MAGTITE® 2000™ screws seems to have been ideal. But positive “macroeconomic” trends are not enough in themselves to promote the sales of a new product. First of all, the market potential needs to be recognized and then positive pre-conditions have to be created within companies with application potential. This premise offers a sufficient number of strategies, concepts and planning aids to analyze markets, weigh the opportunities and risks, and create favourable pre-conditions for product launches. The marketing strategy according to Kotler recommends, for example, planning in accordance with the schematic diagram shown below:



The application of basic principles of this type in modern marketing management is an indispensable prerequisite for targeted innovation and product management.

However you need to sow before you can reap, and this law of nature applies equally to modern production and service operations. Without the readiness to expend a clearly defined amount of preliminary work, time, brainpower and money, no product can be launched successfully into the market. Who decides on the acceptance of a new product? Since as a rule, various departments within the company are affected by decisions including development, production, marketing, sales, purchasing and finance, the decision should be supported as widely as possible. Company management at all levels and staff of the departments involved, must communicate in a clear and convincing way.

As opposed to the established core products of a company, a new product involves a process that has time limits set on it. It is therefore highly advisable to make use of a project manager who bears the entire overall responsibility and manages the conceptual preparation and control of the processes. It makes sense here to select an individual from the marketing department who can continue to look after, promote and develop his “baby” as the product manager following the end of the project. *(cont. on page 3)*

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SPOTLIGHT ON MATTHIAS JOKISCH

Matthias Jokisch joined the CONTI Team in November 2008 as Market Development Engineer. Prior to joining REMINC's sister company CONTI, Matthias had worked for Acument/Avdel for 13 years in several key R&D and Application Engineering functions with concentration on developing and applying solutions to solve customer fastening problems. Matthias is very familiar with the “In-Place-Cost Savings Philosophy” and total fastening solution concept that CONTI has successfully promoted for 50 years. Matthias holds a degree as “Dipl.-Ing.” in Manufacturing and Process Engineering from the Univ. of Rostock in Germany. He will strengthen the CONTI Team and provide valuable technical and marketing support to our licensees and end-user customers of the TRILOBULAR™ and REMFORM® Programs. We welcome Matthias to the global TAPTITE® fastener family and wish him success in his new function!

PRESIDENT'S PERSPECTIVE

Climate Change, Conservation and TAPTITE 2000® Fastener by Tim Egan

The title of this column implies that climate change, conservation and TAPTITE 2000® fasteners share a commonality and I believe they do. At this time, "Green", meaning good for the environment, has almost become a fashionable term or "buzzword", one often used by politicians and scientists. What I am suggesting here is that "green" is an equally appropriate expression for engineers. "Green" is really a serious matter, especially if you can accept the argument that the planet is warming, albeit slightly, and that mankind shares some responsibility for this temperature change. I know there are skeptics to this warming theory, but let's assume for the moment that the planet's rise in temperature and increase in atmospheric carbon-dioxide (CO₂) levels are at least in part caused by fossil fuel emissions from the internal combustion engine, the type that powers most motor vehicles. With that assumption as a premise, I will argue that TAPTITE 2000® thread-forming fasteners can make a meaningful contribution to slowing this phenomenon, a phenomenon detrimental to our environment and general health.

How? I contend that TAPTITE 2000® fasteners are "green" and have been since the inception of their revolutionary design and functionality some 45 years ago. Why do I make this allegation? One first has to consider the chain of events that lead up to the internal combustion engine's contribution to CO₂ emission and global warming. An automobile, truck or farm implement chassis and body are for the most part constructed of steel and aluminum, connected with fasteners and assembled to a power train consisting of an engine, transmission and differential. The engine power required to move the vehicle is a function of

the vehicle's gross weight and expected performance level. The lighter the vehicle, the less power is required to make it meet its performance expectations. The less power required, the smaller the engine can be, the less fuel is required, resulting in fewer harmful engine CO₂ emissions being spewed into the atmosphere. In addition, if a vehicle can be made utilizing less raw materials, whether it be steel, plastic or aluminum, these non-renewable resources are conserved.

OK, but how do TAPTITE 2000® thread-forming fasteners fit into this equation of saving fuel and raw materials? TAPTITE 2000® fasteners create their own threads, eliminating costly and polluting tapping and cleaning operations. In addition, TAPTITE 2000® fasteners often eliminate the need for traditional unthreaded nuts as they can form threads directly into the joining component. By eliminating the nut, there is a material weight saving in the form of steel. Nut tapping stations can be eliminated, minimizing floor space, energy requirements and invested capital. When added to the fuel and cost savings, the utilization of TAPTITE 2000® fasteners can make a meaningful contribution to decelerating climate change and the conservation of raw material. My argument may appear to be simplistic but when one considers that an average automobile utilizes from 2,000-3,000 fasteners, and that a fair portion of these could be TAPTITE 2000® thread-formers, the CO₂ generation reduction, material savings and waste truly add up. TAPTITE 2000® fasteners are truly "green" and help lower everyone's "carbon footprint". Specifying TAPTITE 2000® products in your next assembly design will help fulfill your responsibility as a citizen of the world to preserve our planet's environment.

REMINC Responds! Fielding the Questions

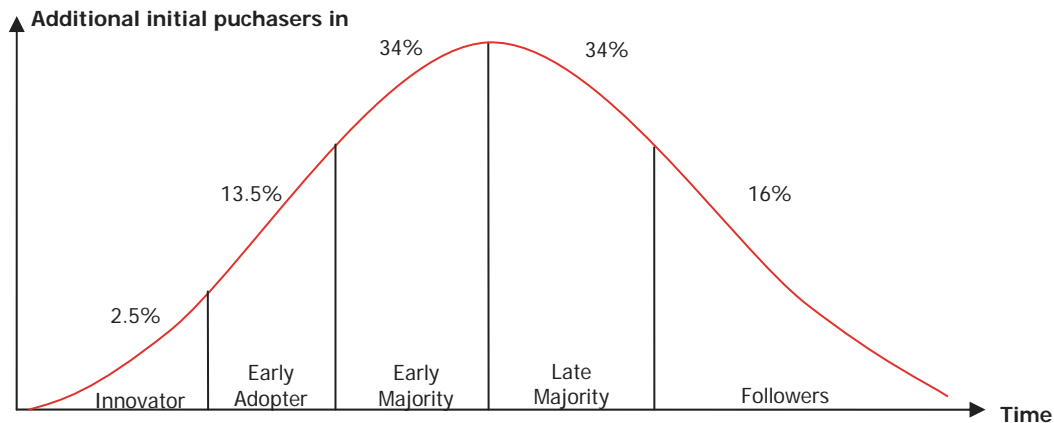
- Q. If a tapped hole is contaminated with paint and will not allow a machine screw to be inserted, what would REMINC suggest?*
- A. REMINC has developed a product called KLEERTITE®, designed with a paint clearing feature, which will scrape away the paint as it is being driven. The fastener will also provide good electrical conductivity as it was designed to not only clear away paint contamination but to also serve as a grounding screw.
- Q. I have a machine screw application where the screw is constantly coming loose. What would REMINC suggest?*
- A. POWERLOK® fasteners, our all metal TRILOBULAR™ fastener for use in tapped nut members, would be the fastener of choice for this application. POWERLOK® fasteners achieve enhanced locking ability through the combination of a novel 60°-30° thread form and a TRILOBULAR™ thread body. The 30° tip penetrates the root of the nut thread as the thread form locking feature. POWERLOK® fasteners resist vibration even when unseated, as the locking feature extends the entire length of the fastener, making POWERLOK® fasteners excellent adjusting screws.
- Q. What enhancements make TAPTITE 2000® fasteners better performing than TAPTITE II® or DUO-TAPTITE® fasteners?*
- A. TAPTITE 2000® fasteners were developed with two objectives in mind. First, we wanted the thread forming torque to be lower than that of TAPTITE II® fasteners, and second, we wanted to maintain or increase the high failure torque attained with DUO-TAPTITE® fasteners. Also, in the design process the stabilizing feature was enhanced to lower the end load required to start thread forming and a unique thread form was developed, which contributes to achieving efficient torque-tension relationships. The combination of all these features result in a performance level superior to any other thread forming fastener available today.

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The launch timing of new products is likewise a very good time to elevate the company's image. Companies which are perceived within their respective markets as being creative and innovative are also generally quicker to accept a new development. They will attempt to lay claim to the advantages of the so-called first-mover for themselves. The Licensing Business has the welcome side-effect for the licensee that the purely development-related costs of the product are borne by the licensor. The financial risk is thus greatly reduced as a result.

It is easier to aim for higher prices in the initial phase of a product launch and the first-mover or pioneer company has a leading position in the market. However, in this phase only very few innovators are actually ready to buy the product. The point here is to direct sales promotion to potential customers as quickly as possible. In the growth phase of the product life cycle, sales increase primarily due to increasing market acceptance because the "early majority" starts to buy. However, the number of competitors also increases because they are attracted by the resulting sales growth. Due to their experience, the pioneer companies can offer product variations to ward off a loss of customers. The growth phase is followed by the phase with the maximum sales, the mature phase, and the late majority comes into the market as additional buyers. Finally, in the saturation phase only the "late majority" still come into consideration, so product variations and differentiations are essential in this phase. The pioneer companies have already withdrawn from the market by the time the winding down phase begins.

A knowledge and understanding of the determining factors for success and interpreting them correctly, together with an understanding of the interactions of the product life cycle and the diffusion model are crucial to take advantage of product innovation in a targeted way.



The knowledge that new ideas, products and topics need to be introduced gradually helps us to identify the right people to work with within the targeted companies. There is always a certain type of person who is the first to accept new ideas and products. What we have to do first is identify these "innovators" and convince them of the innovation's benefits. In the initial phase you should therefore analyze your customer portfolio to see which companies are especially open to new ideas and are technology leaders in their particular field. Among other things, you can concentrate on this target group in a pilot phase, learn from the experience that is gained and introduce the next steps. Collaboration arrangements with educational institutions can also prove to be fruitful, since professors and academics are also perceived to be "opinion leaders" and can provide positive publicity in an early phase of the product life cycle.

We hope this article has provided some "food for thought" regarding a new product launch. Perhaps our comments might even reach some "innovators", those who would like to know more about MAGTITE® 2000™ screws and fasteners.

To conclude, we will summarize statements, which from author's point of view, require special emphasis:

1. The "commitment" of company management and the departments/disciplines/employees involved is essential for the successful launch of a new product!
2. Devising a marketing/product launch strategy, allocating sufficient resources, and implementing and monitoring them with commitment, are crucial prerequisites for subsequent success in the market.
3. Assigning overall responsibility to a project manager, who is convinced of the product's merit and value, handles the entire project with enthusiasm and above-average commitment and drives it forward, is an additional but important factor for success in the implementation of our plans!
4. "First-Movers" have an image of being "creative / innovative / dynamic" in their markets. During the growth phase they generate higher sales and profits due to the "early risk-takers" and the "early majority" to supply the demand.
5. Innovation is the motor for growth in a successful company, providing product differentiation and performance improvements. Innovation should never be lost sight of in order to ensure the potential for success.

We hope you will regard the time that you have invested in reading this edition of the REMINC REGISTER as valuable and useful! For our part we hope to report in the near future several successful projects which incorporate MAGTITE® 2000™ screws and fasteners resulting from your marketing initiatives!

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- REMINC General Products Catalog
- TAPTITE 2000® Products Application Guide
- TAPTITE 2000® Product Brochure
- REMFORM® Product Brochure
- TRU-START® Product Brochure
- FASTITE® 2000™ Product Brochure
- "54 Ways TAPTITE 2000® Fasteners Lower the Cost of Assembly" Request Form
- Receive Newsletter by e-mail

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