Fastbolt Group

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In a world undergoing rapid changes in many areas, many of which are truly alarming, the economy is also suffering considerably – forcing those involved to develop an unprecedented ability to adapt to changing circumstances and cope with excessive bureaucracy and a lack of predictability.

When we planned our business year 2025, we knew it would be a tough ride in a market environment that you would at least describe as being 'challenging' – with overall demand levels on a generally low side. We knew that generating a planned increase in sales turnover would most likely mean that output volumes would need to be increased significantly, since it was already visible back then that the average market price for standard fasteners in 2025 was most likely going to be slightly lower than the average market price in 2024.

Today we can say that unfortunately our predictions regarding the market environment and the generally low demand levels for 2025 proved to be correct. Our distributor customers reported weak consumptions of fasteners in many industrial sectors, predominantly automotive, machine building and construction. However, feedback from the individual European markets varied, and not all markets appeared to be equally affected by weak demand. Fastener applying industries in Europe, with a strong export focus, suffered from the effects of aggressive US customs policy, a stronger Euro currency and low industrial demand in numerous global markets, coupled with fierce price competition and extremely high European manufacturing costs.

In the European fastener market, the anti-dumping investigation regarding imports of threaded rods originating from PR China, which was launched by the European Commission at the end of 2024, certainly did not help to improve the market environment and instead created additional uncertainty and risk in 2025. To our great regret, high anti-dumping duties were decided and, to make matters worse, the European Commission decided to apply these tariffs retroactively, which created severe financial damage to importers without providing any protective effect for the European market.

Despite, but also precisely because of the difficult market environment, we at Fastbolt continued to pursue our strategic course of expanding our product range in 2025. Against the backdrop of a difficult situation on the sales side, it was important for us to generate momentum that would help us increase sales in the market and grow as a company overall. This strategic expansion of our business is based not least on the growing importance that FBonline, our in-house developed eCommerce platform, has gained for our sales over recent years. The platform underwent further technical development in 2025, enabling us to internationally market a growing range of products extremely efficiently across the European distribution market, as well as further improve its connectivity to our customers' purchasing processes. We believe it is exactly this type of digital solution development that is required to create added value in a more and more complex market environment, with a growing demand for information, documentation and transparency – while the time available to manage this growing demand in data is declining.

Logistically, the course was also set for change at our German central warehouse location in 2025. As part of ongoing efforts to optimise logistical efficiency, following the warehouse extension in 2024, an automatic compact bin storage system, the Jungheinrich PowerCube, was commissioned in May 2025, enabling us to increase storage capacity by almost 40% – while significantly improving efficiency in internal material flow. Looking back on 2025, we are therefore proud that, despite these major changes to the logistics infrastructure in our German warehouse, and the difficult market environment, we were able to generate considerable volume growth compared to the previous year, supported by a growing product range.

The new technology we are using today, through the digitalisation of our processes and partial automation in intralogistics, will enable us to operate more efficiently and thus more competitively in a market that is set to remain extremely competitive in the future.

However, a highly competitive market, without a foreseeable rapid revival in demand, is unfortunately not the only reason for a somewhat uncertain outlook for the coming years, as the Carbon Border Adjustment Mechanism (CBAM) regulation will come into effect in January 2026, which will now also have financial significance through the compensation of emissions associated with imported products.

This will be a 'game changer' for the sector, as the financial compensation for CO_2 emissions associated with imported steel products under CBAM will have a lasting and significant impact on trade in fasteners and large parts of the fastener applying industries in Europe. CBAM will significantly increase the price of standard fasteners year-on-year until its financial impact peaks in 2034. In addition to all the uncertainty and worries surrounding how manufacturing industries will be able to remain competitive in a fiercely global market with this CBAM-related increase in component prices in Europe, we are now also alarmed by the fact that the European Commission's quality of the CBAM implementation is completely inadequate for the market. Crucial information for calculating the CBAM costs that will be incurred from January 2026 onwards have still not been published as I write this in mid December. A situation that represents an unacceptable and serious disruption to business in long-term global supply chains. Furthermore, the administration and verification of detailed emissions data associated with CBAM, and the certificate trading that will commence in February 2027, represent an extremely challenging increase in complexity in the trade of fasteners. This means that despite all the announcements about reducing bureaucracy, the excessive regulatory intervention by the authorities will significantly increase the pressure on European fastener trade.