

INDUSTRIAL MACHINE PARTS EXPORTS FROM KWAZULU NATAL

1. Description of the Industry

Many South African machinery producers have moved away from manufacturing, focusing instead on towards distribution. The outsourcing of manufacturing to local and international fabricators is generally because the margins associated with selling machinery are higher than those for manufacturing equipment, and is influenced by relatively high input costs, such as steel and labour. Nevertheless, there is some small local manufacturing capacity.

The competitors of local manufacturers and suppliers of capital equipment are numerous importers and distributors of international brands. Customer service is an integral part of the industry supply chain in South Africa and globally. Backup maintenance service includes making parts available in good time to minimise downtime, and training to familiarise clients with machines

2. Size of the Industry

Technology advances in capital machinery go hand in hand with efforts to achieve greater efficiency, automation and environmental outcomes in the mining and construction industries. Multi-disciplinary technologies are used to improve design efficiency, including materials science, manufacturing technology and information technology.

The industry is cyclical as it is affected by economic boom periods and the inevitable slowdowns that follow. Complete back-up service and availability of parts is critical to the sector's success. Lost production due to the lack of available parts and components can negatively affect the mining and construction clients of the equipment supplier sector. Distributors that wish to retain and grow market share need to focus on building and maintaining a comprehensive stockholding of parts, alongside the deployment of technicians and product support engineers to customers

3. Regulations

Draft revised machinery regulations were published for public comment in 2011 but have not yet been adopted. Among the changes was a proposal to extend automatic arresting devices to

6. Industry Associations

SEIFSA (Steel and Engineering Industries Federation of South Africa)

Tel: +27 11298 9400

Fax: +27 11 298 9500

Email: info@seifsa.co.za

Website: www.seifsa.co.za

IPET (Institute of Professional Engineering Technologists)

President: M W Lotter

PO Box 1824, Randburg, 2125

Tel / Fax / Answering Machine +27-11-787-9706

e-mail : engineer@netactive.co.za

Website: www.ipet.co.za