The "Future of Finishing" What's Your View?

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The surface finishing industry continues to face a wide range of challenges. Companies that have survived this most recent economic turbulence have done so through innovation or significantly changing the way they do business. As the future unfolds, it's important to consider key major trends affecting the surface finishing industry. How will these trends evolve over the long term, what do they mean for surface finishing, and what specific strategies on the technology and business fronts will be necessary to remain successful in the coming decade?

The industry's Government Advisory Committee is currently reviewing the impact of a range of emerging issues on the industry, and Government Relations is working with the National Center for Manufacturing Sciences to develop a more accurate picture of what may lie ahead on the surface technology front. This initiative is one way to assist industry as well as public decision makers on ways to ensure the long-term viability of the surface finishing industry.

To assist in this effort, we're soliciting opinions and insights from members of the major industry associations, and would welcome feedback from readers on a few selected topics:

Globalization

The effects of globalization will certainly become more pronounced in the next 5–10 years, and will no doubt begin to have an impact on those industries that have, thus far, been relatively insulated from trade-related competition. While globalization has contributed to worldwide economic growth, it has led to manufacturing and job losses across a range of industry sectors in the United States. The North American surface finishing industry in particular has already experienced adverse impacts from global competition, whether from foreign firms directly or from the relocation overseas of major OEM operations. It has been difficult to measure with great precision the full magnitude of this change.

At the same time, some finishing firms report they are experiencing new opportunities and measurable benefits from globalization.

QUESTIONS:

(1) Looking ahead over the next 5-10 years, what will global competitive trends mean for the finishing industry?
(2) What sectors of the surface finishing industry continue to be most vulnerable to moving offshore?
(3) What opportunities on the domestic front, if any, remain relatively insulated from globalization trends?
(4) What opportunities overseas look most promising to the North American finishing industry?
(5) What specific types of hurdles face companies that wish to pursue new business opportunities overseas?

Technology

Advances in materials science and the emergence of new fields like nanotechnology continue to provide new opportunities in the surface finishing industry. New R&D trends, as well as innovations in processes and products, will make new materials available for manufacturing and potentially transform whole industry sectors. This trend is magnified by the OEM-driven goal to specify materials that minimize environmental and health impacts.

QUESTIONS:

(1) In light of these trends, where do you see conventional surface coating technologies headed over the next 10 years?
(2) Will markets for conventional surface coating technologies be larger, smaller or simply different?
(3) If markets will look different, what indicators today signal important changes?
(4) What steps should the industry, or the individual firm, take in the near term to mount a successful investment or marketing strategy in response to current technology trends?

Regulation

Regulatory pressures will take on an entirely new dimension over the next 5–10 years. Regulatory requirements for manufacturing are no longer local or even national in their scope and reach. As global trade relationships among countries mature, the European Union (EU) has developed an expansive array of environmental, health and food safety requirements on products manufactured overseas and sold in the EU market. Examples range from genetically modified food products and automobiles to chemicals and electronics.

For surface finishing, one of the more prominent EU initiatives to date has been the End-of-Life Vehicle directive. More recently, proposed EU mandates on new chemicals and materials (e.g., nickel) will likely place additional pressures on the global OEM community in key sectors to change materials specifications for suppliers, including surface coatings.

QUESTIONS:

(1) How will these regulatory trends impact metals and metal finishing in North America and how will supply chain pressures shape key product markets in the next 5–10 years?
(2) What strategic and business responses will be most successful for individual firms and the larger finishing industry in addressing what may become a more restrictive global "materials policy" for manufacturing?
(3) What processes or products do you believe will face the most serious regulatory challenges in the next 5-10 years, and what alternative processes could likely emerge as acceptable replacements?

We would greatly appreciate your views on these and related topics.

If you would like to contact us with a response, please e-mail us at:
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