



What competition do I face on the European market for metal parts and components?

The iron and steel castings industry is diverse. Consequently, buyer power ranges from very high to extremely low. Buyers appreciate sound relationships with foundries and do not switch easily. Competition in the European market is expected to intensify slightly in the next few years, as more foundries from Developing Countries will meet European requirements every year and start to export to Europe.

The price level of European foundries remains high. Developing Country suppliers of castings as well as other metal parts and components will thus be in a good position if they can offer prices at least 25% lower than their European counterparts. If this is not the case, European buyers will not perceive any benefit in switching to new Developing Country suppliers, unless they face quality or delivery problems with their current suppliers.

For Developing Country exporters it is important to strategize: if you cannot be competitive in terms of price, you could look for success in the delivery of specialty products.