

Press release

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Accessories tools for powertools: Professional Association warns against monoculture and dependence

Independent accessory manufacturers see competitive disadvantages vis-à-vis large corporations

According to a recent survey by Association of German Tool Manufacturers FWI, independent manufacturers of accessories for power tools are increasingly disadvantaged by the business models of some large power tool manufacturers. For example, 67 percent of the tool manufacturers surveyed report that these machine manufacturers are increasingly offering tool dealers an additional discount on their machines, if they also include their accessories tools exclusively in their range.

“Independent manufacturers cannot oppose such offers from certain large corporations and are gradually listed out, although their products are competitive in terms of performance and price,” explains FWI Managing Director Stefan Horst the consequences for small and medium-sized manufacturers of drills, saw blades, grinding and cutting wheels, bits and brushes.

“We also have reports that dealers are offered preferential supply of new machine models via partner models of some power tool manufacturers when they switch their range of accessories to this machine manufacturer,” Horst adds. In the FWI survey, 71 percent of manufacturers confirm this, while the remaining 29 percent even believe that such offers have increased in recent years. The payment of premiums for switching suppliers to dealers by some power tool manufacturers confirms 100 percent of respondents to the survey, with 50 percent even seeing an increasing trend here.

From the FWI's point of view, this explains the trend that more and more specialist retailers switch their accessories' wall to the power tool brand, to the disadvantage of smaller manufacturers.

"Our member companies face a fair competition over quality, tradition, innovation and sustainability. However, there is no question of equal opportunities in competition with these power tool companies," Horst continues. Should this trend continue, the FWI sees the existence of many small tool manufacturers in Germany and Europe threatened.

But the FWI also sees long-term disadvantages for customers. "Retailers and users have to ask themselves whether they want to live with a monoculture and a strong dependence in the field of accessories tools in the future – with the risk of less innovation and rising prices," warns Stefan Horst.

Around 110 tool and dowel manufacturers with production in Germany are organised at the FWI. The tool industry generated a turnover of more than 4.7 billion euros in 2020 and employed more than 32,000 employees.

Maintaining the wide variety of German manufacturers, designing fair competition and strengthening Germany's production location are the main objectives of the association.

In addition, there are around 50 extraordinary members of the FWI. These are industrial companies close to the tool and its distribution channels as well as service providers and foreign companies.

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