

The invisible basis of industry

– ISTMA fights for European tooling and mould-making

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Tooling and mould-making plays a key role as the “backbone of industry”. Central to the design and manufacture of serial-production products in all industries, it acts as an infrastructural basis for the entire economy. It also provides a strong multiplier and transmission effect: For every job in the sector, many more are generated in upstream and downstream industries. And not just where punching and forming tools or injection moulding or die casting moulds are used – suppliers and service providers also benefit from technological progress in tooling and mould-making. The knowledge that emerges in this sector is also used in other industries. “Product and process innovations, technological development and the optimisation of manufacturing systems depend significantly on progress in this industry”, explains Stephan Berz, President of the European Department of the International Special Tooling & Machining Association, ISTMA.

SMEs with global roots – but under pressure

95 percent of the companies in Europe’s tooling and mould-making industry are small and medium-sized enterprises. Despite their deep roots in their regions, many are active worldwide and are involved in global value chains. Whenever an idea needs to be turned into an actual product made of metal, plastic, glass, etc., their expertise is required. At the same time, however, tooling companies are the weakest link in the economy due to their low capital cushion and high project volumes. The economic situation is so delicate that numerous renowned and innovative companies have not only gone bankrupt – some have also simply ceased operations due to a poor outlook for the future...

“When countries lose their tooling and mould-making capacities, however, they become dependent on essential production resources, which has serious consequences in view of growing competition from Asia”, explains Berz. Despite their importance, European manufacturers do not receive support from

customers or policymakers - even though this is urgently needed in the face of distortive subsidies in other countries.

Markets in crisis, business models in transition

A number of other factors are hampering European companies, not least the lack of qualified junior staff. "Fewer and fewer young people are choosing to train in the industry. The products of toolmakers are not present in society - very few people know how varied and high-tech the profession is", says ISTMA Europe President Stephan Berz. The steadily increasing bureaucracy also makes life difficult for the industry: "It imposes regulations on us that counteract our goals of becoming more flexible and cost-effective", explains the plastics engineer. Added to this are the high taxes, rising financing costs and high energy costs.

In addition to this, the automotive industry, which still supplies well over half of toolmakers with orders, is becoming less important. "With how instable the order situation is in this area, any planning certainty is lost", says Berz. In addition to this, the increase in energy, wage and financing costs coupled with a lack of corresponding changes in OEM prices is driving many companies to Asia. The business model will become increasingly unattractive, margins and productivity will fall - accompanied by growing price competition and commodification. "But tools and moulds aren't commodities - they're valid means of production, unique items that allow us to produce the commodities of our day-to-day lives efficiently", explains Berz. Companies that develop technologies for this purpose need to be technological leaders themselves. This, in turn, requires investment in machinery, software and automation, which many SMEs can no longer afford, suffering as they are from the structural changes in the European economy. Of course, the demanding political situation - the war in Ukraine, the tariffs imposed by the US Government - also plays its part. This multitude of pressures has already led to a de facto collapse of the industry in France and Spain. Serious crises are ongoing in Italy, Portugal and Germany - all countries that are among the leading tooling and mould-making locations.

Strategies for a strong industry in Europe

To face up to the current challenges, it is necessary to show an increased international presence at the operational level. This includes working with new business models. Better integration into global production processes and

the diversification of sectors, regions and customer structure are necessary. In addition to this, companies need to invest more in research and development and new technologies. "This is the homework that needs to be done within companies, within the industry", says Stephan Berz. On top of this, politicians have a duty to ensure fair free trade and a level playing field for all companies.

According to Berz, one of the measures required to protect the key industry of tooling and mould-making in Europe is to make it easier for companies to access project financing and to support them in gaining access to international markets. Support programmes for research and development are also urgently needed in order to allow the many SMEs in the sector to remain competitive. Last but not least, according to Stephan Berz, one of the tasks facing politicians is to influence location factors: "Cutting red tape or passing laws on flexible working hours are just as important in this context as the rapid decarbonisation of Europe through the expansion of wind and solar energy and their infrastructure" - after all competitiveness depends just as much on energy prices as on the sustainability of companies.

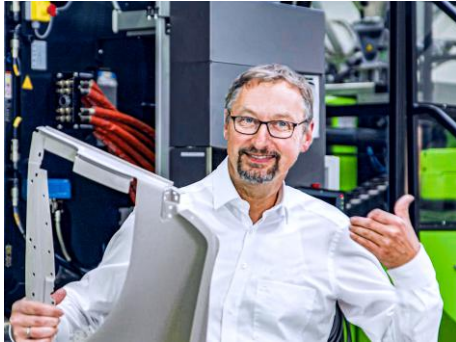
Let's make some noise!

"Source local" is the motto of the hour, says Berz. "Cooperation with local tooling and mould-making companies brings customers a whole range of advantages!" This applies both technologically and culturally, from the concept phase to series production of the tools and beyond. When a European company relies on European toolmakers, this counteracts the outflow of knowledge and the misuse of intellectual property, says Berz.

The President of ISTMA Europe describes his association's current efforts as follows: "The importance and necessity of tooling and mould-making for functioning industrial sites has long been recognised in China. So we cannot blame our competitors from the Far East for our problems just because they made the right decisions. Instead, we need to raise awareness of our industry in Europe as well, speak out to different governments, and emphasise the role of small and medium-sized enterprises in particular!" After all, the small companies - the "hidden champions" - are the very places where many of Europe's ideas and significant innovations are born, says Berz.

The ISTMA Europe President therefore underlines his confidence in Europe's business locations and in its companies: "We are facing great challenges, but the power to shape our future is in our own hands!" Berz firmly believes

that: "If we as an industry can come together, have the courage to change and to communicate our value clearly to the outside world, we in Europe can not only survive difficult times, but emerge from them stronger than ever." Now is the moment to take action - for a strong future for European tooling and mould-making! The next meeting will take place at the ISTMA Europe meeting, November 3-5, 2025 in Berlin.



stephan_berz.jpg

(Image: VDWF)



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For Stephan Berz, the mould was always a 'black box' during his studies in Darmstadt - a mysterious object into which plastic was poured and from which a finished product emerged as if by magic. It was only when the plastics engineer entered industry that he realised the crucial role of tools and moulds. As a project manager at Aeroquip, an injection moulding company in the Frankfurt area, he acquired extensive knowledge of tools over a period of almost ten years. He then worked as a key account manager at BASF and spent two years in the USA as part of this role. The now 62-year-old then went into the hot runner industry as Managing Director at PSG. For the past eleven years, he has served as Vice President Sales at HRSflow, a subsidiary of Oerlikon. There, he established global key account management and built a wide network of contacts - many of whom now prove valuable in his current role as President of ISTMA Europe.

(Image: VDWF)



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At the ISTMA Europe Meeting in Gdansk at the beginning of February, Stephan Berz was officially appointed President of the European division of the global toolmakers' association. Not only did ISTMA President Bob Williamson (l.) congratulate him, but VDWF President Prof. Thomas Seul also conveyed his best wishes.

(Image: VDWF)



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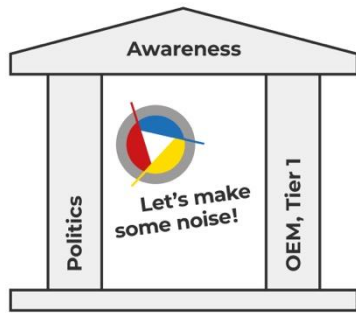
(Image: VDWF)



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Stephan Berz is also familiar with the international tool and mould-making sector through his work as Vice President at HRSflow. He has repeatedly guided delegations of toolmakers through the factories of the hot runner system supplier in Treviso (Italy), Byron Center (USA), and Hangzhou, (China).

(Image: VDWF)



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(Image: VDWF)