



The Gear Industry's GLOBAL Information Source

Have you ever been to Malaysia? How about Indonesia, Brazil, Slovakia or Russia? Well, we have. We go there every issue. *Gear Technology* has subscribers all around the world, so we go to a lot of places. Heck, we even have a subscriber in Ethiopia. Really, Ethiopia. He's responsible for making replacement parts, including gears, at a major cement manufacturer. (Hello, Daniel!)

All over the world, people are hungry for the type of information *Gear Technology* provides. People like Daniel seek us out to subscribe.

And we're looking for them, too. When we identify new gear companies—no matter where they are—we send them free sample copies of the magazine. In return, they send back subscription forms.

Today, *Gear Technology* has paid or qualified subscribers in 70 countries. In January, we mailed an extra 1,000 copies of the magazine to gear manufacturers in China. This issue, we've done the same thing by mailing to potential subscribers in India.

We embrace the globalization of the gear industry. In today's world, you almost have to. Many of you work for companies who have established joint ventures, partnerships, sales and marketing agreements or other arrangements with companies in other parts of the world. You, too, embrace the globalization of the gear industry.

But I know what some of you are thinking. Why is *Gear Technology* helping to educate my potential competitors around the world? Does *Gear Technology* want my foreign competitors to take away my business?

Nothing could be further from the truth.

The fact is, the gear industry is already quite global. How many of you have customer lists that look like our subscriber list? Do you have more overseas customers than you had 10 years ago? I thought so. Now, ask yourself: Are you better off if those customers actually understand gear manufacturing? Or are you just better off if they want the lowest price? *Gear Technology* helps spread the knowledge of what goes into quality gear manufacturing. We teach and reach the global gear industry.

Besides all that, you can't stop your overseas competitors from learning. Companies in China and India are buying technology at an astounding rate. You need to stop thinking of them as countries that compete on low-cost labor. In some cases, their machine tools and processes may be more modern than yours.

In April, many of the world's leading gear machine tool manufacturers exhibited at the CIMT machine tool show in Beijing (see our article on p. 55). CIMT is the Chinese version

of IMTS or EMO. Virtually every company that makes equipment for manufacturing gears wants a piece of that market. Many of them are unveiling new machine models for the first time at this show.

Most of you are still very busy. Your order books are probably filled through the end of next year, and you're getting prices that actually allow you to make a profit. So right now, you're probably not too worried about foreign competition.

My sense is that gear manufacturers in other countries are just as busy. Right now, countries like India and China have a huge demand for gears within their own borders. Their growing middle classes want automobiles, appliances, good roads, electricity and safe housing. Building the infrastructure alone requires massive amounts of machinery. Even in Ethiopia, you can't make cement without gears.

But someday there'll be a recession. When it comes, look out! Right now, China and India are building up their capacity. What will they do with that capacity when things get tight in their home markets? Maybe they'll look to sell more gears in your backyard.

When they do, will you be ready? Will you look to these foreign companies as potential partners, as many have begun to do already?

The gear industry is already global, and it will grow more global with each passing year. *Gear Technology* is making every effort to be at the center of this globalization. How about you?

Michael Goldstein,
Publisher & Editor-in-Chief

P.S. *Gear Technology's* circulation has been audited annually by BPA International since 1996. You can view our current circulation statement by visiting http://www.geartechnology.com/bpai_statement.pdf. The statement shows that we had qualified subscribers in 62 countries as of the November/December 2006 issue. Because our subscriber list is constantly changing, all the circulation data included in this editorial is based on our most current publisher's data.