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**CENTRE FOR CO-OPERATION WITH NON-MEMBERS
STEEL COMMITTEE**

Emerging Market Economy Forum

WORKSHOP ON STEEL TRADE ISSUES

**STEEL TRADE AND GLOBALISATION
STATEMENT BY MR. ATTILA CHOVAN**

The Workshop will be held in Paris on 27-28 May 1998.

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**WORKSHOP ON STEEL TRADE ISSUES STEEL
STEEL TRADE AND GLOBALISATION
STATEMENT BY MR. ATTILA CHOVAN,
HEAD OF MARKETING, VSZ HOLDING AS, SLOVAK REPUBLIC
PARIS, 27-28 MAY 1998**



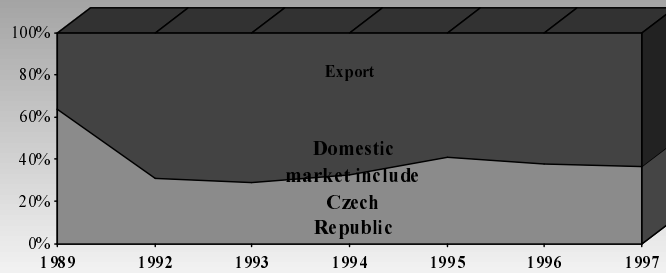
Where is VS HOLDING a.s., Košice



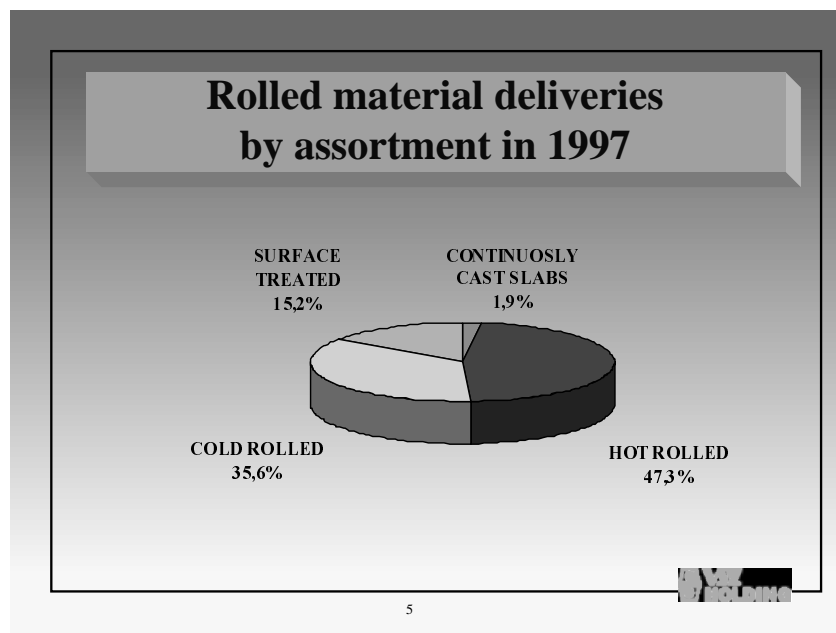
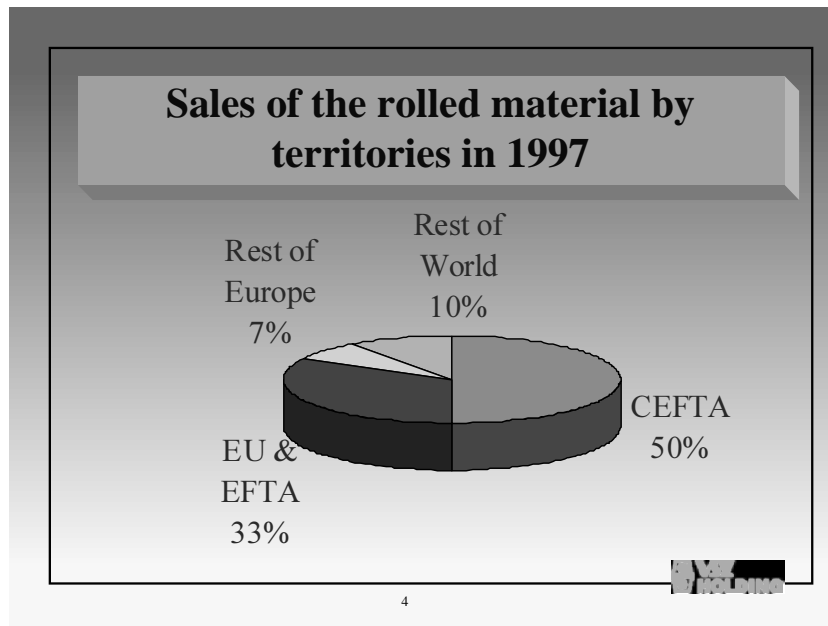
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Who are our customers ?

	1989	1992	1993	1994	1995	1996	1997
Domestic market include Czech Republic	64%	31%	29%	33%	41%	38%	37%
Export	36%	69%	71%	67%	59%	62%	63%



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The most important customers

Sheet for automotive

industry:

Škoda Auto, a.s., Mladá Boleslav

Auto VAZ Togliati

Daewoo

Fiat

Dacia



White goods:

Whirpool Slovakia Poprad

Mora Slovakia

Sfinx Ěeské Budejovice

Gorenje Serbia



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The most important customers

Tin plate :

Carnaud Metalbox

Obal Vogel Noot

Impres Metal Packaging

Can-Pack Group



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The forces creating the new Globality

- **DEMAND BY MONEY MANAGERS**
- **MARKET PLACE**

PRODUCTION	CAPITAL	INFORMATION
1990	2000	?
INNOVATION	GLOBALIZATION	KNOWLEDGE




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Era of the Globalization

- bussiness in 24 hours
- global competition with changes in:
 - ideas
 - people
 - goods
 - money
 - services
 - information
- move via
 - country's border
 - industrial traditional border
 - traditional job's border

Monoculture versus Multiculture



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Trends of the Globalization in steel industry

SIDE OF THE STEEL CUSTOMERS :

- **CENTRALIZATION OF PURCHASING ACTIVITIES**
- **INCREASING PRESSURE ON QUALITY & COMPLEX CUSTOMER SERVICE**
- **EXCHANGE OF THE COMPONENTS AND TECHNOLOGIES, COST SHARING WITH SUPPLIERS**

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ASSUMPTION OF THE SUCCESS AT CUSTOMERS



- **IMPACT ON NEW CAPACITIES DEVELOPMENT**
- **SUPPLY OF SYSTEM, MODULS & SOLUTIONS**
- **WORLD CLASS QUALITY**
- **FLEXIBILITY OF SUPPLY CHAIN**
- **PARTICIPATION ON PLATFORM STRATEGY
= SUPPLIES NOT ONLY FOR ŠKODA,
BUT THE WHOLE VW GROUP**

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Trends of the Globalization in steel industry

SIDE OF THE SUPPLIERS & PRODUCERS :

- **COMPETITION VS COOPERATION**
- **INCREASING IMPORTANCE OF QUALITY AND LOGISTICS**
- **CHANGES IN STEEL INDUSTRY IN LONG-TERM**

PRODUCER'S SIDE = CUSTOMER'S SIDE

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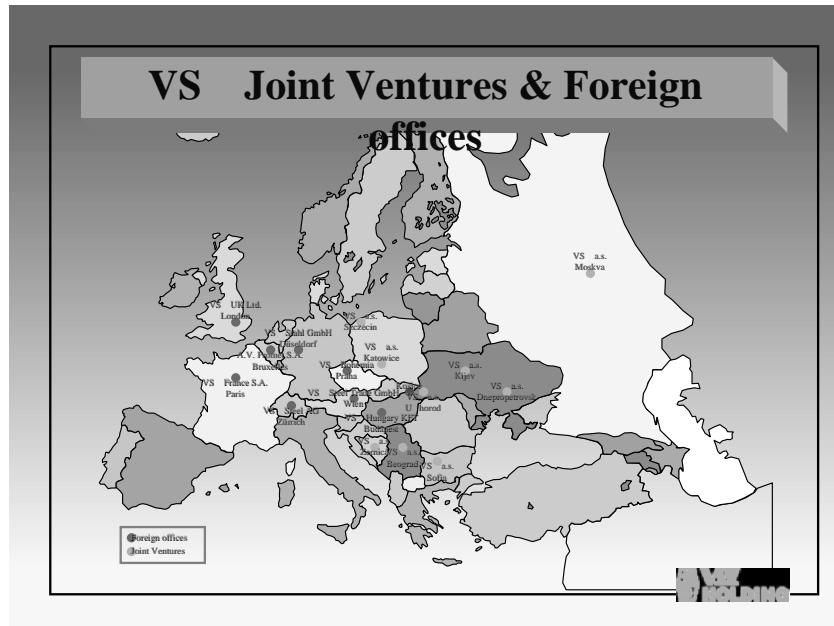
**THINK GLOBALLY
- ACT LOCALLY**

VS HOLDING, a.s., KOŠICE

CONTINUOSLY IMPROVE ITS :

- **MARKET PHILOSOPHY**
- **DEVELOPMENT AND RESEARCH**
- **CORPORATE STRATEGY**

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Thank you very much
for your attention

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