

The Domestic Bearing Industry: Investing in the Future

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A recent survey conducted by the Anti-Friction Bearing Manufacturers Association (AFBMA) shows that its members have made a strong commitment to reinvesting in the industry. The bearing industry operating in the U.S. recognizes that in order to remain competitive in a world market, funds must be heavily invested in plant expansion, machinery and equipment, and research and development.

During the last three-year period (1987-'89), the bearing industry invested \$99,365,000 in new plant and plant expansion, \$521,966,000 in machinery and equipment, and \$114,467,000 in research and development.

Over the next two years (1990-'91), industry anticipates spending \$128,477,000 on plant expansion, \$597,043,000 for machinery and equipment, and \$37,154,000 for research and development.

That represents a total of about \$1.5 billion over a five-year period, a remarkable commitment to the future given the relatively small size of the industry.

BSA's Educational Services Committee appreciates this report from the AFBMA, which compiled the data.

Results from a questionnaire sent by BSA's Educational Services Committee to North American bearing manufacturers to collect data on plant capacity expansions paralleled the AFBMA findings. The industry, according to our findings, is unquestionably moving forward.

The capital investments by bearing manufacturers in North America in recent years and their planned expansions in the near future do not paint a picture of a faltering industry. To the contrary, we can be optimistic about the trends we see, and we can be encouraged that our sources of supply will likely be more reliable than we were led to believe in recent years.

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The ESC Report is a program of the Educational Services Committee intended to keep members informed about topics affecting the bearings industry. Comments may be sent to the committee c/o BSA, 800 Roosevelt Road, Building C, Suite 20, Glen Ellyn, IL 60137-5833. www.bsahome.org; e-mail: info@bsahome.org.