

Germany

Global Refractories Conference for Cement and Lime in Cologne - Intimate but Informative

On 8–9 December 2008, around 50 attendees assembled at the luxurious Hyatt Regency Hotel in Cologne for the second Global Refractories Conference and Exhibition. Despite the harsh effects of the current economic crisis, a great deal of useful networking took place, along with the presentation of a number of interesting papers and two fascinating field trips.

Changed Economic Conditions

After a strong start in London in 2007, when over 100 delegates attended the first Global Refractories Conference for Cement and Lime, the second conference was a more intimate affair, with around 50 delegates from 14 countries attending the second Global Refractories Conference in Cologne in December 2008. A number of delegates and presenters cancelled their attendance at the last moment, citing the current diabolical economic conditions, and the need to conserve cash in these tough times. However, the attendees, presenters and exhibitors who did attend commended the organisers for bringing together producers and users of refractories in the cement industry, suggesting that keeping contacts current through lean times will bring benefits when the economy starts to improve once more.

Conference Programme

After a convivial cocktail reception in the exhibition area on Sunday evening, the conference started properly with registration and networking on the Monday morning.



Fig. 1 Dr. Erwin Schmidl of Holcim Germany gives his presentation on alternative fuels and refractories

Status of the Global Cement Industry and Consequences for the Refractories Industry

The conference programme started with a marathon presentation lasting nearly 90 min of conference chairman *Dr. Robert McCaffrey* with an overview of the global economy, a review of the current status of the global cement industry, and an evaluation of the likely future trends in the cement industry (with particular emphasis on refractories). Gathering together information from a number of industry experts, it became clear that

what we are seeing at the moment is the most severe economic downturn since the Great Depression, but that this is not (so far) even half as bad as that calamitous event. Taking US cement consumption as an example, although 2007 peak to (forecast) 2009 trough consumption will fall by around 33 % according to *Ed Sullivan*, chief economist at the US PCA, it fell by 64 % between 1929 and 1933. However, in the Great Depression that drop was 'only' 19 Mt: this time around the fall in consumption will be equivalent to 41 Mt.

Various statistics were used to illustrate that those countries that had 'credit bubble' economies have so far been hardest hit (US, Spain, UK, Ireland), but that many other nations are also on the brink of a severe recession. The scary suggestion given by *Dr. McCaffrey* was that we have only just started to see the whole magnitude of the problem - the veritable 'tip of the iceberg.' It is certain that 2009 will be a calamitous year for many companies and workers, but the suggestion now emerging is that we may not even see the new shoots of growth in 2010 that many are expecting. We should all prepare ourselves for a long slog.

Using the words of the big multinationals themselves from their annual reports, it is clear that they are slashing capital expendi-



Fig. 2 The Global Refractories Exhibition area, including vhi, Calderys Deutschland, Remsan (from Turkey), Refractories WORLDFORUM and Haver & Boecker



Fig. 3 Xavier d'Hubert (left) receives his prize for the best presentation at the conference, from co-convenor Dr. Robert McCaffrey



Fig. 4 The Cologne Hyatt Regency is situated on the bank of the Rhine River opposite Cologne's huge medieval cathedral. The hotel is also well-located for train-spotters

tures on everything, and are reducing the production capacity to match market conditions by cutting personnel and by closing facilities. This will have a severe knock-on effect for suppliers, including refractory producers. With less production (including

longer campaigns and running kilns with more worn refractories), less refractory will be required: there may be an oversupply, hitting prices and leading to yet more refractory industry rationalisation. In addition, we may see a retreat from higher-specification bricks, which were required in sold-out markets, back to more commodity-like basic bricks. Payment terms will become more important, so that the financial robustness of refractory suppliers may become as important as their products, and with the rise in importance of alternative fuels, those producers with alkali-resistant products will be well-placed to benefit from trends in fuel use. So as not to end on too pessimistic a note, *Dr. McCaffrey* did point out that at current rates, 211 000 people per day, or around 75 million net per year were being added to the world population. Global population will pass 7 billion in 2011, and will peak at 9.2 billion in 2050. Those people will need an awful lot of cement. In order to be able to produce cement in the coming 'golden times', and to provide refractories to make the cement, companies have to get through the next difficult period. The final message therefore was that survival is the key.

After this near-apocalyptic presentation, delegates had a chance to meet each other at the 'Meet the delegates' session, where they introduced themselves and their companies, and stated whom they would like to meet at the conference. Delegates from *Holcim*, *Cemex* and *Lafarge* were particularly popular in the subsequent coffee break. After the networking break, *Dr. Erwin Schmidl* of *Holcim Germany* spoke about his company's approach to the use of alternative fuels, and about what this means for refractories. He

stated that gas-tightness is becoming more important for refractories, since they have to cope with the corrosive atmosphere created by alternative fuels, and suggested that this may lead to higher usage of inherently gas-tight monolithic refractories in the future. Next up were two young gentlemen (one with a broken leg) who spoke on behalf of an innovative transport company, *Siload-maxx*. This company is promoting the use of international ISO containers for bulk material transport, using a special retractable filling boom and container liners. The containers can then be handled in the normal fashion, with great economy and ease of use. This conference was the first time that the company had announced its products specifically for the cement industry, and the audience was intrigued with the possibilities. We shall undoubtedly hear more from *Siload-maxx* soon.

After a pleasant lunch, *Michael Louen* of *Calderys Deutschland* gave an interesting presentation on the replacement of refractories in a kiln head/clinker cooler in only 28 days, while the subsequent speaker, *Alexander Koshi* from *Arabian Gulf Cement Company* spoke about the refractory regime used in the Middle East's first modern preheater cement plant. The final paper was given by *Xavier d'Hubert* of *Bricking Solutions Europe*, who spoke about the essential 'nuts and bolts' of refractory installation and about how to quickly and safely get used bricks out of the kiln.

Gala Dinner

Following a topical debate on trends in the refractory industry, delegates left for a jolly evening dinner at the top of the Cologne Triangle building, with great views over Cologne and the River Rhine. Entertainment was provided by a typical local band, while guests were able to drink traditional Glühwein from specially-created Global Refractories mugs. Food was traditional local fare, including black-pudding, mashed potato and apple sauce, washed down with Kölsch, the traditional local beer.

Calderys was awarded the prize for the best exhibition stand, while *Xavier d'Hubert* won the prize for best presentation.



Fig. 5 A moment from the gala dinner