

12/8/2008

2008

It's the time of the year to reflect. 2008 was an interesting year for us. It looks like we will fall a little short of our record 2007 year. The fluctuating dollar value, October financial crisis made it harder to make a profit and to close orders. We forecast 2009 to be even tougher; we have already had one order canceled and a project postponed until 2010.

All is not doom and gloom though. We grew tremendously in 2008 by continually to improve and upgrade our products, manuals, and sales tools, not to mention our personal growth through expanded exposure to the market by increased travel and contact with our customers by multiple company personnel and disciplines (production, service, sales and engineering). This will fortify us for the tough year ahead. Most important we are profitable a viable.

We also expanded our exposure and recognition to our customers by participation in several conferences (IEEE, China International, Cement Exhibition, and Global Refractories Conference) and by making several presentations (FLS training seminars, RefraAmerica Refractories seminars, Xavier d'Hubert –our European Manager – presentation at Global Refractories Conference, plus Lafarge refractory seminars in China, S.E. Asia and North America).

Lafarge "Refractory Champion" seminars were expanded to include us as part of the seminar as a result of a fatal accident involving a bricking machine, which thankfully was not manufactured by us. This has evolved into a close working relationship with the Lafarge Refractory Champion group.

We have also made a change in our coverage in China and S.E. Asia by transferring the responsibility for those areas to the Brokk AB regional offices. We would like to take this opportunity to thank Cemax and HXD (Tianjin Pfister) for their work in bringing us to this point. We also look forward to working with our sister company to take advantage of the synergism of our product lines in the Cement Industry.

We continue to refine and improve our product line. We have added a laser target as a new product. The laser target is used as a tool to align the burner tube. We have an order for our first pass through trolley system option. This will allow the transfer of a pallet of brick from the down kiln end of our flat deck machine to the up kiln end of the machine through the work platform – this is important for brick management on the rig when a fork truck cannot pass under the bricking machine.

We will furnish several bulletins this coming year to announce or remind our team members of all the improvements we have made in 2008 and 2009.

Regardless of the conservative forecast we are confident that we will prosper in 2009. We will do everything in our power to help our team members in various parts of the world to prosper also.

We wish you all a happy and prosperous 2009.

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Bill Barraugh

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