

simonsen®

dynasty
update



Dear Reader,

As I use to start, "Another year has gone and it has gone very quickly". The years pass by faster and faster the older one grows. Maybe some of you know the feeling.

Last year one of our "subscribers" in the Far East wrote me a letter starting like this,

"It is always rainbow-feeling when we receive your kind letter along with your unique Christmas/New Year greeting card, Christmas gift and also News Letter which gives up to date information about your near and dear in the family and business."

What a nice response from a long-time friend.

The front-page of this Dynasty Update is an old Söderberg pot-line. The design is of course not as sophisticated as the modern Pre-bake closed pots, but it has its own charm, and there is something special about an old pot-line with its fumes and smell of fluorides.

Having been in this industry for 36 years I think that nothing beats an old Söderberg pot, respectively pot-line, and therefore I have chosen this front-page for our new Dynasty Update. I think it gives a very nice impression, and as you may have noticed I have chosen the same photo for the envelope.

We have changed the name "News-Letter" to "Dynasty Update", as many companies send News-Letters these days. We decided on "Dynasty Update", as we are a small dynasty and as it is an update of it what has happened in the family, the staff, the company, among our suppliers etc. etc. in the past year.

I hope that you will enjoy the following combination of information and stories.

OUR CHRISTMAS CARD

I myself have again taken the photo for the Christmas Card this time during a trip to Iceland visiting ISAL in July 1997. We spent a day on the Langjökull Glacier, which covers about 1000 km² (approx. 386 square miles). Where the ice is thickest, the depth is up to 750 m (approx. 2300 feet).

It was a fantastic day where we moved around on the glacier in a snow cat mobile. At the beginning it was quite misty on the glacier and one felt absolutely lost. I was glad the driver had one of these satellite navigation systems in the snow cat, so we did not loose our track.

There were big crevasses in the glacier which we crossed very carefully, and it was a little scary to look down into these crevasses which are very, very deep.

At the other side of the glacier the mist disappeared and the sun started shining - a fantastic sight. I took this unusual photo and hope you get some impression of a glacier.

Iceland is really special. The population is about 250,000 Icelanders and the size of Iceland is about 2/3 of that of the United Kingdom. The nature of the country is so rich and different from anywhere else in the world.

Iceland has the volcanoes of which many are still active regularly, the lava fields which are endless and very tranquil, the geysers (the springing hot water wells), the rivers filled with some of the finest salmon in the world, the mountains and last but not least the Icelanders.

Did you know that Iceland has its own "blue lagoon" outside the capital Reykjavik - a natural thermally heated lake/outdoor pool - where everyone can swim all the year around due to the constant, natural and pleasant temperature of the water. Icelandair often takes stop-over-transatlantic-passengers to the lagoon. What a service and what a pleasure.

The Icelanders are very kind and hospitable people. Their language is rather difficult, even for other Scandinavians, and is the only still existing, original old Nordic language, which the Vikings spoke about 1000 years ago.

Some letters in the Icelandic alphabet are still the old letters used by the Vikings.

In the schools the children still learn Danish and as a Dane visiting this island I am proud that Iceland is part of the Scandinavian family. When one visits Scandinavian countries like Iceland, Norway and Sweden, one realises that in our part of the world nature is very different, and it is a magnificent part of the world. I have been travelling all over the world for many years and seen many unique places, but within a pretty limited area you seldom find such a variety of fantastic nature as in Scandinavia.

We have been co-operating closely with our friends from ISAL for many years, whom we have the pleasure of supplying various products for their smelter, both for the existing production and now the latest expansion. We are very fortunate and happy that we were also the chosen supplier of the refractories for the new Grundartangi Aluminium Smelter.

Therefore, I thought that the photo for our Christmas Card this year should be from Iceland as I usually select a subject from one of the countries to which we are supplying our products.

I can only recommend a visit to this fantastic island, which is unique and well organised. The food is good, but "sometimes" the weather can be rough. I think that the preferred period for a visit to Iceland should be from end May until early September, where the climate can be quite reasonable even for a "non-Icelander".

THE FAMILY

So far 1997 has been a little tense. The good news is that Klaus' wife, Susanne, gave birth to another grandchild of ours, Nikolaj, who was born in January. He is a nice boy and he is Klaus' third child, and according to Klaus definitely his last child.

This means that I have two male successors, besides Klaus and Morten of course, two male grandchildren and that is fantastic.

Nikolaj slowly begins to communicate with us, and Frederik has become a heartbreaker. He does not talk quite correctly yet, so his pronunciation of his so-called Danish language is very funny, but he is clever, he has got brains, and you can discuss many subjects with him. He has started kindergarten and he often comes to see us. Of course we enjoy every moment.

The two boys' older sister, Sara, our first grandchild, is now more than 7 years old and has started school and is of course one of the best in her class. She writes very nicely and is very dedicated to learning and may that last for many years to come.

She is still coming to see us often, and we also enjoy her. She has really developed over the past year and you can have good discussions with her. She is slowly becoming a most loveable "lady".

Morten and Marianna's daughter "Laura" has also started talking even though not absolutely perfect yet, but she communicates very well, and she is very special. This little Chinese girl is also a heartbreaker and very open, kind, and never crying. She obviously also loves her grandfather and grandmother.

As you will understand from the above we are blessed with 4 wonderful grandchildren, and as a friend of mine said, "Grandchildren are the dessert of life", and how right he is.

End September my mother passed away at the age of 85. Very sad because suddenly I realise that I am the oldest family member in our small family. It is always sad to loose ones mother even though she wanted to die, as she was old and had been blind for 4 years.

In the past she was very active and to a very active person, being confined to a room and being unable to see or do anything at all, is not a life worth living, what she also realised. She had a stroke and fortunately died very quickly. We all miss this fine, old lady.

During 1997 I also lost a very close friend of mine who was three weeks older than me what was also a big loss. The sad thing about reaching my age, being it privately or in business, is that some people die and others retire.

Sometimes it is not as much fun as it was in the past, but that is of course the rules of life, which everyone has to obey to.

In April I celebrated my 60th birthday with 75 very close friends and the entire family. It was a fantastic party, which lasted from 11 in the morning till one o'clock the next morning - meaning 14 hours - not bad considering that many of my friends are between 60 and 70 years old, but how they can celebrate, laugh, drink, dance, and smoke, having a heck of a good time! This was a day I shall never forget.

Finally, my beautiful, black Labrador "Silla" is still very active, and as all Labradors trying to eat too much, so sometimes she gets a little overweight like the rest of us. We try to keep her weight down, but it is not easy when she looks at me with her biiiig brown eyes, begging for food.

I enjoy her very much and whenever I am at home I take long walks with her through the woods to the fjord in the morning. I also walk her in the evening which is good exercise for me, an exercise I would probably not have had especially not in the dark, cold winter mornings or evenings, if I did not have Silla wanting me to take her for a walk all the time.

THE STAFF

There has been some changes in the staff this year.

As you might remember Marianna Simonsen, Morten's wife, went on maternity leave last year because Marianna and Morten adopted Laura. This is normal in Denmark. Marianna started working again in September.

The day before Marianna came back, Tina Madsen suddenly had to go on maternity leave, because the baby she expected gave her some problems, and she went to the hospital. Tina will not be back until early/mid next year.

Charlotte has also returned to the office after her maternity leave and after having given birth to a wonderful boy in January this year. His name is also Frederik.

This means that the good, old staff is around again after this baby-boom, and it is nice to get back to the good, old, well organised system, which I appreciate very much.

However, the work load is increasing and as from November 1st, 1997, we have employed a young lady, Hanne Kristensen, who had her education with Skamol. Hanne knows a lot about shipments, packing, insulating boards, insulating bricks etc., so it will not be difficult for her to get familiar with our routines, and we are happy that Hanne has joined our staff.

This means that we are now 8 persons in the company. However, not everyone works full time, but we think that we have a very qualified and well organised staff which can give you the service you deserve.

Above all we have stability in our organisation. We rarely change staff members and I personally feel that it is a healthy sign for an organisation that the customers and suppliers have known our staff members for many years. It also means that all customers' special requirements and desires are remembered and adhered to.

1997

1997 will not be as good a year as 1996. We have invested heavily in marketing and testing of new products, but we still make money, and so we shall in the years to come.

We have the second largest backlog ever in the history of our company which is now 13 years old and that means that we face 1998 and 1999 with much optimism and considering the new projects and the very bright future for the aluminium industry we feel very comfortable about the future both for our customers and for our company.

TELECOMMUNICATIONS

Since December 1, 1984, day one in the history of the company, till mid 1997 we had 4 analogue phone lines with the number +45 9772 3000.

However, as we are getting busier than ever and telecommunications and not least communication by phone are growing rapidly, we decided to install 4 digital lines early this year. Therefore, our new number is

Int. +45 9669 1300

which is not too different, at least not the last 4 numbers, from our old phone number. The old phone number can still be used, but we generally recommend that you start using the number +45 9669 1300 as this will be **the** number on which we can always be reached in the future, as at some point of time the old number will not be operating any longer.

We have of course also got a new fax number due to the digitalisation and the new fax number is

Int. +45 9669 1301

Our former fax number +45 9772 4455 also still operates, but again in the future we recommend you only to use the +45 9669 1301.

Everyone in the company has a direct line, but in order not to puzzle you with too many numbers, I suggest you get the direct number of the person you are usually in contact with.

E-MAIL

E-mail has of course become an important way of communicating and seems slowly to squeeze the fax out of the market. Our e-mail address is

simonsen@simonsen-sons.dk

and we are already now getting many e-mail messages.

We have found that this is the way of communicating in the future, and you are more than welcome to use the above address whenever you like. We shall of course start using it more often in the future, as our staff and we ourselves get more familiar with this new system.

HOMEPAGE

We have also created a homepage, and you are welcome to visit us on

simonsen.simonsen-sons.dk

and as you will see it is very similar to our e-mail address. This has been arranged in order to facilitate things for those of our customers who want to contact us via e-mail or read our homepage, as nowadays you see so many different names and descriptions of homepages and e-mail addresses that they are hard to remember.

We have tried to make our e-mail address and homepage address easy to remember, and I think that you will agree with us.

When you see our homepage, click on the soldier and you will get a new, hopefully enjoyable story each month!

The homepage will of course be updated regularly with the latest news about our products, and if you go through the homepage you will find a list of our products, meaning that you do not have to locate our brochure each time you need information on one of our products, they are all on the homepage

However, in order to read our technical data sheets as well as the material safety data sheets you must download the program "Acrobat Adobe Reader". Once you have downloaded this programme, you can easily copy our technical information into your computer.

MUSIC ENTERTAINMENT

When we installed our new digital telephone system, we arranged that we could play music for our callers while waiting to get through. We have, therefore, acquired a number of CDs and Morten is the conductor selecting the music. He ensures that you always have nice, enjoyable music to listen to (soft listening). However, we have had many reactions to the music being played as some want classical music, some want more rock or more jazz, and unfortunately we cannot please everyone, but as usual we try to please as many as possible.

I myself have bought a few CD's with modern, Chinese pop music when I was in China recently, and I am sure you will like it, so why not give us a call and listen to popular Chinese music.

If you have a special request yourself, let us know what kind of music you want to hear, we will buy the CD, and when we have got the particular CD with the music you like, we shall let you know in which week or month this favourite music of yours will be played. Normally, the music remains the same for max. one month.

Looking forward to receiving your music requests.

THE GRUNDARTANGI PLANT

(Nordic Aluminum Corporation of Iceland)

This plant's pots have been designed by VAW Aluminium-Technologie GmbH in Germany. 120 pots will be installed with an annual capacity of approximately 60,000 tons. We talk about 180 KA pots. The complete engineering was supplied by VAW Aluminium-Technologie.

The pots have the Code name CA180 and are very similar to pots in the idled plant potroom II in Töging (VAW Innwerk in Germany).

Many of the most important components of the busbar system were supplied from the idled Töging plant. The layout of the busbar system was improved on basis of model calculations.

The pots have been provided with new point feeders (3 points). The newest generation of the VAW ELAS process control system will be used.

Anodes for this smelter will be supplied from VAW Rheinwerk and the rodding shop was purchased from Innwerk in Töging.

The first pots of this plant will be commissioned in the summer of 1998. Already now a 1st expansion of 30,000 tons is planned. A 2nd expansion to 180,000 tons will probably follow.

Iceland is no doubt an ideal place to built new smelters as there is a lot of hydro-power and excellent infrastructure and I personally believe that at least one additional smelter will be built on this fantastic island in the next half decade.

ICELANDIC NAMES

Icelandic names are very peculiar. When a boy is born, he will be given a boy's name plus his father's given name added "son", meaning he is the son of that person (his father).

When a girl is born she will be given a girl's name plus her father's given name added "dóttir" meaning daughter.

We have some good friends on Iceland and I will give you the names of this family below as an example:

The father is "Pórarinn Sofusson".

*His given name is "Pórarinn" and he is the son of "Sofus"
Pórarinn is married to "Asdis Sveinsdóttir"*

*"Asdis" is the given name and "Sveinn" was her father's given name, added "dóttir",
meaning daughter of "Sveinn".*

*Their daughter is called "Björk Pórarinsdóttir", meaning this girl is daughter
of "Pórarinn".*

*Their first son is called "Gudjón Karl Pórarinsson", meaning that Gudjón Karl is son of
Pórarinn and the same goes for their second son "Sveinn Pórarinsson".*

*This son has got his grandfather's given name "Sveinn" and his last name is of course
Pórarinsson, as he is son of Pórarinn.*

To make the confusion perfect children can today also get their mother's name, so Sveinn Pórarinsson could also have got the name "Sveinn Asdisarson" meaning that Sveinn is son of his mother who is "Asdis" and therefore his name would be "Asdisarson". The "ar" is the genitive of the name "Asdis".

The daughter, "Björk Pórarinsdóttir", could also have been called "Björk Asdisardóttir".

Icelandic names are not easy, but it is not as complicated as it seems to be. I thought it was interesting for you to see how the Icelanders name their children.

Furthermore, no wife ever has her husband's name, so one can in fact never see from a lady's name, to whom she is married. A little strange, isn't it?

However, it is still interesting that some are so different in a positive way.

BURTON

Burton is our main supplier of refractory bricks, used as the barrier layer in pots. The two main products for the pots marketed by us are

ALUBAR 1100

&

ALUBAR 2000

These products have become very popular, and we have made long-term contracts with many smelters for these 2 qualities, as they have outstanding properties, very tight tolerances and are pricewise very competitive.

During the past year, the ALUBAR bricks have been approved by both Aluminium Pechiney and Kaiser in the USA, and furthermore the bricks are approved by Hoogovens in Germany, Hydro, Elkem, Sørval in Norway, and many others, plus they are approved for trials by Aluminium Pechiney.

We have also started an intensive marketing of the

**PERIAL 44
&
PERIAL 46**

bricks/blocks and we have supplied these fluewall bricks to various smelters and are slowly gaining a good foothold in this market as well.

The PERIAL bricks are also approved by Pechiney for trials only, so we shall be marketing these bricks on a larger scale together with the ALUBAR bricks in 1998, thus trying to gain a larger market share for these refractory products which complement our existing programme of first-class insulating products.

MOSCONI

Due to the success we have had over recent years selling the Mosconi qualities

**MSB-450
&
MSB-575**

which seems to continue, Mosconi has decided to invest in a new furnace increasing the production by approx. 30%.

This means that mid/end 1998 Mosconi will be one of the world's largest producers of light-weight insulation bricks.

At the same time we can of course offer shorter delivery times and will establish a certain stock at Mosconi's of standard sized bricks used by the various smelters.

Recently Mosconi's ISO-approval was renewed for a 3-year period, so Mosconi is a good and reliable first-class supplier of ours.

CAPE SIBORIT

Today Cape is still making some of the very best calcium silicate boards in the world. The boards are produced according to the highest standards and Cape is also ISO-approved. We have had much success over the years with Cape's boards, and we feel that this will also be the case in the future.

BASALT

Our relatively new supplier of vermiculite boards, Basalt in Düsseldorf, Germany, has been approved by various aluminium groups, latest by Comalco in Australia, and fortunately we have secured nice orders for their VERMILITE 2000 light insulating vermiculite boards and their PROLITE SUPER high density vermiculite boards used for special pot-designs.

Basalt is also ISO-approved and is also a very good and reliable supplier of ours.

ISOLITE

Isolite produces diatomaceous bricks in Japan, but unfortunately the currency situation has worked against us every now and then. Isolite is an excellent alternative and produces first-class products which can beat any other diatomaceous brick when it comes to quality.

Isolite's bricks are still an important part of our programme and we are proud of representing Isolite.

We have success selling a new quality

JAI-130

an insulating firebrick from Isolite, produced in Malaysia, which has been approved by Riedhammer, Germany, and we have sold a large number of the JAI-130 bricks for Riedhammer designed anode bake furnaces.

LIRR

As informed you in last year's News-Letter LIRR, China, is our supplier of silicon carbide bricks, nitride bonded, SICATEC 75.

In 1997 we have distributed circular letters to various smelters along with reports on tests made by Sintef - Norway, DIFK - Germany, and Orton - USA. Each test verifies that the SICATEC 75 bricks are of outstanding quality.

I do not think that any silicon carbide brick on the market today has been tested as thoroughly as the SICATEC bricks, and fortunately they get very high notes by any institute in which they are tested, often the highest.

Individual aluminium groups have also tested the SICATEC 75, and the bricks/tiles have now also been approved by the Alumax group and Kaiser Aluminum in the USA. We have secured many nice orders for this product, and we expect a lot from these fine bricks from China in the years to come.

The packing is outstanding, the Chinese always keep the delivery time, and all the bricks arrive in good condition. If more than 10 tons of one size is ordered there will be no mould charges for even the most complicated bricks/tiles. Together with our insulating products and our refractory bricks from Burton the SICATEC brick is very complimentary, enabling us to offer a complete package of insulation and refractories for any pot-design/technology.

We are looking for other products to be included in our package, but for the time being we concentrate on selling our existing programme and the Burton and LIRR products, as we now have a number of unique products to offer to the smelters world-wide.

CHINESE RELATIONS

In March, the month before my 60th birthday, I visited my friends at LIRR in Luoyang, and they gave me a birthday present, namely the below beautiful picture with Peonies painted by a famous Chinese artist and with the following text:

The flower of friendship between China and Denmark blooms forever.

Congratulations on Mr. Jørgen's 60th birthday.

Signed by

Mr. Wang Jinxiang

Mr. RuanBo

Mr. Lin Yulian

Mr. Zhao Jun-Guo

Mr. Zhang Zhi Ping and

Mrs. Wu Xuezhen

At the same time I got a Chinese name, which in Chinese looks as follows:

友根·禧木森

meaning: **The happy tree in the forest, whose root is friendship.**

It is very romantic and I like the name, because I am a happy human being among human beings and I value my friends. Friendships are very important to me, and a tree whose root is friendship is not bad off.



The photo on page 10 is from the presentation of the picture which was handed over to me by the President of LIRR, Mr. Wang Jinxiang.

Klaus and Morten visited LIRR earlier this year and also got Chinese names, because when you co-operate closely with the Chinese you must have a Chinese name, and the Chinese have really been raking their brains to find names for Klaus and Morten.

Klaus' name is very difficult to pronounce, and means "**The happy branch**" relating to Klaus being a branch on the happy tree in the forest, the latter being me.

Morten's name also relates to the old tree and means "**The lush vines around the tree**", again it relates to the old tree.

As you will understand we have very good friends in China both at LIRR and MAYLONG, and we appreciate the friendship and their efficiency. Due to this co-operation we have become strong on the market as we as representatives or sales offices of the various suppliers are never better than any of our supplier.

I am certainly impressed by the Chinese efficiency - they are just brilliant !

THE LIRR STAFF

The below photo shows our friends at LIRR in Luoyang, who are involved in our day-to-day business.



The persons are, "Professor Wu Xuezhen, Professor Zhang Zhi Ping, Mr. RuanBo, Senior Engineer, Professor Li Shaoqi, Vice Director and Mr. Zhao Jun Guo, Vice-Director". Nice looking people, aren't they ?

NEW PROJECTS

Fortunately, the demand for aluminium is growing, what is good for the producers and for the suppliers to the aluminium industry. As already mentioned a new smelter "Grundartangi" will be built on Iceland and will probably start operating in 1998.

Another new project is the Alusaf smelter in Mozambique which will operate under the name "MOZAL", and the construction of this smelter will probably also take place during 1998/1999.

Nalco in Angul, India, will make a large expansion, a new Hydro project is being discussed at Tobago in the Caribbean, a project in Qatar has been discussed for many years and might become relevant, Alcan in Kitimat has reached agreement with the local authorities to make an expansion or a new smelter in Kitimat, and also Alcan has a project called Alma in the province of Québec.

Many new projects and expansions are coming up. An expansion at NSA in Kentucky is also to be decided on pretty soon, so we hope and expect to be very busy in the years to come.

New expansions that have recently been brought on stream will have a fuller impact on global supply levels during 1997. Expansions have also taken place in Australia, Dubai, Bahrain, and New Zealand.

Output will also be boosted by expansions that are due on stream during the course of 1997 including those in Australia, Iceland and in India. Also the Greenfield smelter projects in Iran and Nigeria are likely to be brought into operation during 1997.

875,000 tonne of Western World capacity remains idled by the world's major producers. These producers are likely to follow Hydro's recent restart announcement, although they should hold out till later in the year or early 1998 before doing so.

ALUMINIUM PRICES

In January 1995 the price per tonne was as high as USD 2,150.-/tonne. It has been decreasing ever since, until October last year when the price was as low as approximate USD 1,290.-/tonne. The low prices continued into 1996 probably because the aluminium prices were linked to the copper price collapse in the wake of the Sumitomo scandal. While this letter is being written, the LME price for aluminium is around USD 1,600.-/tonne and it seems as if the prices will keep increasing as also the LME stock has been decreasing after its peak in October 1996 until February 1997.

An analysis predicts that next year the prices could easily increase to USD 1,800.-/tonne and in 1999 go even higher so that towards the end of 1999 the prices could be around USD 2,000.-/tonne. It is of course very good for the aluminium industry that the future looks that bright, even though it is not good if the prices increase too much, what leaves room for competitive products on the market. I personally feel that if an average price of USD 1,700.- to 1,800.- per tonne is reached, everyone could be happy, especially if the price turned out to be stable, but as it is the case with many other metals prices are always a question of demand and supply.

Due to the increasing demand for aluminium in cars which we will see in the coming years, the prices will no doubt increase, also considering that the living standard is increasing in many

previously underdeveloped countries. This of course again increases the demand for aluminium for building products, packing products and cars. In my opinion there is no need to worry about prices for the next 2 to 3 years. We shall be safe, but remember to save some money for the bad times, because one thing is for sure, after good times, some bad times always follow.

ALUMINIUM PRODUCTION

Based on the above factors the Western World output is estimated to increase by 4.5% during 1997, followed by a further increase of 4.4% during 1998. It is therefore expected that the annual production in 1997 will reach 18.3 million tonne and 18.9 million tonne in 1998.

The Chinese aluminium production will also increase considerably, but the country's consumption requirement of primary aluminium is also projected to rise sharply over the near to medium term. There is no doubt that in the years to come, the demand for primary aluminium will increase, irrespective of the increase in the Chinese production acquiring new technology from the West, means that China will be net importers of aluminium.

The higher prices for aluminium might mean that smelter projects could be speeded up and one or two new projects might be brought on stream as a result of the increased demand and the high prices. The following are some key trends in the market:

- 1) High rates of capacity utilisation at Western smelters, as idled capacity is due to be brought on stream.
- 2) Lower export from the former socialist countries as domestic consumption increases, especially in Eastern Europe and China. Also Russian consumption is expected to strengthen.
- 3) Reduction in inventories to pretty critical levels.

The analyst companies and the feeling Morten, Klaus, and I myself have travelling the world completely support the above opinion, so we look forward to this improved situation for the industry and hopefully ourselves also.

THE EUROPEAN UNION

One of the dissatisfactions among many of the 325 million people in Europe, being part of the European union, is the crazy rules and obviously very often too much bureaucracy. In the Daily Telegraph from Monday, May 26, 1997, one could read the following:

Your wellies, sir, and user's manual

Jim Webster, a dairy farmer could barely believe his eyes when he paid £13 for a pair of green wellies (rubber boots) and was presented with a 24-page "user's manual" issued by order of the European Union.

Can You believe it?

It is going to be very exciting whether the Danes are voting "yes" or "no" to the Amsterdam treaty on May 28 next year. The Danes are not the only ones to vote for or against this treaty, but I think that we disappointed the European Union, at least all the bureaucrats and politicians, in June 1992 when we voted "no" to the Maastricht treaty. Experiences like the rubber boot story of course does not make the Danes feel too enthusiastic about EU, but on the other hand where bureaucrats are involved funny things happen, and in general I think that we cannot do without the EU. However, certain things should be avoided or at least be corrected.

CONFERENCES

As usual we participated in the TMS conference in Orlando, Florida, in February 1997. It is a good place to meet business friends from the whole the world and have a good time when meeting them.

The next TMS conference is in San Antonio, Texas, USA, in February 1998. Both Klaus, Morten, and I will attend this conference, and we hope to see many of our friends again.

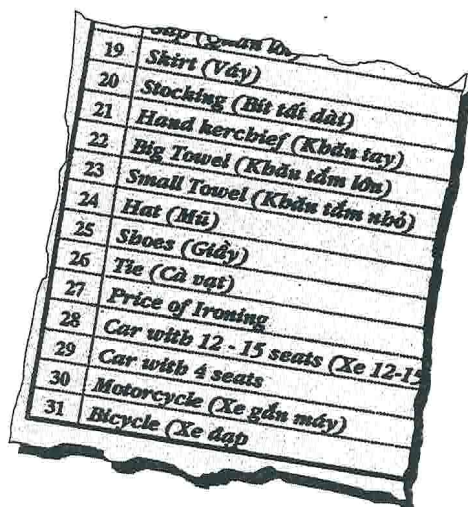
Also in November Morten participated in an Aluminium and Refractory Conference in Kristiansand in Norway, mainly aimed at the Scandinavian smelters. He went there together with Dr. Wolfgang Walz of Burton, whom many of you know very well, and who is the person behind the development of the ALUBAR and PERIAL bricks. They spent some fantastic days with our friends from the Scandinavian aluminium industry.

Today our company is one of the main suppliers of refractories for the Scandinavian smelters what we appreciate very much, and of course we have very close contacts to many, many people in the Scandinavian smelters.

In November Morten participated in the ARABAL aluminium conference in Bahrain which takes place every second year in either Bahrain, Dubai or Egypt. It is a very interesting conference and also a good occasion to meet customers and colleagues.

HOTEL LAUNDRY

A traveller who visited "Cam Do Hotel" in Dalat, Vietnam, found a laundry list which I quote partly:



19	Shirt (Áo)
20	Stocking (Bít tất dài)
21	Hand kerchief (Khăn tay)
22	Big Towel (Khăn tắm lớn)
23	Small Towel (Khăn tắm nhỏ)
24	Hat (Mũ)
25	Shoes (Giày)
26	Tie (Cà vạt)
27	Price of Ironing
28	Car with 12 - 15 seats (Xe 12-15)
29	Car with 4 seats
30	Motorcycle (Xe gắn máy)
31	Bicycle (Xe đạp)

I have seen many strange laundry lists over the many years I have been travelling, but that the hotel can laundry ones hat and shoes and a car with 12 to 15 seats is unbelievable !!

The Vietnamese must know some tricks I do not know of. They must also have relatively big laundry bags, getting a bicycle or motorcycle not to mention a car into a laundry bag is quite a job, isn't it, but who takes his motorbike to his hotel room, anyway ?

THE SURPRISING HISTORY OF ALUMINIUM

Last year we brought an article by Mr. Otto Knaisch of Alouette in Canada.

Mr. Otto Knaisch is now back in Germany working for VAW, Rheinwerk, in Neuss and he has written the continuation of the first article, which is enclosed this "Dynasty Update"

We thank Mr. Knaisch for his interesting contribution to our "Dynasty Update".

GOLF CLUBS

In a Danish paper from January 1997 I read that the international producers of golf clubs have vacuumed the market for titanium and this has become a serious problem for the airlines all over the world.

The airlines cannot get this light, very strong metal for the production of spare parts for the aeroplane engines and for instance SAS has been forced to take 6 planes out of commission as SAS do not have the necessary spare parts for the engines.

SAS says that they have to cancel flight departures every day, and furthermore SAS has problems with the punctuality what will not improve until March. When I think of the delays I experience too often with SAS, I wonder whether they have got any titanium at all !

Judging from the departure times they don't !

The technical manager of SAS confirms that it is correct that the airlines cannot get the necessary titanium, because the producers of golf clubs have bought it, which is due to the fact that many people have started playing golf and obviously titanium is the product for golf clubs.

One day you might have to decide yourself, whether you want to fly or you want to play golf.

It also seems as if Delta Airlines has had to take several planes out of commission because of lack of titanium for spare parts. Unbelievable, isn't it.

When does someone start producing golf clubs from aluminium ?

FLIGHT OF FANCY

In the May issue of the "Far Eastern Economic Review" I read the below article. It sounds very, very funny and as the editor writes, whether it is correct or not he does not know, but it sounds "interesting", doesn't it ?

In February, a group of men were allegedly plucked out of the sea off the coast of Japan, near the wreckage of their ship. Shortly after reaching dry land, the men were detained, on suspicion of being responsible for the loss of the trawler they had been crewing.

The reason? They all insisted that their fishing boat was sunk after a cow fell out of a clear blue sky and broke the hull, causing the boat to sink.

Some weeks later, the Russian air force told Japanese authorities that some of its staff in Siberia had stolen a cow wandering near an airfield, and forced it into the hold of their aircraft. The frightened cow rampaged around the hold, and the crew, becoming fearful for the own safety, eventually decided to jettison it - by shoving it out of the plane over the sea near Japan at 30,000 feet.

These Russians !

FAMOUS PEOPLE'S THOUGHTS

Stimulating Thought

I always keep a supply of stimulant handy in case I see a snake, which I also keep handy.

W.C. Fields

Sophia's Choice

Everything you see I owe to spaghetti.

Sophia Loren

Blowing smoke

If I cannot smoke in heaven, then I shall not go.

Mark Twain

A Wilde Notion

When I was young I used to think that money was the most important thing in life; now that I am old, I know it is.

Oscar Wilde

Speaking in Tongues

.... a gifted person ought to learn English (barring spelling and pronouncing) in 30 hours, French in 30 days and German in 30 years.

Mark Twain

LET'S DO IT!

This is the story of four business executives employed in a multinational company. We don't know their names, nor the name of their company. For convenience, let's assume their names are

Everybody, Somebody, Anybody and Nobody.

*An important job had to be done, and **Everybody** was asked to do it. **Everybody** was sure that **Somebody** would do it. **Anybody** could have done it, but **Nobody** did it. **Somebody** got angry because it was really the job of **Everybody**. **Everybody** thought that **Anybody** would do it, but*

Nobody found out that **Everybody** didn't do it. In the end **Everybody** accused **Somebody**, but in reality **Nobody** asked **Anybody**.

DANCING BEARS NEED HELP

The bear on this photo is one of many so-called "dancing bears" daily exposed to human cruelty.



Many people may believe that bears chained through their sensitive noses, beaten on their hind hocks in time to music and forced to walk on scorching plates - therefore "dancing" - is a phenomenon only to be experienced in the Far East or in other exotic places.

However, this photo was taken in one of many countries close to our part of the world still practising this painful and inhuman cruelty to animals. In Pakistan and other countries you can see the chained, dancing bears (if you have bad luck).

In 1992 the World Society for the Protection of Animals WSPA started a campaign and so far WSPA has saved more than 50 bears in one country alone. These bears now lead a decent life in one of WSPA's protected areas in Turkey. In these areas they have plenty of space, lakes, trees, and the companionship of other bears.

Gross maltreatment of bears still takes place. In Pakistan more than 80 shows take place each year, where bears have their teeth and claws removed, whereafter two specially trained pit bull terriers are let loose and attack the bears.

These shows attract thousands of spectators, but despite the popularity of the shows WSPA has succeeded in pressing the government to work towards a total ban on the shows. However, it has not been possible to stop the "entertainment" entirely.

I have included this article from a Danish wildlife protection magazine I subscribe to, as I find the contents of this article absolutely terrifying. I do not understand how human beings can treat animals like this. I just cannot understand it, and I think it will also chock you when you read how people in certain countries treat the bears. It is directly disgusting.

You may have read about the enormous forest fires in Indonesia and the problems the "smog" is creating for the neighbouring countries, but what we never read is what has happened to the many, many animals living in these forests.

Indonesia has a fantastic wild-life. They have many different animals, such as tigers, elephants, crocodiles, orangutangs etc. and I wonder what has happened to a lot of these animals. It is probably a very sad story.

QUIZ

Our long-time friend, Dr. Alton Tabereaux of Reynolds in Alabama, has sent me an e-mail with the worlds "easiest quiz". What do you think about it?

- 1) How long did the hundred Years War last ?
- 2) Which country makes Panama hats ?
- 3) From which animal do we get catgut ?
- 4) In which month do Russians celebrate the October Revolution ?
- 5) What is a camel's hair brush made of ?
- 6) The Canary Islands in the Pacific are named after what animal ?
- 7) What was King George VI's first name ?
- 8) What colour is a purple finch ?
- 9) Where are Chinese gooseberries from ?
- 10) How long did the Thirty Years War last ?

Answers to be found on the last page.

HOLY BLOOPERS

From a company magazine issued by one our business associates in America, we have selected certain holy bloopers which actually have appeared in various church bulletins.

This afternoon, there will be a meeting in the south and north ends of the church. Children will be baptised at both ends.

Tuesday, at 4 p.m., there will be an ice cream social. All ladies giving milk, come early.

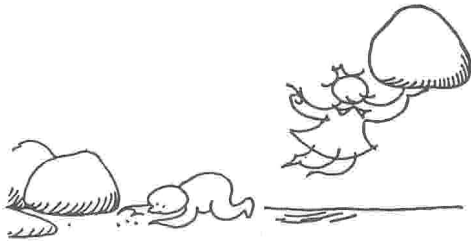
This being Easter Sunday, we will ask Mrs. Johnson to come forward and lay an egg on the alter.

A bean supper will be held on Saturday evening in the church basement. Music will follow.

Remember in prayer the many who are sick of our church and community.

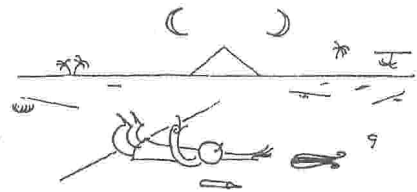
Don't let worry kill you -- let the church help.

PIET HEIN GROOKS



SMALL THINGS AND GREAT

He that lets
the small things bind him
leaves the great
undone behind him.



ON PROBLEMS

Our choicest plans
have fallen through,
our airiest castles
tumbled over,
because of lines
we neatly drew
and later neatly
stumbled over.



Three young Zebras, probably on their way into 1998, photographed
by myself in Natal, South Africa in October, 1997.

This was a long Dynasty Update and I hope that you enjoyed the reading. Please remember that "the shortest distance between two persons is a smile" and "always treat anyone else as you like to be treated".

It is two golden rules which if they are followed, will bring you much easier through life and make your everyday a happy one.

A very nice Christmas and a happy and prosperous New Year to all of you. Take good care of yourselves - it is dangerous out there.



Jørgen

Encl.: Article by Mr. Knaisch

- Answers:
- 1) 116 years, from 1337 to 1453.
 - 2) Ecuador.
 - 3) From sheep and horses.
 - 4) November. The Russian calendar was 13 days behind ours.
 - 5) Squirrel fir.
 - 6) The Latin name was Insularia Canaria - Island of the Dogs.
 - 7) Albert. When he came to the throne in 1936 he respected the wish of Queen Victoria that no future king should ever be called Albert.
 - 8) Distinctively crimson.
 - 9) New Zealand.
 - 10) Thirty years, of course. From 1618 to 1648.

THE SURPRISING HISTORY OF ALUMINIUM, PART II

by Otto Knaisch

Part I of *The Surprising History of Aluminium*

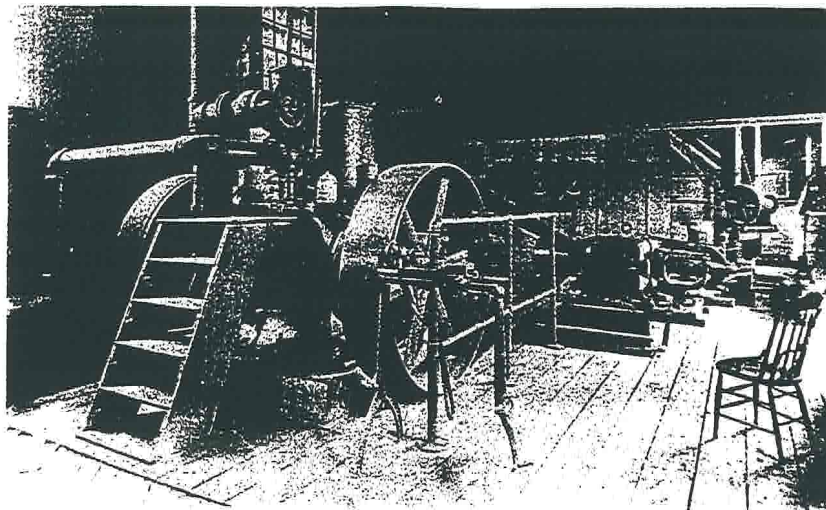
(published in the December issue of *Alouette* magazine) revealed how two famous researchers, P.T. Héroult and C.M. Hall, developed the Hall-Héroult electrolysis technology which is used by *Alouette* today to produce aluminium. Delving deeper into this history, we see the link between the studies in electrochemistry done in Germany and the resulting discoveries made in America.

In 1845, Mr. F. Wöhler in Göttingen, Germany, was the first scientist to hammer out two metal globules from particles the size of pinheads and then measure their specific gravity. His student, Mr. Frank F. Jewett of Ohio, USA,

became one of the few renowned American chemistry professors of that era. He brought home his knowledge of electrochemistry from Germany, the undisputed mecca of the discipline at that time, and also studied briefly in Japan. Jewett later mentored Charles Martin Hall, a brilliant chemistry student who eventually lent his name to the world-famous Hall-Héroult electrolysis process which has revolutionized the modern world of aluminium processing. Every day, AAI employees are reminded of this man as they drive across the Rivière Hall to go to work.

It was on February 23, 1886, that Mr. Hall discovered that cryolite could easily melt and dissolve alumina. When he repeated his experi-

ment, he succeeded in pouring out his first tiny globules of the nearly pure metal. On August 8, 1888, five American businessmen founded the Pittsburgh Reduction company by investing \$20,000 each in capital. Their smartest move was hiring Charles Hall as a key employee. On Thanksgiving Day of the same year, he began to develop a commercially feasible aluminium smelting process. In early 1889, Hall and his team were able to produce 10 to 25 kilograms of aluminium per day with the first pot design and by alternating on twelve-hour shifts as AAI employees still do now. The pot measured 60 cm x 40 cm x 50 cm. It operated with 1.8 kA and, in addition, was heated from below by a gas flame.



The 125-horsepower steam engine and twin dynamos used to power Hall's first pot design.

Under the leadership of Charles Hall, the pilot plant rapidly developed into a commercially viable operation despite the many difficulties encountered in its first year of operation. By Fall 1889, it was deemed a success, so much so that within another nine months, the plant was enlarged and equipped with two more powerful dynamos. By September 1890, the company produced about 200 kilograms per day and planning began for the construction of a second plant. These remarkable breakthroughs were the

milestones which later led to the formation of Alcoa.

Not surprisingly, Hall became a rich man and a powerful public symbol of his industry. By today's standard, his fortune would be worth US\$45 million, an unprecedented amount for an inventor. Both he and his collaborator, P.T. Héroult from France, turned hard work, perseverance, ingenuity, and timing into remarkable wealth and created aluminium history. In its unique way, Alouette is also making history through

the work and management processes which it uses to produce high-quality aluminium.