

simonsen®



dynasty
update

DECEMBER 1998

Dear Reader

Another year has gone and never has a year gone so fast, what probably indicates that one is healthy, busy and has a good life, and that is what it is all about.

I am still a very fortunate person. I have a fantastic family and a thriving company and when you enjoy your work, your travelling, your family and have a good leisure life what else can you ask for. I shall never become a millionaire, but that is not the issue, because as we say in Denmark, "There are no pockets in the last suit", meaning that you cannot bring any wealth along when leaving this world.

Therefore my attitude to life is to enjoy myself, have a good time and make the best of each day, what I think that everyone should do.

OUR CHRISTMAS CARD

This year's Christmas card shows the **Huang Guo Shu Waterfall** in the Chinese province of Guizhou.

This spring I travelled in this fantastic area, where there are many beautiful places and this waterfall is one of the more spectacular ones.

I cannot tell you how much water passes through the waterfall every hour, but at least it is very beautiful and that is what I wanted to show you.

We have become very dedicated to the Chinese and China, and we have established many good friendships in China. In the years to come we will be very active buying products in China being it nitride bonded silicon carbide bricks, mortars, ramming paste or other products.

If you get the right supplier in China, what is absolutely essential, you will get the best products at competitive prices and in competitive qualities. I have travelled in China from the east to the west and from the north to the south. I have not been everywhere of course, but got a very good impression of the country and the countryside is fascinating. Everyone should have the chance to go there to see how China has developed. Many people really do not know enough about China and many have a false impression of the country.

Most places are very modern with new highways, gas stations, sky scrapers in the large cities and efficient people. It has been a very big challenge for me to start doing business with China.

I think that my impressions are shared with the many guests from various smelters who visited the silicon carbide producer LIRR in China together with us in 1998.

It is a great pleasure for me to show our customers and friends this plant and to introduce the customers to our Chinese friends and specialists, the culture and the food.

No one has left China without being very impressed both by the skillness of the Chinese and by the Chinese mentality, the interesting country and its variety of people.

I can only recommend you to come and see our suppliers in Luoyang in the province of Henan, about 1 hour and 15 minutes flight from Beijing, and we shall be happy to join you for a plant visit, too.

THE FAMILY

The family is still doing well and our grandchildren are growing. Sara is a big girl now, very interested in horse riding, and she is also among the very best in her class. She still stays with us regularly and we have a great time together. Sometimes we go with her for her riding lessons - she is crazy about horses - and some day her grandfather will probably have to participate in investing in a horse, but she has to be somewhat older before we make such an investment.

Like his father and grandfather Frederik is mad about cars. He likes driving with me and he also stays with us regularly. He is really a very, very nice boy.

His younger brother Nikolaj, Klaus' third child, is also growing but cannot really express himself yet. Just as my other grandchildren he is loveable.

Laura, Marianna and Morten's Chinese daughter, is very clever and loveable. She has a memory as a computer and she is very active and an interesting addition to our family. She is very nice and fortunately she loves her grandparents, too.

Morten and Marianna have been granted permission to adopt another Chinese child, so the family will be expanding again early/mid 1999 with another Chinese girl (or a boy).

Then I think that the family has reached its maximum number of grandchildren - 5 in total. It is wonderful to have successors, and there must always be a new generation to replace the old one, and we are fortunate with our successors.

Susanne, Klaus' wife, has started working part time in our office, helping wherever she can, filing, keeping order in the office in general, packing circular letters etc., what has really been good for the company as the rest of the staff can concentrate on their jobs.

Klaus' old dog "Kiska" has passed away, 13½ years old. Kiska was replaced by "Mille" who is a small female black Labrador and she is really cute. She loves "Silla", my dog, and they are really having a good time together when Mille visits us or we go to see Klaus and his family.

Silla is still my loyal companion wherever I go when I am not travelling. She is always with me in the car, in the office and when I ride my bike in the summer time, if we can talk about summer as it has been the worst summer we have had in Denmark for 50 years, but anyway she likes running beside the bike and it gives her some very good exercise as Labradors tend to get too fat. They are big eaters, so we try to keep her weight down.

Finally you should know that some marriages do last. On 27 December 1998 Tove and I have been married for 40 years - a long time. In June 1999 Klaus turns 40 and when you have 40 year old children you must have been married for a long time. As you will see Tove was pregnant with Klaus for 6 months....

THE STAFF

There has been some changes in the staff this year.

We are fortunately busier than ever and therefore Morten needs an assistant, who can share his selling and travelling activities, thus increasing our sales efforts to smelters when it comes to our existing package but also our new products, SICATEC 75 bricks/tiles from LIRR and ALUBAR, PERIAL and ALUPRO bricks from BURTON. Therefore, as from 1 January 1999 we have employed

Kim B. Hauge

The family has known Kim since he was a small boy and used to play with Morten. He is son of my former boss in Copenhagen, where I worked from 1968 to 1974, Mr. Kai Sørensen, and Kim has been in sales and marketing all his business life.

For some years he worked in his father's company selling cat litter aggregate from Skamol and was head of the Skamol Granex Cat Litter Sales Office in Copenhagen.

The past three years he has been the sales and marketing manager of a very big Danish company producing pet food.

Kim will work hand in hand with Morten, as they will form our main sales team, and you will meet him at the first opportunity.

Kim is a very polite and knowledgeable person and I feel convinced that you will like Kim as much as our family does. Kim is 40 years old and married to Lisbeth. They have 2 sons, one is called Emil and the other one is still only a small baby born this November.

We are really happy to include Kim in our staff and we feel convinced that he will contribute very much to our future success.

Elke, Morten's secretary is now partly working in the shipping department, as Morten cannot keep her fully occupied while he is travelling. Furthermore we want to safeguard ourselves as Marianna, Morten's wife and head of the shipping department, will be on maternity leave most of 1999, when she and Morten adopt a another baby from China. During 1999 we may employ a part time secretary to make up for Marianna's absence.

Hanne has become a valuable member of the shipping department and a valuable addition to our staff.

Charlotte is still my secretary, normally also answering the phone, and you may know her well, because she has been working for us for 11 years.

Including our auditor, Henrik Lavesen, working part time for us, we are 11 persons in the company, not everyone working full time, but all in all we are 9 persons working one hundred per cent, I hope !!

THE ENTERTAINERS

During an aluminium conference in Kristiansand, Norway, 4 November 1997 some of the participants decided to entertain the conference attendants and these gentlemen formed a band consisting of

| | | | |
|---------------------|--|---|---------------|
| Christian Schønning | Sintef, Norway | - | Bass |
| Wolfgang Walz | Burton, Germany | - | Keyboard |
| Claude Allaire | C ramique Industrielle R fractaires de l' cole Polytechnique, Canada | - | Guitar |
| Morten Simonsen | Simonsen, Denmark | - | Vocal |
| Ole-Jacob Siljan | Hydro, Norway | - | Group Manager |

The conference attendants were dancing and obviously enjoying the music. The below photo, though a little dark, shows clearly Christian Sch nning and Morten.



COURIER MAIL

The below photo shows Klaus carrying our quotation for the **Mozal** project in Mozambique. The quotation weighed a mere 12 kilos. Quite a lot of paper. (We secured a nice share of the project).



1998

1998 will be a better year for us than 1997. We have been doing very well and fortunately got many large, long-term contracts for the supply of our various products, and we also expect to be doing reasonably well in 1999.

We shall be pushing new products to an even greater extend in the coming year and that is where Kim comes into the picture as he will be very much involved in introducing new products to make our package of products for the smelters even more complete.

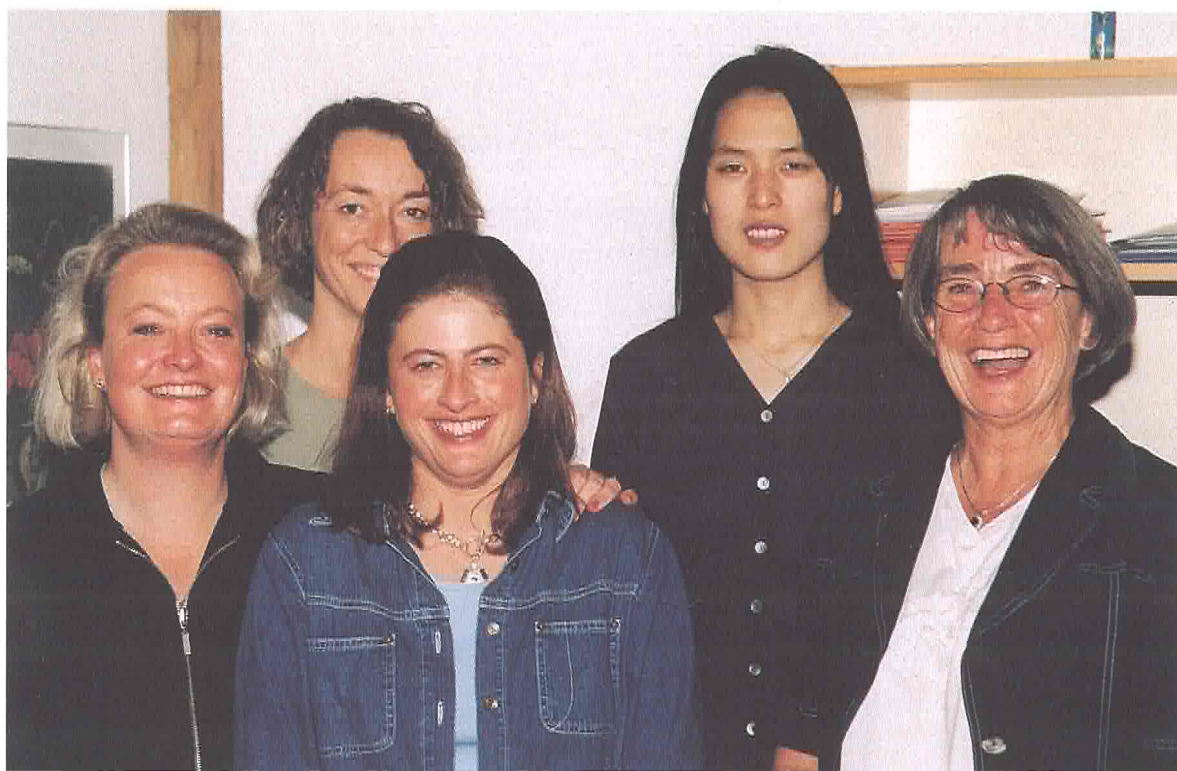
We are very optimistic and as far as I can judge now we will definitely have reason to celebrate our 15 year's anniversary on 1 December 1999.

VISIT FROM CHINA

In July we invited Miss Xu Fuyu to see how we run our business in Denmark. Miss Xu Fuyu is a very skilled, young lady of 25 years and is working for a trading company in Dalian, China, where she is dealing nearly exclusively with our business. She is efficient and an indispensable link between LIRR in Luoyang and us.

She is doing a perfect job and as we want to establish our own office in China latest as from 1 January 2000, we thought it would be appropriate for Miss Xu to come to Denmark. She stayed with my wife and me in our home and worked together with the staff in our office for more than one week.

It was a success and during her stay I took a photo of the ladies in the office, except Elke who was on holiday. The persons on the photo are from the left **Marianna, Charlotte, Hanne, Miss Xu**, and my wife **Tove**.



CONFERENCES

As usual Simonsen will participate in the annual TMS Conference in the US.

This year the conference takes place in San Diego, California, and from Simonsen the following persons will participate:

Jørgen Simonsen
Klaus Simonsen
Morten Simonsen
Kim Bøilerehauge
and Miss Xu Fuyu

We want Kim and Miss Xu to meet our customers and suppliers and to acquire further knowledge about the industry.

TELEPHONE ENTERTAINMENT

Most companies let their callers listen to music and previously we did the same. However, we have purchased various CDs with animal sounds from the jungle, the savannah, the game reserves etc. in South Africa, and it has become very popular even though many people did not understand at the beginning what we were playing. But we will stick to the animal sounds thus trying to be different in a positive way.

E-MAIL

Our staff members, working directly with customers and suppliers, have their own e-mail addresses and for your information these are as follows:

| | |
|--------------------|-----------------------------|
| Jørgen Simonsen: | JorgenS@simonsen-sons.dk |
| Klaus Simonsen: | KlausS@simonsen-sons.dk |
| Morten Simonsen: | MortenS@simonsen-sons.dk |
| Marianna Simonsen: | MariannaS@simonsen-sons.dk |
| Hanne Kristensen: | HanneK@simonsen-sons.dk |
| Elke Jeppesen: | Elke@simonsen-sons.dk |
| Charlotte Nielsen: | CharlotteN@simonsen-sons.dk |

SIMONSEN LORRY

We are transporting a lot of goods from our European suppliers to various ports of shipments, mainly Rotterdam, Amsterdam and Hamburg.

This transport is handled by

H. SIGGAARD PEDERSEN APS
Herning, Denmark

situated not far from where we live, and they have been doing a perfect job for us for many years. We agreed with Siggaard that transporting so much goods for us in Europe on their lorries at least one lorry should carry our name.

On the envelope with this publication you see a lorry which is now driving around in Europe. If you see it you will know that this lorry is on its way with either Mosconi bricks, Cape boards or Burton bricks to be dispatched to some smelter either in Europe or overseas.

LIRR - CHINA

LIRR have become excellent suppliers of silicon carbide products, nitride bonded. The sale is continuously increasing and so is the production. In fact LIRR are expanding their production right now and a further expansion may materialise in max. 2 years' time, but this expansion is still being negotiated and we shall let you know when it becomes relevant.

New tests show that our quality is second to none and it has gradually been approved by many large aluminium groups. Also, the present relatively low rate of the USD makes us pretty competitive.

We expect much from the sale of these products in the years to come, and you will hear further from us in that respect.

An audit made in April at LIRR's by a group of high level technicians from Hydro Aluminium in Norway resulted in an enormous improvement at LIRR when it comes to production, reporting, safety etc., and today LIRR are also approved by Hydro.

LIRR's production, quality, packing, storage, transportation etc. are so well under control that we can guarantee firm delivery times anywhere in the world, as the Chinese are very reliable suppliers.

BURTON - GERMANY

Burton-Werke in Germany play a more and more important role for us. Their products

ALUBAR 1100 & ALUBAR 2000

barrier bricks

PERIAL 44 & PERIAL 46

flue wall bricks

are gradually being accepted world-wide.

We are very successful supplying ALUBAR 1100 in very large shapes, up to 500 x 500 mm tiles, in standard thickness with very tight tolerances and we expect an enormous increase in the sale of these bricks in the years to come.

I never quite understood why the smelters in 1998 and for that matter also in the next few years should install small bricks 230 x 114 x 64 mm or similar sizes in their pots; Why not use larger shapes which are easier to install, reduce installation costs and give less joints, probably meaning less penetration into the insulation.

The quality from Germany is second to none and we seem to be pretty competitive. Also Burton's reliability concerning delivery times, packing and last but not least the accuracy of the products is very high.

Burton have a strict quality control and due to the above factors we see the sale of Burton's products increasing continuously.

Burton have added a new product to their programme

ALUPRO

a product which we shall inform you further about in the coming months.

MOSCONI - ITALY

Mosconi have just completed an expansion of their production of 15 to 17 million standard bricks. Today they are among the larger producers of insulating bricks, if not in the world, then definitely in Europe.

The demand for the Mosconi bricks is increasing because the bricks are of a high quality. The quality control according to ISO 9002 is in good hands and the tolerances of the bricks are excellent.

Furthermore, Mosconi are able to produce very large shapes, 4 to 6 times larger than standard bricks, and we expect the sale of such large shapes to increase in the future.

We have been successful in securing large orders for Mosconi bricks, **MSB-450** and **MSB-575**, because their products as well as their prices are competitive.

ISOLITE - JAPAN

Isolite have difficulties in competing with their diatomaceous bricks outside Japan. Unfortunately the JPY is always working against us.

The products remain part of our programme in case the JPY should devalue to a more reasonable level, but I wonder whether that day comes, but no one can really predict anything about the currencies these days.

What we sell from Isolite is however a quality called JAI-130, a semi-insulating firebrick with a density of about 1000 kg/m³ (66 lbs/cu.ft), which is widely used as back-up in anode bake furnaces. These bricks are not produced in Japan but in Malaysia and due to the economic crisis in Malaysia they are very inexpensive and can be supplied anywhere in the world and remain competitive compared to locally produced bricks, even in Europe.

CAPE CALSIL PRODUCTS - UK

In 1992 Cape Insulation Products acquired Cape Siborit, Lüneburg, Germany, our loyal suppliers for many years. Early 1998 Cape decided to move the entire production and the production equipment from Lüneburg to Washington in England and close down the production facilities in Germany.

Cape in Washington have the largest production of calcium silicate boards and therefore decided to transfer the German production to the UK to rationalise and keep the costs down to a reasonable level.

Cape have invested huge sums in improving the quality produced in Germany, and the English boards only differ in one way; they are white, but the technical properties of the English boards are similar to those of the Germany boards.

We can still manufacture the large sizes and all boards are machined on the big, flat faces, meaning that the tolerances of the English boards are much more accurate than those of the boards previously produced in Germany. The English boards are absolutely smooth and dustless, as all boards are vacuum cleaned after the machining.

It has caused some turbulence and some delays in production and deliveries over the past months, but this is now water under the bridge. Cape are running a magnificent production, and the boards produced in England are definitely the best available in the world today.

Quality control and production are of course as advanced as they were in Germany and Cape produces according to ISO 9002.

Below you see a photo from the new production facilities in the UK, and the production is very impressive. If you ever want to go and see the production of calcium silicate boards in England, do not hesitate to contact us and we will set up meetings in England and show you around together with the technical and production people from Cape.



SPOOKY - OH, YES

If you wish to pay CAPE Washington a visit, we shall accommodate you at LUMLEY CASTLE, an 800 years old Norman castle used today as a hotel. The building is absolutely magnificent and impressive. The castle is famous for its ghost "Lilli", a young lady who was thrown in the well by the monks living in the castle hundreds of years ago.

Lilli has been seen by several persons among the hotel staff. You may also be lucky or unlucky and see her. However, we give **no ghost guarantee !**

BASALT

Basalt have improved tremendously over the last months and now make both a good light vermiculite board, VERMILITE 2000, and a good heavy vermiculite board, PROLITE.

The boards are approved by the large aluminium groups using vermiculite boards in their pots, and the quality and the quality control according to ISO-9002 are first-class.

The plant has been extended with a large warehouse so that we are more flexible when it comes to supplies from Basalt and also in the future we consider Basalt one of our good, longterm suppliers.

CORROSION TEST SILICON CARBIDE BRICKS, NITRIDE BONDED

Mr. Ole Jacob Siljan, Hydro Research Centre in Porsgrunn, Norway, granted us permission to publish a corrosion test method for side wall materials used in **aluminium electrolytic furnaces**. The editors are E. Skybakmoen and L.I. Støen from Sintef in Trondheim, Norway.

These days some uncertainty exists within the aluminium industry as to testing of the silicon carbide brick, which in many places is a relatively new lining material for the side and end walls of the pots. Therefore I thought it could be of some interest for you to see how SINTEF is testing the silicon carbide brick and the **test method is enclosed**.

NEW SMELTERS AND EXPANSIONS

The activity within the primary aluminium industry concerning new production or expansion of existing plants is as hectic as it has not been for a long time.

As mentioned in our 1997 Dynasty Update ISAL, the Icelandic smelter at Straumsvik, has expanded its capacity to 160,000 tons per year.

The new Icelandic smelter, Nordic Aluminium, at Grundartangi will start producing 60,000 tons. It will later increase to 90,000 tons and then in relatively short time to 180,000 tons.

Another two smelter projects are pending in Iceland and should be confirmed shortly.

In England Alcan is restarting a mothball potline thus increasing the plant's melted output to 160,000 tons.

Dubal aims at 525,000 tons by constantly increasing its production. The latest and sixth potline is the so-called "Condor" project.

In Canada Alcan will start building the Alma smelters, which will reach 355,000 tons a year.

Comalco/Boyne Smelters Limited has expanded its capacity to 490,000 tons.

A new smelter is being built in Mozambique, the so-called Mozal project, to which we have the pleasure of supplying some of our products.

There has also been some rumours of a new smelter project in Trinidad, Tobago, and in Qatar, which should be built by Hydro, Norway, but so far nothing definite has been revealed as to which of these smelters is relevant.

A new project in Canada, handled by Alcoa (Alumax), is also under consideration at present.

ALUMINIUM PRICES

I was probably a little too optimistic in my 1997 **Dynasty Update**, as the predictions at that time were pretty optimistic, but in the meantime the so-called Asian monetary crisis has led to a reduced consumption of aluminum in the Far East, again resulting in a decreasing demand for aluminium, and at this very moment the 3-month price for aluminium is down to approximately USD 1,300.- per ton.

Some people still believe that towards the end of this century the price should be around 1,900 to 2,000 USD per ton, but let us wait and see. It is difficult to predict especially about the future !!

However, what could have an impact on the aluminium price is the automotive industries' continuously increasing demand for aluminium for constructing cars.

The steel producers have not been sleeping, however, and have developed new, high strength steel for building new sophisticated cars, but still the aluminium is used for the frame and for other parts of the engine and there is no doubt that the volume of aluminium consumed for car production will be increasing in the years to come.

In 1997 the demand for aluminium was 18.9 million tons a year and the production was only about 16.1 million tons.

The export from China, the CIS, and other East European countries rose to 2.5 million tons last year and it also seems as if the price competition, which existed some years ago due to the cheap Russian aluminium, no longer exists. As I wrote a few years ago in my Newsletter the Russians must pay normal prices for their raw materials and not least energy, bringing the Russian aluminium prices up to world level.

The car production was 36.2 million cars on a world-wide basis in 1990 and in year 2000 it is expected to be 43.5 million cars, an increase of about 20%.

From 1990 until year 2000 the consumption of aluminium per car will go up by 50%. When it comes to for instance an Alfa Romeo 155, 4% of the total weight in aluminium was used and now for the new Alfa Romeo 156, 6% is used, meaning an increase of 50% for building an Alfa Romeo car. For cars the aluminium is mainly used for rear cross member, oil sump, brake callipers, upper half-arms, shock absorber mounting, shock absorber mounting forks, engine support and bonnets.

More and more aluminium is used for cars as cars must be lighter and lighter to save energy and reduce pollution, what is a very important issue for many environmental groups these years.

THE EURO

Europe is very rapidly approaching the time where many well known currencies are vanishing into thin air.

Among the members of the European Union only 4 countries have decided not to join the EURO from the beginning, namely England, Sweden, Denmark and Greece. The other 11 countries are introducing the EURO successively as from 1 January 1999, and the DEM will completely disappear from end February 2002.

That means that everyone has three years to get adjusted to the new currency, namely from 1 January 1999 and till end year 2001.

However, I think that the EURO will become much more widely accepted at a much earlier stage than what the politicians have predicted. We will start invoicing certain customers in EURO instead of DEM already from 1 January 1999.

However we can still invoice in DEM, but all European banks will automatically convert DEM into EURO, so that to the internal banking system the EURO will become **the** currency as from early next year. This also goes for the Danish banks even though we have not joined the EURO yet what will probably happen in max. 2 years' time

We all have to get used to this currency even though it may take some time before everyone gets adjusted and used to this new currency.

The actual rate of the EURO will be fixed on the very last day of 1998, so that there is a firm rate of exchange between EURO and the individual currencies participating in the new currency.

When we quote our products as from early next year we will not only offer in USD and DEM but also in EURO, because we too have to get used to this new monetary system and because we firmly believe that the EURO together with the USD will be one of the world's leading currencies.

It is probably also going to be tough for the Germans to wave "Goodbye" to their old, strong DEM which has grown stronger and stronger since its introduction in 1945 right after the second world war, but that is life, a constant "Goodbye". It is bad to say "Goodbye" to your currency, because I think a country loses some of its identity, but in the future in a fast changing world one has to get used to such things.

SHORTAGE OF PRIMARY ALUMINIUM

According to "Aluminium Today" from early this year, it is envisioned that there will be a primary shortage by 2003 according to EIU, The Economist Intelligence Unit.

The looming shortage, predicts that capacity will begin to fall short of demand around 2002 and that this deficit will become steadily worse throughout the forecast period. By 2015 the industry will need to add almost 9.8 million tonnes per year of new capacity, beyond that currently committed, requiring significant new investment in primary smelting capacity.

The report forecasts that this increase in capacity could be achieved over the period by opening 20 new smelters and making major expansions at 38 existing smelters. While the smelter projects which have been identified around the world are sufficient to meet the needs, the rate of investment activity is currently too low to achieve the required expansion, says the report.

Some of the main forecasts of the report include:

- *World consumption of semi-finished aluminium is expected to increase in the long term by 2.7 per cent per year.*
- *World primary aluminium consumption in 1996 was 20.7 million tonnes and will grow at 2.3 per cent annually to reach 31.8 million tonnes in 2015.*
- *The transport sector is predicted to have the fastest growth rate of consumption, followed by the packaging sector.*
- *Consumption growth in western countries is forecast at 2.4 per cent per year.*
- *Consumption growth in the eastern countries is forecast at 4.5 per cent per year because of a recovery in eastern Europe and Russia, and continued strong growth in China*

| <i>World primary aluminium supply and demand balance, selected years 1996 - 2015 (kt/y)</i> | | | | | |
|---|--------------|-------------|---------------|---------------|---------------|
| | 1996 | 2000 | 2005 | 2010 | 2015 |
| Required production | 20.810 | 23.424 | 25.720 | 28.610 | 32.784 |
| Required capacity | 21.905 | 24.657 | 27.074 | 30.116 | 34.509 |
| Committed Capacity | 23.543 | 24.744 | 24.744 | 24.744 | 24.744 |
| Surplus/deficit | 1.638 | 87 | -2.330 | -5.372 | -9.765 |
| Source: Aluminium to 2015 | | | | | |

STANDARDS

I could hardly believe my eyes when I read lately that a private American research organisation "Counsel on Economic Priorities" tries to introduce in co-operation with Amnesty International a new standard called **SA 8000**. However, the question is whether this new standard is of such a quality that it will be generally accepted world-wide.

The SA 8000 standard specifies a lot of demands to among other sub-suppliers concerning children's labour, their working conditions and discrimination what is indeed a good thing.

Specialists in Denmark state however that in their opinion the standard is a good initiative but it is too weak in many areas.

It is unbelievable how people try to make money these days. At some point of time I think that we have to watch ourselves not to become "over standardised".

THE TITANIC

The royal mail ship "Titanic" could possibly have gone down because of a metallurgical failure.

According to JOM from January 1998 a metallurgical analysis of steel taken from the hull of the Titanic's wreckage reveals that it had a high ductile brittle transition temperature, making it unsuitable for service at low temperatures; at the time of the collision, the temperature of the sea water was below -2°C (approx. 28°F). The analysis also shows, however, that the steel used was probably the best plain carbon ship plate available at the time of the ship's construction.

The article also states that the damaged area in the hull totally amounted to only 1.17 m² equal to approx. 12.60 sq.ft. Isn't it unbelievable that such a tragedy can happen because of 6 relatively small holes of about 1.17 m² ?

ELEPHANTS

As mentioned before elephants are very interesting animals, but when they are young and single, they can get out of control murdering rhinos, and the killers are juvenile delinquents of the elephantine kind, as it appears from the below article by Michael D. Lemonick published in October 1997.

YOUNG, SINGLE AND OUT OF CONTROL

Rhinos are being murdered, and the killers are juvenile delinquents of the elephantine kind.

The trouble first surfaced about three years ago. Rangers in Pilanesberg National Park, in northwestern South Africa, began to notice that white rhinos were being killed at the rate of about one a month. Then the same phenomenon started happening at Hluhluwe-Umfolozi Park, in the southeastern section of the country. Poachers looking for precious horns are the usual suspects when rhinos turn up dead. But not this time. These animals were left intact, horns and all. Their wounds, moreover, had been caused not by gunshots but by long, sharp objects with some mass to them.

The mystery was soon solved: the rhinos had been murdered, all right, but the perpetrators were not poachers but pachyderms - young, aggressive bull elephants that did in the rhinos by knocking them over, kneeling on them and goring them.

What drives the elephants to do it is not clear. Game wardens and animal-behavior experts have a theory, however, and while they stress that it is speculative, the idea is compelling. The elephants may be depraved, the experts say, because as children they were deprived. The troublemakers are apparently all orphans, taken as calves from their slaughtered parents during culling operations in the huge Kruger National Park and relocated to establish elephant populations in parks and private reserves throughout the country.

One positive result of the operation was that it helped preserve a threatened species. But because elephants in the wild live in tight-knit groups, the relocation as also a major experiment in the social engineering - and like so many such experiments, it has had unexpected consequences. Since 1978, almost 1,500 orphan calves, 600 of them males, have been moved to unfamiliar locations and raised with no exposure to adult elephants or the hierarchical social structure that defines elephant life.

The long-term effect of this isolation appears to be a generation of juvenile delinquents. "The whole thing has much to do with the set-up of elephant society," says zoologist Marian Garai, a Swiss-born South African who has been studying the relocation. Under normal circumstances, she says, a dominant older male elephant is around to keep young bulls in line. For the newly arrived youngsters, however, no such role models were provided, and Garai believes this may have had a profound effect on the elephants' psychology.

The result may be even more pronounced during the period known as "musth," a time when male elephants' testosterone levels shoot up. Elephants often become aggressive during musth, but in the wild, older bulls usually keep the young ones in line. Not only are the orphan bulls going into musth without chaperones, but their musths seem to start earlier and last longer. The condition usually begins at age 30, but at Pilanesberg some 20-year-old elephants are going into a musth that lasts not the usual few days but as long as three months.

Why do these elephants pick on the rhinos? Evidently, because they're there. At least one human was killed by a rogue bull last year, but for an elephant looking to make trouble, a small, relatively helpless rhino is an easier target. Garai has often seen a young elephant grab a stick in its trunk and throw it at a rhino - seemingly playful behaviour that in an unbalanced animal could easily turn violent. "Elephants are complex and intelligent creatures," she observes. "They aren't immune to stress." She suspects that other game parks with populations of orphan elephants may soon develop similar problems.

Park rangers are prescribing a little adult supervision for the bad-boy elephants. Indeed, when two adult female circus elephants were returned to Pilanesberg in 1979, shortly after the first orphans arrived, the nervous youngsters quickly settled down. Now officials hope something like that will work on rhino-bashing bulls. Early next year, a few 40-year-old bull elephants will be moved to Pilanesberg to help calm things down. Meanwhile, authorities are trying to get to the rood of the problem. Two years ago, Kruger Park stopped its elephant-culling program and began moving entire families of elephants to their new homes.

It will be some time before the effects of these efforts are known. Until then, the white rhinos of South Africa had better watch their backs.

THE BIG BELT BRIDGE

I have previously mentioned our new, large bridge in Denmark which was inaugurated in June 1998.

This is the second largest bridge in the world with the second largest free bridge span. The world's largest bridges are:

1. Akashi Kaikyo-bridge, Japan, free span 1,990.8 m
2. Big Belt bridge, Denmark, free span 1,624.0 m
3. Humber Bridge, England, free span 1,410.0 m
4. Jiangyin-broen, China, free span 1,385.0 m
5. Tsing Ma-broen, Hong Kong, free span 1,377.0 m

It is impressive to cross the Big Belt Bridge which has become very popular.

Twice as many cars as expected have crossed the bridge so far and I think that every Dane is quite proud of this bridge which thousands of cars and many trains are crossing every day.

Copenhagen seems much closer. From our city in the north west part of Jutland you can reach Copenhagen in less than 4 hours by car - very convenient. It is funny that you can nearly go as fast to the Copenhagen airport by car as by plane from Karup.

This bridge has definitely reduced a small country to an even smaller country when it comes to distance.

NYKØBING MORS - 700 YEARS

Nykøbing was founded 1299 and therefore we are celebrating our city's 700 years anniversary in 1999.

It is not a very old city, but of course a lot of events will take place next year in our city because of the anniversary.

Please note the below label which has been published to announce this anniversary to business friends in Denmark and around the world.



THE US AMBASSADOR IN DENMARK

For 5 years Denmark had an American ambassador who was very much involved in Danish social and cultural life and who was very visible in Danish society. His name is Edward Elliott Elson.

Mr. Elson wrote a very nice article about Denmark and the Danes mid this year, and I took the liberty to write him a letter to thank him for his nice words about the Danes and for his positive attitude towards Denmark.

He has really brought a breath of fresh air to Denmark.

I received the enclosed reply from Mr. Elson, the Ambassador of the United States of America, Copenhagen, which speaks for itself.

He was really a special person and I wish we had ambassadors like him representing our country abroad.

VILLAGE MILLIONAIRES

In a Danish paper from 7 June 1998 there was a large article describing what happens in a small city when 1000 workers suddenly get 100 million dollars. Columbia Falls in northern Montana suddenly got a lot of attention from people wanting to sell something what the Montanians are not all that happy about.

The workers had five years of legal fight with Columbia Falls Aluminium Company, because the owner of the plant through a 5 year period obviously did not pay the workers their share of profit sharing agreed in 1985.

In 1985 the Californian, Mr. Brack Duker, bought the whole plant for only 1 (one) dollar. The price of aluminium at that time was very low and the plant lost money. Mr. Duker persuaded the workers to reduce their wages by 21% provided they got 50% of the plant's future profit.

"Each time I make a dollar, you will get one", he promised.

A few years later the plant had become a money machine and the workers received larger amounts as part of their profit share scheme, only it was far from what they should have been paid.

One of the employees in the bookkeeping department found out that Mr. Duker was putting money aside on an account on Gibraltar and Isle of Man, and 281 million dollars had disappeared.

The workers only got one dollar each time Mr. Duker took 3 for himself. They sued him and finally they made a settlement in court and got their 100 million dollars.

Depending on how long they had been employed the workers were paid from a few thousand dollars to more than 300,000 dollars before tax.

Now everyone goes to Montana to sell the very rich people there a lot of things, what of course does not please the citizens of Columbia Falls.

We have very good friends there and have supplied Columbia Falls Aluminium for many years, and it is of course good for all the workers that they are now being paid what was agreed and it is only fair that you stick to your agreements and pay people what you have agreed with them.

Now the workers in Columbia Falls have even started investing, and they are now not only following the aluminium prices, but also the international share prices.

A happy story for the inhabitants of this relatively small city.

TALL DANES

It seems as if the Danes are among the tallest citizens in Europe. The average Dane has grown 12 cm (4.7 inches) over the last 100 years. The specialists say that we top the growth curve for even Danes do not grow into the skies.

A hundred years ago the average height of a Danish man was 168 cm (approx. 66 inches). Today it is 180 cm (approx. 71 inches).

Also the Danish women are the tallest in Europe with an average height of 167 cm (approx. 66 inches).

Experts predict that the height of all Europeans will be harmonised ! Very typical of the European Union, but when people cross the borders, integrate in new societies in other European countries, I think that the genes will be mixed so much that in another hundred years' time everyone is as tall as the Danes, but maybe not so handsome..... (who knows ?)

DANISH ELECTION

Earlier this year we had an election. We ended up getting a socialist government again.

However, it was with a very, very small margin. If 89 persons had voted differently, meaning liberal instead of socialist, we would have had a liberal government.

This proves how important it is that each of us uses our right to vote when there is an election, because even your or my vote could tip the scales.

TEAM WORK

When geese are flying in formation, they are flying about 70% faster than if each goose flew on its own. Geese share the leadership. When the goose in the front gets tired, it rotates back in the formation and another goose automatically takes the lead.

Geese care for each other. When an ill or tired goose falls behind in the formation there is always at least one goose flying back to help and protect.

As an active member of a team we can also achieve much more much faster.

Rewarding words, support and a pad on the shoulder motivate and inspire those who are in the front and give them the energy to continue and maintain the enthusiasm in spite of the daily problems, stress and tiredness.

Next time you see a formation of travelling geese, then remember that it is a reward, a challenge and a privilege to contribute actively to a team.

CRIME ON THE ISLAND OF MORS

We live in a small and pretty peaceful island. Recently there was a radio announcement that there had been a theft where someone had stolen a man's hearing aid and a table lighter. The only clue the police obviously has is that a deaf smoker must be walking around in the streets of Nykøbing !

LAWYERS' CONVERSATION

Part of conversations made in American court rooms collected by the Massachusetts Bar Association Layers Journal.

1. *"Now doctor, isn't it true that when a person dies in his sleep, he doesn't know about it until the next morning?"*
2. *"The youngest son, the twenty-year old, how old is he?"*
3. *"Were you present when your picture was taken?"*
4. *"Were you alone or by yourself?"*
5. *"Was it you or your younger brother who was killed in the war?"*
6. *"Did he kill you?"*
7. *"How far apart were the vehicles at the time of the collision?"*
8. *"You were there until the time you left, is that true?"*
9. *"How many times have you committed suicide?"*
10. Q: *"So the date of conception (of the baby) was August 18th?"*
A: *"Yes."*
Q: *"And what were you doing at that time?"*
11. Q: *"She had three children, right?"*
A: *"Yes."*
Q: *"How many were boys?"*
A: *"None."*
Q: *"Were there any girls?"*
12. Q: *"You say the stairs went down to the basement?"*
A: *"Yes."*
Q: *"And these stairs, did they go up also?"*
13. Q: *"Mr. Slatery, you went on a rather elaborate honeymoon, didn't you?"*
A: *"I went to Europe, Sir."*
Q: *"And you took your new wife?"*
14. Q: *"How was your first marriage terminated?"*
A: *"By death"*
Q: *"And by who's death was it terminated?"*
15. Q: *"Can you describe the individual?"*

A: "He was about medium height and had a beard."

Q: "Was this a male, or a female?"

16. Q: "Is your appearance here this morning pursuant to a deposition notice which I sent to your attorney?"

A: "No, this is how I dress when I go to work."

Stupid questions, or ?

FAMILY MATTERS

A story from Far Eastern Economic Review of 27 August 1998, which is a bit macabre.

Where's dad? Watching television. The Changs of Chunghsiao East Road, Taipei, were not a particularly close family. The man of the house, Chang Lai-fa, tended to hang out in the television room upstairs, while his wife and children spent their time mainly on the lower floors.

One day this month, Chang's wife noticed that she had not seen him for a long time - several days, in fact. Neither had any of the children.

She explored the house and found him. He had been dead for up to a week, the China Post reported on August 6. He was still sitting in his armchair although his body had swollen horribly. The television was still on.

Police were called. They asked the family how they had managed not to notice the foul stink of the rotting corpse. "We thought it was dad's feet," came the reply.

A FABLE

I would like to round this letter off with a story with a few not so nice words, but that is how the story was given to me by an overseas friend some years ago, and I would like to repeat to you in full:

Once upon a time, there was a nonconforming sparrow who decided not to fly south for the winter. However, soon the weather turned so cold that he reluctantly started to fly south. In a short time ice began to form on his wings and he fell to earth in a barnyard, almost frozen.

A cow passed by and crapped on the little sparrow. The sparrow thought it was the end but the manure warmed him and defrosted his wings. Warm and happy, able to breathe, he started to sing.

Just then a large cat came by, and hearing the chirping investigated the sounds. The cat cleared away the manure, found the chirping bird, and promptly ate him !

THE MORAL OF THE STORY

1. *Everyone who shits on you is not necessarily your enemy.*
2. *Everyone who gets you out of the shit is not necessarily your friend.*
3. *And if you're warm and happy in a pile of shit,*

KEEP YOUR MOUTH SHUT !!

PIET HEIN GROOKS



A WORD OF ENCOURAGEMENT

Stomach-ache can be a curse;
heart-ache may be even worse;
so thank Heaven on your knees
if you've got but one of these.



WHAT PEOPLE MAY THINK

Some people cower
and wince and shrink,
owing to fear of
what people may think.
There is one answer
to worries like these:
people may think
what the devil they please.

I hope you enjoyed reading this year's Dynasty Update, and I would like to finish it by wishing you a very merry Christmas and a happy and prosperous New Year, the last year in this millennium 1999.


Jørgen Simonsen