

Contract heat treatment's positive impact on the energy/cost/value equation

Bodycote's David Wilkins examines how the critical need for the efficient use of energy in the manufacturing process encourages outsourcing.

At the present time, when we are pre-occupied with the effects of escalating energy costs upon our business, it is worthwhile again reflecting upon the value of the benefits that contract heat treatment services bring to manufacturing industry. Last October, *Forbes Magazine* published a thought-provoking article by Peter Huber, entitled "Thermodynamics and Money", in which he debunks the 'energy return on energy invested' (EROEI) analysis as fundamentally flawed.

According to the widely-held premise of EROEI theory, it is never sensible to use two units of energy to extract one unit of energy. The end result of the analysis is the hypothesis that, although the world has large deposits of, for example, lower-grade oil in the form of tar sands and shale, if it takes more units of energy to extract the oil than are present in the oil produced, it is not worth doing.

Huber argues that it is the relative costs and prices that matter, not the energy units. In other words, there is a value judgment to be made, on the basis of relative costs and benefits.

For example, logistics and the availability of local lower-cost adjacent reserves, such as gas in the case of the tar sand deposits of northern Alberta, dramatically skew the cost/value equation in favour of extraction. This low-cost gas is an ideal fuel to heat the extraction process and requires no

extensive pipelines and minimal supply systems. Thus efficiency has an important role in determining the outcome of the value judgment.

As heat treaters, we occupy a vital position in the energy/cost/value equation for manufacturing industry. We should be leading the debate on the efficient use of energy in the manufacturing process, to produce the highest-value end result, for engineering manufacturing including ourselves.

CHTA Chairman Roger Haw addressed this point briefly in *Hotline* 99, when he outlined the various ways in which heat treatment reduces the overall energy input required to manufacture a component with specific mechanical properties. Roger's observation, that "heat treatment is one of the industries helping to keep the world going, not contributing to its destruction", should be shouted from the rooftops.

The belated acknowledgement by Government that heat treatment should qualify for partial re-imburement of the Climate Change Levy is really not enough. The DTI should do more to actively promote the application of heat treatment and associated thermal processing services such as hot isostatic pressing and surface engineering coatings, all of which impact positively on the energy/cost/value equation.

Are we prepared as an association to compile the necessary fact sheets with the material selection, engineering design, production planning and cost and value data necessary to illustrate that a non-heat-treated component would need to be

three or four times heavier than its heat-treated counterpart? Oh, and add in the effect of the heavier vehicles and machines on infrastructure and environment, as well as the energy usage and cost involved in this and the replacement of shorter-lived worn-out components.

It is surely possible for us to illustrate the vital role of heat treatment in optimising the total life-cycle cost of engineering components.

Our aggregator advantage

Before we become too downcast with the prospects of an increasing energy bill, it is worth reminding ourselves that the manufacturer with an in-house facility is probably suffering more than we are.

Energy cost increases are a major additional spur to the outsourcing trend. Together with declining demand, migration of manufacturing to lower-cost countries, the increasing capital cost of equipment and scarcity of heat treatment expertise, they combine to cause the most devoted exponent of in-house facilities to consider his bottom line and the best application of scarce capital and other resources.

Providing we continue to concentrate upon maintaining our efficiency, in terms of optimum loading of furnaces, control of down time, effective engineering maintenance, the use of fuel-efficient furnaces and controlled overheads, we will be well placed to benefit from the outsourcing trend.

Since we are the 'aggregators', we can provide manufacturing industry with value-adding services which individual manufacturers will increasingly be unable to afford for themselves, unless they operate on a continuous 24/7 basis. Our efficiency and sensible aggregation enables us to operate 24/7 with optimum loading and offer the ensuing benefits to even the smallest manufacturer.



Guido Plicht
Senior Research Engineer



Ask the expert

- Q.** How can I reduce the cost of my sintering process without compromising quality or reliability?
- A.** Through the introduction of nitrogen-based atmospheres which have been successfully proven for a wide range of heat treatment processes over many years. To find out more, visit our website.

tell me more

www.airproducts.co.uk/ate4

CCA for heat treaters kicks in – at last!

The Climate Change Agreement (CCA), whereby exemption from 80% of the Climate Change Levy applies to heat treaters, finally kicked in at the end of January. CCA-registered CHTA members are now reaping the benefits of the sector scheme, albeit recent energy price increases have negated the net financial advantage.

Since the previous update in *Hotline* 102, DEFRA reported early in January that the necessary legislation had come into effect, SEA CEO Dave Elliott signed the sector agreement, and CHTA member sites in the first tranche of CCA applications were listed on the HM Revenue & Customs website (<http://customs.hmrc.gov.uk>) on the Reduced Rate Certificate.

CCAs for heat treaters came into force from w/c 23rd January. Members could complete the necessary forms and, at last, start claiming their rebates.

CCA administrators SEA estimate that the saving for all CHTA-member sites will total over £1million pa, if all register. Despite this, a surprising 33% of CHTA-member sites have yet to register for CCA.

CCA Workshop

Accordingly, CHTA/SEA will be holding a free-of-charge CCA Workshop, on the afternoon of May 11th at SEA's Birmingham headquarters, to reassure those not yet on board that CCA registration is relatively straightforward and well worthwhile.

Following an introduction to the Workshop by Richard Burslem, leader of CHTA's CCA Steering Group, SEA will guide attendees through the forms and procedures necessary to achieve CCA registration and CCL savings. As part of the Association's current membership drive, potential CHTA members will also be invited to participate.

Those wishing to attend the CCA Workshop should register with CHTA's Secretariat (tel: 0121 329 2970; e-mail: mail@chta.co.uk) by no later than May 3rd.

Meantime, CHTA-member enquiries about CCA should be addressed to SEA's Neil Kimpton (tel: 0121 237 1123; e-mail: neil.kimpton@sea.org.uk).

Sympathetic MP visit gives some hope of back-dated CCL rebates

Richard Burslem (Wallwork Heat Treatment Ltd) reports on the outcome of the MP visit he anticipated in Hotline 102.

Having rolled up our sleeves to do battle with our local MP about gas availability, gas price and CCL, we were pleasantly surprised to be met with a sympathetic and knowledgeable ear when David Chaytor MP visited Wallwork Heat Treatment's Bury site on 9th December.

With regard to gas availability, the consensus Government opinion was that there may be disruption of gas supplies to power stations and some industries on interruptible supply contracts if there is a prolonged cold winter. Uninterruptible contracts, and particularly domestic consumers, would be unaffected, although how they would be protected from power cuts is certainly beyond me.

International competition for supply, particularly from the USA (due to the hurricane in New Orleans) and the unwillingness of European suppliers to export to the UK through the interconnector, coupled with lack of speculative purchase for storage, could lead to a shortage, but it is thought to be highly unlikely.

Mr Chaytor acknowledged that the November gas price, averaging at 72p a therm and peaking at £1.50, did smack of market manipulation. He wondered if the current debate about nuclear generation capacity had had some effect. The inference was that, somehow, the nuclear lobby had managed to push up the price of gas to promote the argument for investing in new nuclear plants.

I pointed out our industry's disgust with the slow progress to receiving Climate Change Levy rebate, having completed negotiations with DEFRA in May and been

given a likely start date of July. Here we were in December with little advance.

Mr. Chaytor indicated that it may be possible to back-date the rebate and he would investigate. I suggested we should have been in the original agreement in 2001 but thought back-dating to July 2005 was fair and reasonable. It was a revelation to find that our MP was prepared to fight our corner, voluntarily and without any pushing from me.

I was pleased to learn that Mr. Chaytor had visited many local manufacturing businesses and was well aware of the sorts of problems we face: cheap imports, an ever-increasing bureaucratic burden, increasing costs of compliance with health, safety and environmental regulations to name but a few.

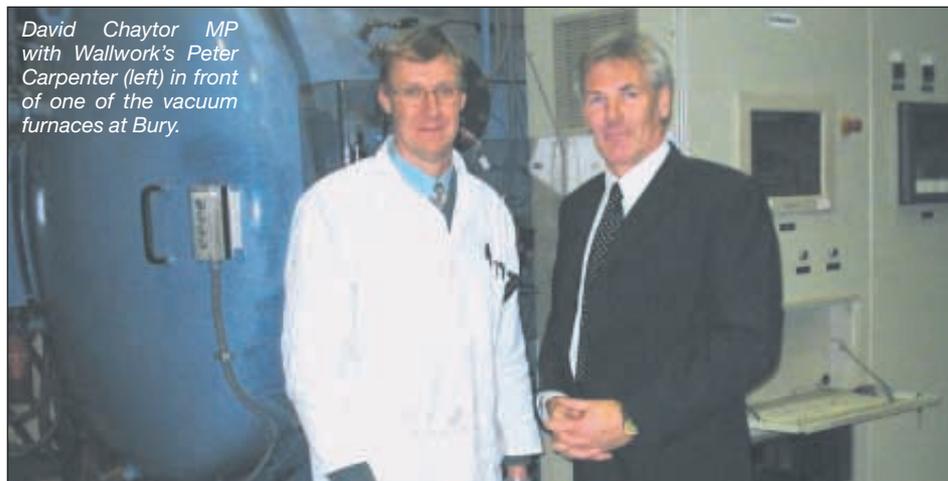
His advice was the normal Government line that we should develop skills, sell added value, etc. This is not too helpful if you are a service industry to a shrinking customer base.

Contact your MP

The above was written in early December and now (at the end of February) things have moved on, as we all know. I am disappointed to report that I have yet to receive a reply from Mr. Chaytor about the possibility of back-dating the rebate.

In the meantime, I have contacted the other three trade associations who joined the CCL rebate scheme at the same time as us to see if they are interested in pursuing a claim for back-dating.

If you feel strongly enough about this issue, I have lodged a template letter with the CHTA Secretariat which you could use to send to your MP. Please e-mail mail@chta.co.uk for a copy; if you need to find your MP's contact details try www.locata.co.uk/commons.



David Chaytor MP with Wallwork's Peter Carpenter (left) in front of one of the vacuum furnaces at Bury.

HHT (MIDLANDS) Ltd

Sales Director John Craddock provides a brief overview of one of CHTA's Midlands members.

HHT (Midlands) Ltd was formed in August 2005 by 38-year-old Mohinder (Mo) Pabla, who purchased the assets and goodwill of HHT Ltd from Menzies Corporate Restructuring.

Located in Darlaston, West Midlands (five minutes from Junction 10 of the M6), the company provides a contract heat treatment service to customers both local and distant. The majority are served by our own transport facilities.

Processes offered are case-hardening, hardening and tempering, normalising, carbon restoration, nitrocarburising and induction hardening. NITROBLACK, a nitrocarburising/oxidising process, can also be provided with or without wax sealants.

The plant to furnish this range of treatments comprises seven Ipsen sealed-quench units, two SFEAT rotary-retort furnaces, two continuous mesh-belt furnaces (one Can-Eng, the other Seco/Warwick – both with outputs of 1000kg/h), eight induction-hardening machines (vertical and horizontal) and two shaker-hearth oil-quench units with on-line mesh-belt tempering.

The range of products processed is very diverse, but the emphasis is on automotive engine, transmission and body components, agricultural / earth-moving equipment, hand tools and security products (automotive and domestic). Total output ranges between 800 to 1000 tonne per month.

The works, covering an area approximately 7500m² (80,000ft²), operate 24 hours, five days and seven days per week (process dependent). An on-line extranet order-tracking facility is offered to customers to allow the monitoring of orders (useful for multiple processes: e.g. harden and temper and then induction harden). When orders are forwarded to a third party (plater, grinder), the recipient, date and time are shown.

HHT (Midlands) Ltd has BS EN 9001:2000 registration and will achieve the environmental standard ISO 14001 later this year. An active programme is underway with the quality-management standard TS 16949 and accreditation is expected within 12 months.

The aims of the company are to continue to meet and exceed customer expectations and requirements.

Accordingly, we are immediately increasing capacity in the batch sealed-quench operation and re-commissioning plant and equipment to provide austempering treatments on pressings and wire-forms.

Our website at www.hht.co.uk provides additional detailed information and images of the plant and processes.



One of the continuous mesh-belt hardening and tempering furnace lines at HHT (Midlands) Ltd.

ENVIRONMENT

Guidance on environmental legislation for heat treaters

Previously mentioned in *Hotline* 91, the NetRegs website at www.netregs.gov.uk is free to use and is regularly updated. Its aim is to help SMEs in the UK to understand the complex environmental regulations that can affect them.

The site provides guidance on how to comply with environmental law as well as advice on good environmental practice. It comprises four main areas:

- “Sector Guidelines”, explaining practical measures that should be taken to ensure compliance with the law.
- “Management Guidelines”, summarising general guidance in areas which apply to most businesses: packaging, oil storage, statutory nuisance, etc.
- “Legislation”: links are provided to key legislation: both current legislation, where it is available on-line, and future legislation – what’s in the pipeline.
- “More Resources”, for advice on where to turn for more information or advice.

The sector-specific guidelines now published include those for “Fabricated Metal Products”. It’s in this section that “Heat treatment of metal” appears as a business area, with the main environmental impacts listed as including:

- Noise from materials movement and surface preparation activities.
- Emissions to air from organic solvent degreasing, heat treatment and quenching.
- Emissions to water from surface preparation, cleaning and quenching.
- Waste from tank sludges, grit blasting media and spent quench oil.
- Contaminated land from the historical use of the site and accidental spillage of solvents and oils.

The guidelines for this area are presented under the headings: materials delivery, storage and handling; cleaning; heat treatment furnaces; oil quenching and aqueous cleaning; packaging; ancillary processes.

CHTA Secretariat

Items for inclusion in *Hotline* and enquiries about CHTA activities should be addressed to:

Contract Heat Treatment Association
c/o SEA, BJGF Federation,
Federation House, 10 Vyse Street,
Birmingham B18 6LT
Tel: **0121 329 2970** (or 0121 237 1123)
Fax: 0121 237 1124
E-mail: mail@chta.co.uk
Website: www.chta.co.uk

CHTA Secretary and *Hotline* Editor:
Alan J. Hick B.Sc., C. Eng., FIMMM

The Contract Heat Treatment Association is not responsible for the statements made or opinions expressed by contributors to *Hotline*.

CHTA is affiliated to:



SEA AWARDS 2006 – TIME TO GET YOUR ENTRY IN

CHTA members are eligible for the SEA Awards presented at a gala dinner which has become a flagship event in the industry's calendar.

The award categories encompass marketing, quality, environmental, training and outstanding achievement. Members should be submitting their entries now – forms and help in completing them are available from the SEA.

The gala dinner will be held at the Motor Cycle Museum near Coventry on October 20th. Once again Lord Hoyle will make the presentations and the event will be compered by BBC Midlands presenter Nick Owen who will also make the keynote address.

The SEA has organised accommodation at the Windmill Hotel. The cost is £75 per room per night including breakfast and VAT. A coach will be available to take guests to and from the Motor Cycle Museum.

For entry forms or to book tickets, contact SEA's Diana Blair on 0121 237 1123 or e-mail diana.blair@sea.org.uk.

MEMBER RECEPTION AT THE HOUSE OF LORDS

A number of CHTA members attended the SEA event at the Palace of Westminster in December. For those who missed out on a most enjoyable evening, there's another opportunity for members and their guests – an SEA reception on the terrace of the House of Lords on Friday 21 July, again hosted by Lord Hoyle.

The reception will be from 6.30 to 9pm and the SEA has negotiated highly-preferential rates at the 4-star deluxe City Inn Westminster Hotel for those wishing to stay overnight.

SEA Membership Services administrator Diana Blair says: "Many members attended a reception we held in the House of Commons in December and enjoyed the event so much that we have been asked to arrange a repeat. This time we are in even grander surroundings and should be able to enjoy the spectacular views up and down the Thames in the summer sunshine. But don't worry, if the heavens open, part of the terrace is enclosed."

Once again, members will be able to go on conducted tours of the whole Palace of Westminster, including the chambers of both the House of Commons and the House of Lords, with guides who explain the history of the building and how parliament operates.

Ticket prices for the event are £65+VAT. The hotel rate is £109 per room including VAT and full English breakfast. To book, contact Diana Blair on 0121 237 1123; e-mail: diana.blair@sea.org.uk.

BODYCOTE STOCKPORT EXPANDS

Increasing demand for the heat treatment services provided by Bodycote Heat Treatments' Stockport facility, driven by major outsourcing projects, has led to the installation of one of the UK's largest controlled gas nitriding furnaces.

The furnace has working dimensions of 2.0m diameter by 2.5m deep, and is able to process loads of up to 6 tonne. Temperature uniformity is better than $\pm 5^{\circ}\text{C}$ throughout the working space and process control is by means of a Stange SE 607 control system.



The new gas nitriding furnace at Bodycote Heat Treatments' Stockport site.

Mass flow controllers automatically adjust the furnace atmosphere so that nitriding regulated by either the nitriding potential or ammonia dissociation can take place. Tight control of the resulting compound-layer thickness can be achieved utilising this automated system.

Since the Stockport facility operates 24/7, this new plant results in a total continuous gas nitriding capacity of 21 tonne per hour at this location.

Amongst the components being treated are aero engine shafts up to 200kg in weight and precision components, for automotive diesel pump applications, at 378g, illustrating the variety and size range of parts which can be treated. The flexibility theme is further enhanced by the capability to also provide controlled nitrocarburising treatments, with the option of both pre- and post-oxidation.

NEWS FROM THT

Involved in the quality management area of the metals industry in the West Midlands for many years, Paul Randle was recently appointed Quality/Technical Manager at Tamworth Heat Treatment Ltd (THT).

Managing Director Alan Whitehouse said: "I am sure Paul will develop our quality management system further, particularly in the areas of product quality and customer focus."



NEW MEMBER

CHTA welcomes as a new member: **Stork Cooperheat (UK) Ltd**, 7 Glebe Road, East Gillibrands, Skelmersdale WN8 9JP (tel: 01695 713500; e-mail: david.griffin@stork.com; fax: 01695 713501). Our contact is David Griffin, Managing Director.

THT have also placed an order for a new vacuum furnace with a pressure-quench facility up to 10bar. With capacity of up to 400kg, the furnace is manufactured by TAV of Italy and is being purchased through their existing maintenance supplier, Vacuum Furnace Engineering, based in the West Midlands.

The company has recently been certified by the British Safety Council as a Registered Centre for the BSC Awards Level 1 Certificate in Health & Safety at Work. This allows THT to carry out the training and also the examination for the Level 1 Certificate in H&S at Work.

THT Health, Safety and Environment Manager, Amanda Crilly, explained: "This enables health and safety training of employees to be carried out in-house and at times convenient to the company. The training consists of approximately 10 hours tuition, followed by examination adjudicated by myself and subsequently verified by the British Safety Council. If you feel that this may be of interest to your company, please contact me on 01827 318031 or e-mail: amanda@tamworth-heat.co.uk."

NITRON O JOINS TECVAC LINE-UP OF ADVANCED COATINGS

Tecvac Ltd, part of the Wallwork Group, launched *Nitron O*, a high-performance hard coating, at *Autosport International* at the NEC in January.

Nitron O, a duplex formulation of PVD ceramic coatings, was originally designed for very demanding aerospace applications, but is now available to the autosport sector. It combines high resistance to wear with extreme ability to resist high loads at operating temperatures of 300°C and beyond.

Nitron O appeared with other Tecvac and Wallwork Heat Treatment services on show at *Autosport*. It joins Tecvac's growing range of coatings designed for autosport and other high-performance applications. These include super-hard carbons such as *Nitron MC*, *Nitron CA*, and *Diamolith* – a pure DLC (diamond-like carbon) coating. These coatings combine high hardness with high lubricity to protect steels, titanium and other high-performance alloys from wear at extreme edges of the operating envelope.

CHTA MANAGEMENT COMMITTEE

Pictured at SEA headquarters, below are the eight elected men currently entrusted with the task of steering CHTA affairs on behalf of members. There are two vacant posts on the Management Committee

which has the option of co-opting members to ensure full-strength representation. CHTA members willing to contribute to its quarterly meetings in Birmingham should contact the Association's Secretariat.



Seated (l. to r.): CHTA Chairman Roger Haw (Flame Hardeners Ltd) and CHTA Vice-Chairman Paul Handley (Heat Treatment 2000 Ltd). Back row: Mark Florance (Techniques Surfaces (UK) Ltd), Roger Bird (TTI Group), Dave Walker (Beta Heat Treatment Ltd), Richard Burslem (Wallwork Heat Treatment Ltd), Simon Blantem (Bodycote Heat Treatments Ltd) and Alan Whitehouse (Tamworth Heat Treatment Ltd).

NEW CHTA BUYERS GUIDE

As reported in *Hotline 102*, a new hard-copy 10th edition of *CHTA Buyers Guide to Contract Heat Treatment* is being prepared. With kind advertising support from the Surface Engineering Association, the new publication is scheduled to appear in May.

CHTA's Secretariat e-mailed questionnaires, aimed at ensuring accurate listings of member services, to all members on February 21st. Please be sure to return them completed by no later than the **April 4th** deadline.

Spread the word by proclaiming your CHTA membership



For use on company letterheads, literature, websites and advertisements, members can download CHTA's logo from the Members Area of the Association's website.



Atmosphere Furnaces



Installation Technology



Vacuum Furnaces



multi-cell®

Total Solutions from one Source

- modular atmosphere and vacuum furnaces
- atmosphere and vacuum installation
- other processes: sintering, plasma, brazing, AvaC®
- measurement, regulation and control technology
- automation and control technology
- development of expert systems
- repair and refurbishment



IPSEN ABAR UK LTD · Unit 1A · Nechells Business Centre
31 Dollman Street · Nechells · Birmingham B7 4RP
Phone: 0121 / 3 59 59 - 59 · Fax: 0121 / 3 59 59 - 95
E-mail: sales@ipsenabaruk.com · www.ipsen-international.com

Diary

March 27-31 2006

THERMIC 2006

Paris, France

France's thermal processing exhibition is one of eleven trade shows at *Industrie Paris 2006*: www.industrie-expo.com

March 29 2006

SAFETY & STANDARDS SEMINAR

West Bromwich, England

This British Industrial Furnace Constructors Association event updates on national/international safety standards/directives impinging on furnace technology. www.bifca.org.uk

April 5-7 2006

MATERIALS CONGRESS 2006

London, England

www.iom3.org/congress

April 18-21 2006

THE 8TH INTERNATIONAL FOUNDRY, METAL FORMING AND INDUSTRIAL FURNACES EXHIBITION

Beijing, PR China

Event combined with the 10th International Metallurgical Industry Expo (Metal + Metallurgy China 2006): www.metal-metallurgy.com

April 23-26 2006

3RD INTERNATIONAL BRAZING & SOLDERING CONFERENCE

San Antonio, Texas, USA

www.asminternational.org/ibsc/

April 26-28 2006

3RD INTERNATIONAL CONFERENCE ON THERMAL PROCESS MODELLING AND SIMULATION

Budapest, Hungary

English-language IFHTSE-sponsored event: www.diamond-congress.hu/ifhtse2006

May 2-5 2006

7TH INTERNATIONAL TOOLING CONFERENCE

Turin, Italy

www.aimnet.it/allpdf/tool06.pdf

May 4 2006

CHTA PUBLICITY SUBCOMMITTEE*

Birmingham, England

May 11 2006

CHTA MANAGEMENT COMMITTEE*

Birmingham, England

May 11 2006

CHTA/SEA CCA Workshop

Birmingham, England

See page 2

May 15-18 2006

5TH INTERNATIONAL SURFACE ENGINEERING CONGRESS

Seattle, Washington, USA

www.asminternational.org/surface/

May 15-19 2006

MACH 2006

Birmingham, England

www.mach06.com



SEA headquarters Federation House in Birmingham, venue for CHTA meetings.

May 16-18 2006

SUBCON 2006

Birmingham, England

www.subconshow.co.uk

June 5-7 2006

FOUNDRY, FURNACES & CASTINGS EXPO

Harrogate, England

The 17th in the series of UK "Furnaces" exhibitions, supported by CHTA, will be part of this new event: www.ffc-expo.com

July 4-6 2006

THERMOPROCESS KOREA 2006

Seoul, Korea

"The 4th International Heat Treatment Technology, Refractory, Furnace & Surface Finishing Industry Equipment Exhibition": www.thermotec.co.kr

July 12-14 2006

TRIBOLOGY 2006

London, England

"Surface Engineering and Tribology for Future Engines and Drivelines": www.imeche.org.uk/events/trib50

July 17-23 2006

FARNBOROUGH INTERNATIONAL AIRSHOW

Farnborough, England

www.farnborough.com

July 21 2006

SEA HOUSE OF LORDS RECEPTION

London, England

www.sea.org.uk

July 27 2006

CHTA PUBLICITY SUBCOMMITTEE*

Birmingham, England

August 3 2006

CHTA MANAGEMENT COMMITTEE*

Birmingham, England

September 20-22 2006

ALUMINIUM 2006

Essen, Germany

6th world trade fair and conference:

www.aluminium-messe.com

September 26-29 2006

15TH IFHTSE CONGRESS

Vienna, Austria

Organised by the Austrian Society for Metallurgy and Materials in conjunction with IFHTSE: www.asmet.at/ifhtse2006

September 27-28 2006

FURNACES NORTH AMERICA 2006

Reno, Nevada, USA

The Metal Treating Institute's conference and exposition: www.metaltreat.com

October 4-6 2006

A3TS 2006

Bordeaux, France

This 34th Congress on Heat Treatment and Surface Engineering combines a conference and an exhibition: www.attt.org

October 11-13 2006

62ND HÄRTEREI-KOLLOQUIUM

Wiesbaden, Germany

German-language heat treatment conference and exhibition: www.awt-online.org

October 17-19 2006

UNDERSTANDING HEAT TREATMENT

Birmingham, England

71st repeat of Wolfson's well-established course. Details from Derek Close, Wolfson Heat Treatment Centre, Federation House, 10 Vyse Street, Birmingham B18 6LT (tel: 0121 237 1122; fax: 0121 237 1124; e-mail: derek.close@sea.org.uk; www.sea.org.uk/whtc

October 20 2006

SEA AWARDS DINNER

Coventry, England

www.sea.org.uk

October 26 2006

CHTA PUBLICITY SUBCOMMITTEE*

Birmingham, England

November 14-15 2006

INDUSTRIAL FURNACE TECHNOLOGY COURSE

West Bromwich, England

www.bifca.org.uk

November 16 2006

CHTA MANAGEMENT COMMITTEE*

Birmingham, England

December 14 2006

CHTA AGM*

Birmingham, England

**Members wishing issues to be raised at CHTA meetings should notify CHTA's Secretary at mail@chta.co.uk.*

For the best in subcontract heat treatment services, go to . . .

www.chta.co.uk

. . . your guide to sourcing from 70 UK-wide heat treatment specialists



The Contract Heat Treatment Association

Super Systems

UK LTD

ATMOSPHERE EXPERTISE

- ❖ Carburing control and programming systems using SSi Gold Probe, CO or CO₂ analysers, or dewpoint meters
- ❖ Test and repair of oxygen probes
- ❖ Endothermic generator controls using lambda probes
- ❖ Nitriding controls and programmers indicating dissociation or nitriding potential (K_n)
- ❖ Dedicated heat treatment portable gas analysers and dewpointers
- ❖ Touch-screen programming instrumentation incorporating datalogging
- ❖ Computer supervisory systems
- ❖ Market-leading **CARBOTUNE** total-support package for carburing furnaces.
- ❖ Furnace troubleshooting

Tel/fax: +44 (0)121 240 1591
E-mail: matthew.cross@which.net

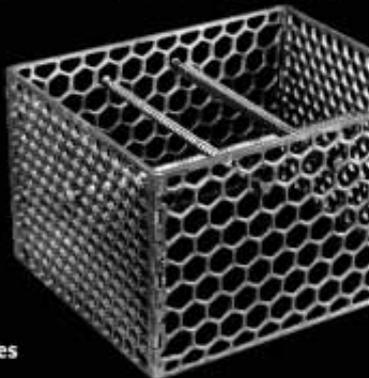
www.supersystems.com
Free online heat treatment software tools

Heat resistant castings

Our specialist service for heat resistant castings is based on over 40 years experience of the heat treatment business. Our service is first class, our skills are state-of-the-art and our commitment is 100%.

*Jigs, fixtures,
furnace
furniture*

Design, pattern making
Reverse engineering
Benchmark quality
Unbeatable delivery times



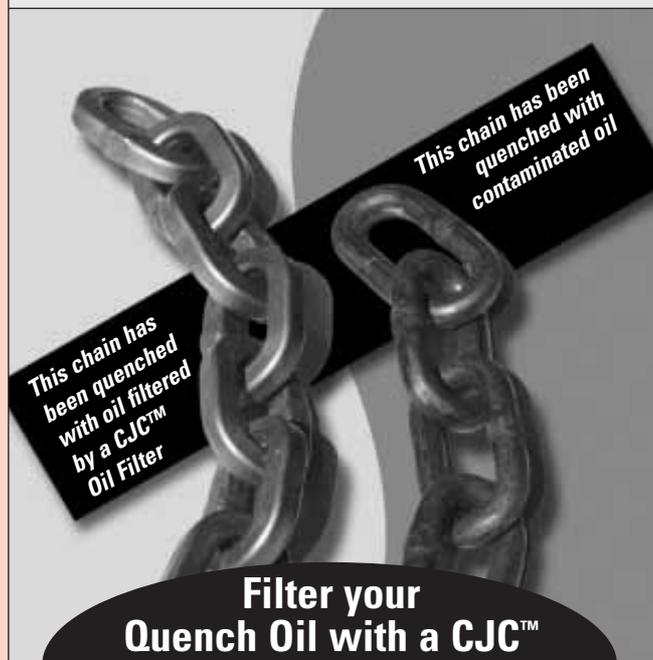
CALL 0161 797 9111 TODAY



Wallwork Cast Alloys
Lord Street, Bury BL9 0RE
Fax: 0161 763 1861

PROFIT FROM OUR EXPERIENCE

An effective "chain-reaction"



Filter your Quench Oil with a CJC™ FineFilter and obtain the following benefits:

Quench-Bath Application:

- Improved surface quality of treated parts
- Longer time between service intervals
- No or few tank cleaning sessions required
- Less problems with contamination build-up in heat-exchangers/coolers
- Prolonged lifetime of the quench oil
- Reduced risk of oil self-ignition

Better surface finish = Higher product quality
Less down-time = Money saved
Lower quench oil consumption = Money saved
Lower risk of fire = Good for health and safety

Washing Machine Application:

- Skimmed oil can be dried and re-cycled
- Lower quench oil consumption = money saved

Oil Maintenance



C.C.JENSEN LTD.
Unit 26 • Enterprise City
Meadowfield Ave. • Spennymoor
Co. Durham • DL 16 6JF
Tel: 1 388 420 721 • Fax: 1 388 420 718
E-mail: cjt@ccjuk.co.uk • www.ccjensen.co.uk

www.cjc.dk

The softening insurance market

In September 2002, *Hotline* highlighted the contract heat treater's problems of obtaining sensible insurance cover, with UK premiums then at a 40-year high. **Stuart Laing** of Counce O'Hara insurance brokers, providers of services to SEA members, updates on how the situation has eased.

Issue no. 89 of *Hotline* referred to the spiralling cost of insurance and put the blame partly on events of 9/11 as well as insurers' reduced liquidity and poor stock-market conditions in general.

Good reasons perhaps at the time for insurers to justify increases across the board on most classes of commercial insurance, but the situation is now far removed from 4/5 years ago.

We have now seen the third consecutive year of a soft market. There are several reasons for this, the main ones being a reduction in the cost of re-insurance premiums and an increase in underwriting capacity. Indeed most insurers are hungry for new business and justify their appetite for this because of huge sales targets that have been imposed on them.

In general terms, businesses should have been seeing a reduction in their annual premiums over the last two years at least. Unless there are valid and obvious reasons, such as a poor claims history or the business has grown substantially (i.e. there have been increases in sums insured, such as plant and equipment, wages and turnover, etc), then it may simply be the case of a client's current broker not understanding the risk fully or shopping around for the best deal on their behalf.

Nowadays, businesses are obliged to have a wide range of health and safety measures in force, making the work environment a much safer place and improving overall risk management. Similarly, the purchase and installation of new plant and equipment also improves a risk from an insurance perspective. If all this is in place, then it is only fair that businesses should be seeing a reduction or improvement in their insurance terms.

As insurance brokers, one of Counce O'Hara's specialities is the handling of all classes of commercial insurance for the surface engineering industry. We are the only broker with membership of the Surface Engineering Association and have been a member for over seven years. We therefore have the expertise to understand

Market Movements

ANALYSIS OF QUESTIONNAIRE REPLIES RELATING TO 34 CHTA MEMBER SITES

"THIS QUARTER" =

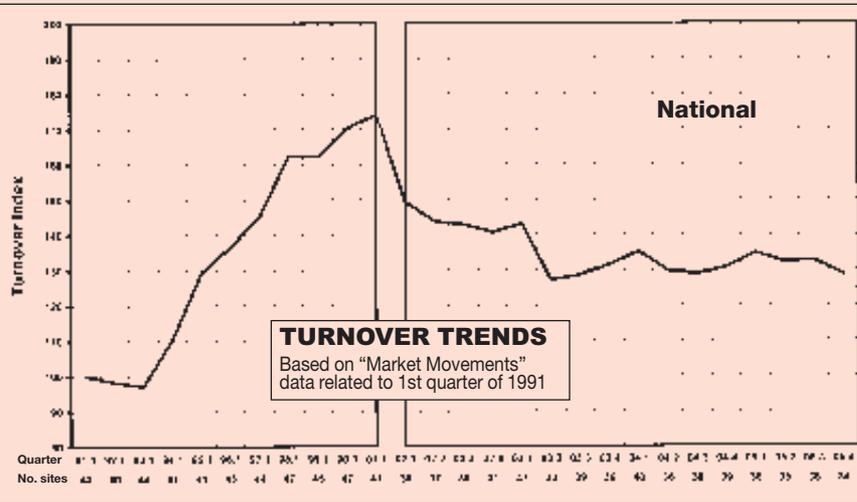
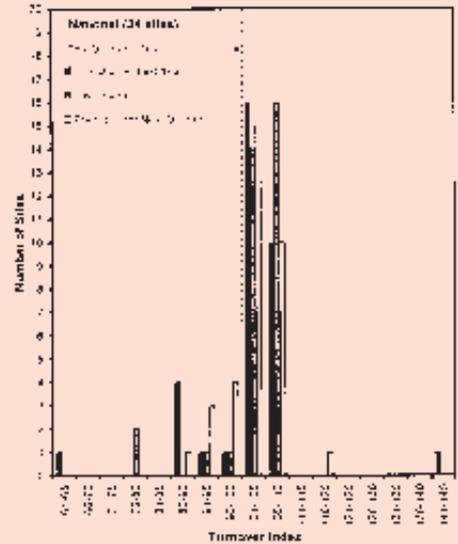
1 OCTOBER – 31 DECEMBER 2005

= **TURNOVER INDEX 100**

National

OVERALL ANALYSIS (34 SITES)

	Mean index
This quarter last year	102.3
Last quarter	103.1
Predicted next quarter	103.2



the industry and can offer bespoke policy cover and wordings at extremely competitive terms.

All of this is backed up by a reliable and professional claims service and our own in-house health and safety team, which will undertake an audit of a client's health and safety policy free of charge.

Counce O'Hara & Company was established in 1995, and now ranks within the top 100 insurance brokers in the UK. Our business has grown substantially since we were formed, but our business principles remain unchanged. Our clients deserve and expect exceptional service. We have a reputation for lateral thinking and solving difficult insurance problems.

We will be happy to discuss your insurance requirements in confidence and arrange an insurance programme that is bespoke to your business.

Stuart Laing is Sales Executive at Manchester-based Counce O'Hara & Company Ltd (tel: 0161 833 2100; e-mail: stuartlaing@caunceohara.co.uk).

STATESIDE STATS

GOOD YEAR FOR NORTH AMERICAN SALES

Participating MTI members registered a total of \$1017million in heat treating sales in 2005, an increase of 8.5% over 2004's mark of \$936.6million. December 2005 billings were \$80.2million, a jump of 7.4% compared with the \$74.6million in December 2004.

Latest figures indicate sales of \$72.7 million for January this year, up 11.4% over the same month in 2005.

Please send your news items for Hotline 104 by e-mail to:

mail@chta.co.uk

Deadline: May 31st