



## WELCOME

Welcome to the first Western Australian edition of XLERPLATE® *Steel In Touch* for 2006.

While our State's economic prospects appear to remain strong for the coming year, we may consider ways we can enhance these prospects by adding value to everything we do in the steel industry.

Western Australia's unemployment rates remain below the national average, courtesy of the continuing resources boom. This boom, in turn, has been driving infrastructure development – which we expect to continue in the year ahead.

Our population continues to rise, and demand for housing stock continues to drive our domestic market forward.

But when it comes to selecting a steel supplier, customers should be encouraged to look well beyond price.

**Elly Pilkadaris**  
State Sales Manager - Western Australia

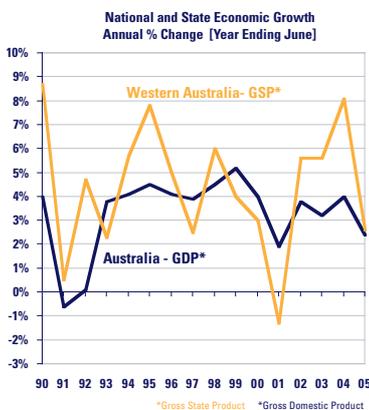
## WA REVIEW

The WA economy slowed to about 2.6 per cent growth in 2004/05, but remains healthy.

Economic prospects are strong, as superb resource potential and ongoing growth in China have led to a surge in business investment and population growth above national levels.

The inflow of workers has ensured a strong demand for housing, and has been pushing up property prices and investment activity.

Given this strength, employment growth has been strong, and unemployment remains about 4.6 per cent – below the national average.



Source: BlueScope Steel Economics and Access Economics



## BINNING GRAIN HARVESTS IN DOUBLE-QUICK TIME

West Australian grain farmers are now able to slash harvesting schedules, courtesy of mobile field bins developed by Esperance company Parker Silos and Sheetmetal.

Called WildCat Chaser Bins, these huge 20-25 and 30-tonne capacity bins are hauled alongside harvesting machines (headers) in the fields, collecting crop loads for deposit in farm silos.

As modern headers are capable of harvesting upwards of 60 tonnes of grain an hour – and capable of holding only a fraction of this capacity before needing to be stopped and emptied – Parker Silos and Sheetmetal recognised the need to keep the harvesting process rolling non-stop.

With 19 years expertise in the farm silo and sheet metal business, Parker Silos and Sheetmetal produced its first tractor-hauled chaser bin three years ago – and production has been steady ever since.

While the 20-25 tonne WildCat Chaser Bin is a single-axle model, the 30-tonne model has optional tandem axles, capable of allowing them to work in any paddock conditions.

“There are other chaser bins on the market, but we believe ours are the best in Australia,” Marketing Manager Sean Christmass says. “The sides of our units are 6mm XLERPLATE® steel curved for additional strength and fast unloading, and our table and high-



reach discharge augers allow for fast unloading rates.

“In using 6mm XLERPLATE® steel we are building a strong and superior product.

“We have also designed a 600-litre in-built water tank for use with an optional fire-fighting unit. Other manufacturers treat such water tanks as add-ons.”

The last thing farmers need is to find themselves, their workers and millions of dollars worth of equipment engulfed in flames while working in tinder-dry conditions. Field fires can often be sparked by operating equipment.

Sean says inquiries for WildCat Chaser Bins have been rising rapidly, “and with a three-year Limited Structural Warranty farmers know we have a good product and that we are prepared to back it.

“We hope to be distributing our Chaser Bins in the eastern states, and have been receiving inquiries from South Africa too,” Sean says.

# SERVICE AND LOGISTICS CENTRE LAUNCH

BlueScope Steel's new Western Australia Service Centre in Forrestfield, Perth is open for business following its official launch.

The new facility is the first to combine a service centre to process steel coils and a logistics base to deal with transportation of steel, all on one site.

More than 100 guests attended the launch, including the Deputy Premier of Western Australia, the Hon Eric Ripper, and Australian Manufacturing Markets President Brian Kruger.

WA Service Centre Business Manager David Pike says Forrestfield merges BlueScope Steel's former Myaree and Kewdale sites – which were separated by half an hour's drive.



"The new centre will be more efficient for customers," he says.

When operating at full capacity, the Forrestfield centre will handle half a million tonnes of steel annually.

# RIDING THE WAVE

Tasmania's Doric Engineering has beaten Australian and international competition to supply 2000 purpose-built shipping containers for BHP Billiton's Ravensthorpe nickel development.

The \$2 billion Ravensthorpe project involves the development of a mine, treatment plant and associated infrastructure near Ravensthorpe, WA and the expansion of the QNI Yabulu Nickel Refinery near Townsville.

Work on both projects began in April 2004, and the first nickel production from the expanded Yabulu Refinery is expected late 2007.

Jimmy Trambas, founder and Managing Director of Devonport-based Doric Engineering, led the team which designed and developed a shipping container system to transport up to 220,000 tonnes of a mixed nickel and cobalt hydroxide intermediate product a year.

All containers are to be delivered within a year.

The product will be packaged into the containers at the Ravensthorpe processing plant, transported by rail to the Port of Esperance, then shipped by sea to Townsville for final refining at the QNI Yabulu Refinery. Each ship will transport 660 containers.

"Without BlueScope Steel's help, we probably would not have won this contract," Jimmy says. "We would not have been able to get the steel in time.

"We have been formally working on this project for 14 months, and for almost two years before then we were providing information and discussing concepts with our customer. We had to go



through proof of concept procedures and then quickly produce prototypes to demonstrate that we could deliver the product and that it would do what we promised."

Concept to working prototype took only a few weeks, and all critical components are made from 350 Grade XLERCOIL® steel. The project will involve some 4000 tonnes of XLERCOIL® steel – ideal for delivering strength, while keeping container weight to a minimum.

Doric Engineering recently produced 550 strong, light-weight rail containers – using 350 Grade XLERCOIL® steel – for carrying cars.

# BETTER VALUE FROM PLATE MILL

The Plate Mill at the Port Kembla Steelworks is now offering faster service after a multi-million dollar maintenance program completed earlier this year.

The program involved the reheat furnaces, Stand No. 2 and aspects of processing and despatch, and will result in better product turnaround for all XLERPLATE® steel customers.

No. 1 furnace had minor refractory work done on the hearth, while No. 2 furnace received a new hearth and had other refractories replaced.

Nitrogen is now used in an automatic system to purge volatile coke oven gas from the gas supply lines, replacing a slower, more dangerous manual process that used steam.

The gamma ray thickness gauge on Stand 2 was updated to provide more reliable and accurate readings on plate thickness and profile. The window liners were also replaced within the Mill housing.

Processing work involved refurbishment of the rotary line and guillotine line turnover tables, new arbours on the rotary line side trim sheers, a new scrap trolley for the plasma cutter, and the removal of asbestos from one of the cranes' control panels.

In the despatch section, both large forklifts have been fitted with speed governors, and seatbelts or seat cut-out switches.

# WEBSITE FOR FABRICATORS

Metal fabricators are being encouraged to log on to a free industry-first online directory designed to connect them with project developers across Australia.

The idea is that metal fabricators, as well as project developers and engineers, will use the directory to source steel fabrication services for projects in any State.

BlueScope Steel is sponsoring the online Australian Metal Fabrication and Services national directory, launched by the Industry Capability Network of Western Australia (ICNWA).

ICNWA senior consultant, Linus O'Brien, says registering on the site will mean fabricators are better positioned for tender opportunities.

Linus says the success of the website will depend on support from metal fabricators.

See <http://www.projectconnect.com.au> to register.

## SAFETY MESSAGE COMPRESSED AIR

Many people are not aware of the dangers surrounding compressed air.

While most fatalities associated with the wrong uses of compressed air are attributed to sky-larking and horseplay, many people are seriously injured and killed each year by incorrectly using compressed air when doing legitimate work.

Air under pressure can be just as dangerous as high pressure steam, and when released suddenly can cause serious injury. It can maim, tear or embed matter into skin and bones.

Air directed around the face can blow out an eye, or may puncture an ear drum, causing deafness. A person who has been painting or covered with dirt or soot can have poisonous particles blasted into the body where they immediately combine with blood. Even air without impurities is dangerous when forced into the bloodstream through a cut or even through skin pores.

Many serious injuries have occurred with pressures as low as 28 kPa.

Remember - compressed air can kill. Use it sensibly!

## NEW PLATE MILL MANAGER



The Port Kembla Steelworks has a new Plate Mill Manager – Gerard Mahoney.

Gerard was appointed to the position in December and oversees all rolling, processing and despatch of XLERPLATE® steel, as well as maintenance of these processes.

His major responsibilities are to ensure production runs to schedule and deliveries are fulfilled.

Gerard has worked in various roles throughout his 25 years at BlueScope Steel, including Manager of the Slab Caster and Customer Services for Hot Rolled Coil Products.

He enjoys being at the hands-on production side of the business. "That's the really important part for me. We're at the forefront of the operations and producing quality XLERPLATE® steel for our customers," Gerard said.

## FREE SEMINAR ON STEEL INDUSTRY

XLERPLATE® *Steel in Touch* readers are invited to a free seminar on the economic future of the steel industry.

The event, being hosted by the Australian Steel Institute (ASI), promises to offer useful, easily digestible advice about the steel industry, according to Ian Cairns, ASI's National Manufacturing and Distribution Manager.

"The seminars tend to attract a cross-section of the steel industry," Ian says.

"So the presentation will be structured to have broad appeal and relevance."

The WA forum will be held at the City West Function

Centre, on May 24 from 7.00am - 9.00am and will feature BlueScope Steel economists Max Serrano and Nick Scavarelli.

The pair will provide an overview of the economy, future opportunities and an outlook for Europe and the US, as well as China and India.

Though the forum is aimed at ASI members, non-members are welcome, says Ian, who adds that it will be a good networking opportunity. There will also be a Q&A session.

For more information and registration please visit [www.steel.org.au](http://www.steel.org.au).

## NEW TRAINING PROGRAM BENEFITS DISTRIBUTORS

A new training program will provide distributors and their employees with everything they need to know about XLERPLATE® steel, from its manufacture to technical advice and branding.

From mid-April, BlueScope Steel sales teams will use the DVD to host training sessions for distributors.

Michael Reay, BlueScope Steel Brand and Communications Manager, says the DVD is divided into seven modules, which provide information on BlueScope Steel, market segmentation, branding, product range, technical information, services and safety.

It has been developed in close consultation with our



State Sales Managers and Account Managers to ensure relevant content, design and functionality. The DVD also includes an animation of the entire steel making process at the Port Kembla Steelworks. "It's a really powerful tool because distributors will have all the information they need to know about XLERPLATE® steel in one spot," Michael says. "It's easily absorbed and there's lots of visual information."

## VALUE OVER PRICE

The days of submitting a quote or price and waiting for the order to be placed are long gone. Today's competitive global environment and higher customer expectations mean many companies, including BlueScope Steel, must develop value propositions that deliver more than just price.

The challenge for the steel industry supply chain is to work closely with each of our customers to uncover deliverable **value** that is both meaningful to the end customer and can flow right through the supply chain to the ultimate consumer.

When developing your value proposition, include your own company's specific value offerings, and also highlight the general advantages of local supply and fabrication.

These advantages could ultimately mean cost savings and other benefits for your customer and could include:

- ✓ **Quick response** to changing requirements
- ✓ **Provision of value added services** that cannot be provided by other suppliers
- ✓ **Cost savings by starting a project quickly** – More likely with local suppliers and fabricators

✓ **Cash flow advantages** - Reduced handling of components, lower on-site inventory levels and pre-production work

✓ **Inspection costs reduced** - High standard of workmanship and compliance with national and international standards

✓ **Reduced wastage, damage and re-work** - Locally-manufactured modules and equipment are less likely to be subject to damage and deterioration en route

✓ **Reduced administration costs** - No transaction costs related to clearance charges, fluctuations in the exchange rates or import costs such as demurrage

✓ **Flexibility** - Local companies are innovative and responsive to changing conditions and variations to the original planning and design

✓ **Reduced lead times** - Lower lead times as the transportation of finished goods from overseas can be affected by a number of stoppages

✓ **Ongoing support** - Whole-of-life costs (including maintenance); the ability to source replacement parts (or parts that may need to be re-engineered to certain specifications); and lower service costs can all result in significant cost savings.

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# Xlerplate®



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## IN THE HOT SEAT PHIL BAKER



**Name:** Phil Baker

**Job Title:** Logistics Transport Allocator

**No. of years with BlueScope Steel:** 6

**No. of years in the steel industry:** 12

**Description of current role:** Organise the unloading of material from rail wagons and organise delivery to customers

**Previous position:** Supervisor for Australian National Rail

**Previous position duties:** Supervising daily activities at ANR

**Woman I most admire:** Mother

**Man I most admire:** Father

**E-mails received on average per day:** 35

**Best invention of the last century:** Traffic lights

**Worst television program:** Big Brother

**Time I spend in my car each day:** One and half hours

**Hardest habit to break:** Smoking

**Favourite drink:** Bundy Rum

**Best car on the road/favourite car of all time:** Ford Falcon XF

**Most useless possession:** Nothing – everything has a purpose

**Favourite outdoor recreational activity:** Cricket and tennis (with a BBQ)

**What kick starts my day:** One good coffee

**If I had \$1m to blow it would be on...** The family

**If I could have one person over for dinner, it would be...** Kerry O'Keefe (ABC cricket commentator)

**If there was one thing I could do all over again...** Better education

**Favourite holiday destination ever:** Kimberleys

## ANYTHING BUT STEEL

While iron and steel making is thought to have taken more than 2000 years to develop, the ancient Egyptian King Tut always carried a small iron dagger – thought to be his most precious personal possession – made of meteorite iron.

The Sumerians called iron 'sky metal', while the Egyptian Pharaohs called it 'black copper from the sky'.

Even the Inuit of Greenland made iron tools for more than 100 years from a single 30-tonne meteorite.

While there is some evidence that African smiths could melt iron 2000 years ago, almost everyone else had to wait for it to fall to earth – until the wholesale smelting of iron during the Industrial Revolution.



Steel has come a long way in 2000 years – XLERPLATE® steel used extensively in Pacific Industrial Company's giant ship loader.

## YOUR REQUESTS

How can we improve our service to you and better meet your ongoing requirements? Let us know.

Did you know we can offer the following services:

- Training
- Joint Customer Visits
- Mill Tours

- Shared Safety Learnings and Practices
- Technical Assistance
- Promotional Assistance
- Electronic Transactional Activities

To find out more please contact your State Sales Manager.