



# Das Original

The Company Magazine Of The Elbe Group

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Dear readers,

Our order books have shown it very clearly in the past months: The economy has recovered further. We are starting the New Year with good signs. The positive order situation is continuing at all locations, the signals are set for growth and we look forward to starting 2011 at full speed. We are expecting an extremely lively year: Our customers want us to implement their orders with tighter and tighter deadlines. One of the greatest challenges will therefore be to become even more flexible in production. We have already coordinated many systems and processes accordingly – but that is not yet enough. Flexibility begins in the minds of the Elbe Group employees. It all depends on our thinking: Priorities can sometimes shift overnight and only someone who is flexible can prepare for this without major time losses. Let us face this challenge together!

I thank all of you for your commitment in the past year and wish you a Merry Christmas and a good, successful start to 2011.

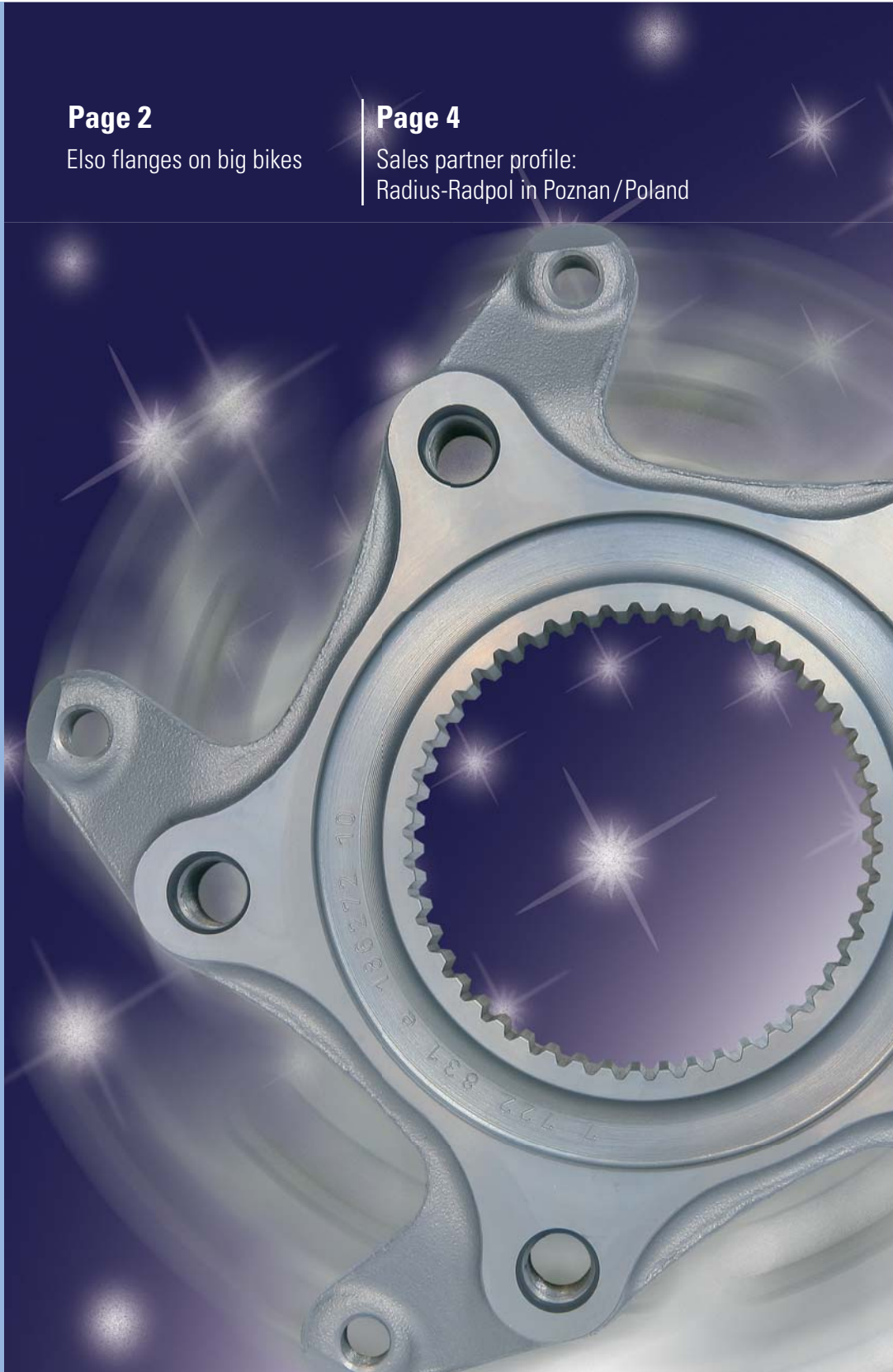
Kind regards,  
*Gundram Elbe*

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Elso flanges on big bikes

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Sales partner profile:  
Radius-Radpol in Poznan /Poland



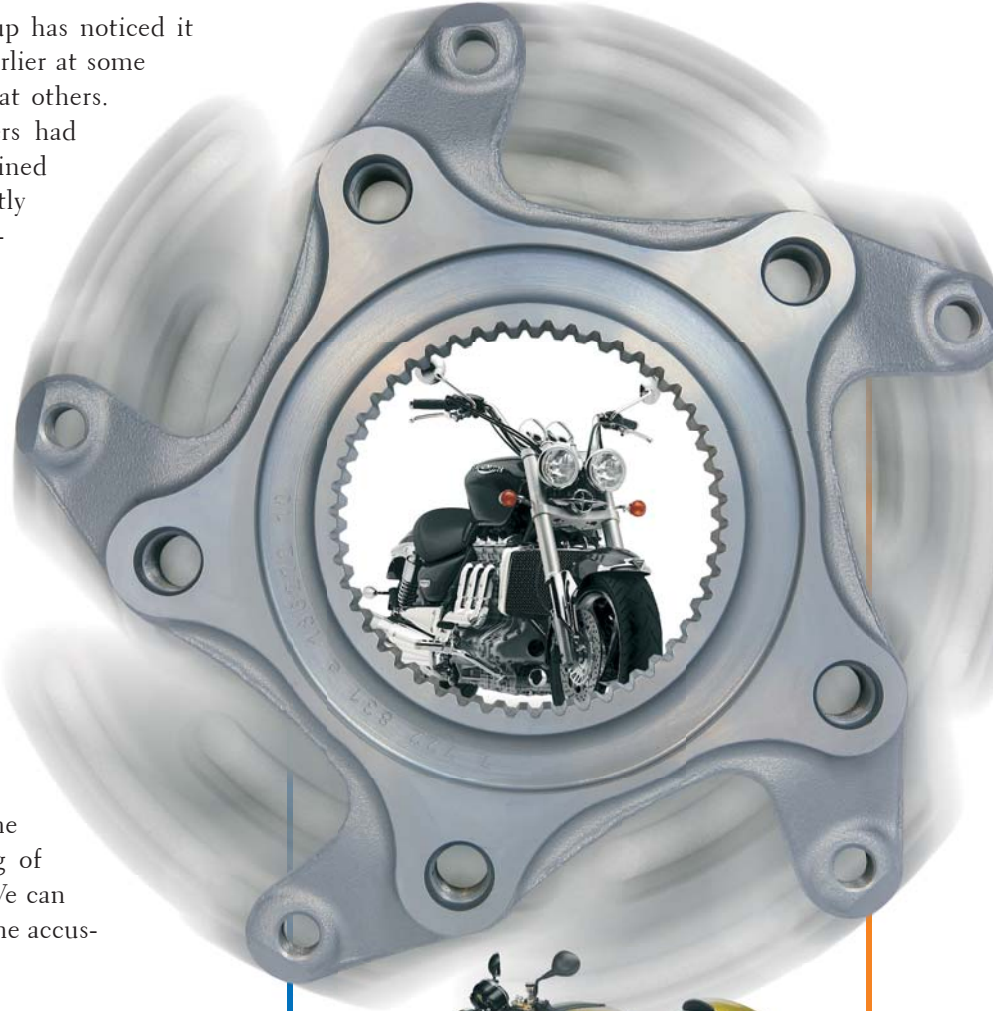
Full speed ahead:

## Elbe starts off into 2011 with growth and innovation

Everyone in the Elbe Group has noticed it during the past 10 months. Earlier at some locations and somewhat later at others. However, once incoming orders had overcome the trough and gained pace, they did so very distinctly and not only in the low double-digit range. In addition to the still valid, strict cost discipline, this order push and the related, significantly improved fixed cost coverage ensured a positive result for the Elbe Group again in 2010. Existing and new customers are finding their way to the Elbe Group again. They know that we realize their drive solution with very good advice and quality. Our strategy of keeping all of the core staff at Elbe, even during the crisis, through short-time work and intensifying training of new staff, is now paying off. We can realize a real order boom – in the accustomed Elbe quality.

The planning for 2011 is in place, we will continue to grow in the double-digit range. With intelligent product solutions, well-proven quality and flexibility in production and logistics, we intend to expand our business significantly again in 2011. The rising costs of material, energy and personnel pose a challenge. In this respect, we intend to and must find solutions in cooperation with our business partners, through productivity increases, cost reduction in the supply chain or price increases.

We can look back on a successful 2010 with pride. On the title page of this magazine, you can see a forward-looking Elbe product, which will be installed in the motorcycles of a large, European manufacturer in the future. Many other projects are in series implementation or are coming into series production. They will accompany us in 2011.



### The motorcycle industry is booming.

The Elbe Group will become the supplier for another manufacturer. As is customary in the motor vehicle industry, prototypes and pre-series were thoroughly tested before series production was started – after all, the flanges have significant importance for driving safety. The flange sits on the rear axle of the motorcycle, the brake disk is mounted directly on the flange.

In future, this star wheel flange from Elso will be found in the motorcycles of a well-known, European manufacturer. This is not the first order from the motorcycle industry for the Elbe Group. For many years, Moto Guzzi and Triumph have been installing cardan shafts, which are produced by Elbe Italia.

# Ergonomical working

## Investment during times of crisis is paying off

At Elbe Italia Nord, a project was started at the beginning of 2008 for the automation of a profile rolling machine. Six-digit investments were required for this. When the parts were delivered for upgrading the machine at the end of 2008, the economic and financial crisis had already had a full impact. Such a large investment in the middle of a historical economic trough? Others may possibly have tried to pull the emergency brake. Elbe Italia thought about the long term and relied on innovation – crisis or not.

The investment weighed heavily, but is now paying off significantly during times of upturn. The fitting of the machine is now completely carried out by a robot. The employee, who previously needed

to fit the machine manually, is now active in other production areas, thereby unburdening his colleagues. And, he is unburdening himself: For the manual fitting, maximum physical performance was required. Over the course of a working day, the employee moved tons of parts, a real challenge for his muscles and spine. Therefore, the investment was also worthwhile in terms of occupational safety and health.

Now that the economy is booming, the courage to invest is also having an effect on corporate success at Elbe Italia. “Our example shows how important it is not to lose sight of development during times of crisis. If we had foregone the investment, we may have come through the crisis somewhat more economically. But we would now have major productivity losses – even with full order books!” says Götz Herter, Managing Director of Elbe Italia.

The automation technology for the profile rolling machine comes from a specialist in Northern Italy, a longstanding partner of Elbe Italia. The system was handed over in a turn-key condition. The advantage: From the project planning, to the implementation, right up to training the staff, everything comes from a single source, so that new machines and systems can quickly go into real operation.



## Elbe relies on fitness

At the Health Day of the works council and the B·A·D Group, everything revolved around the back. In addition to a fitness check, there was a lecture on the subject of back health. As the Health Day was so well received, the Management Board and the works council jointly decided to offer a fitness course for staff. At the core of the exercise training are endurance, strength, flexibility and coordination. The course is led by experienced, qualified trainers from the B·A·D Group. The course is comprised of twelve weekly units of around one hour each. The Management Board and the works council have agreed to remunerate half of the training units. Participation is free of charge for the staff. The course takes place during working hours, between 1:30 p.m. and 2:30 p.m.



30 minutes of the course time is remunerated by the company as working time, the remaining time for changing or showering is at the employee's expense. The number of participants is limited to 17 staff. If there is more demand, several courses may be offered. Get ready to start in February 2011, but whoever wants to take part should hurry: Many registrations have already been received!

# Excellent Elbe-Service in Poland

Cardan shafts and drive flange from Elso: Anyone who relies on drive technology from the Elbe Group in Poland



turns to Radius-Radpol. The company represents Elbe throughout Poland as a dealership and service partner.

Radius-Radpol has been the dealership partner of the Elbe Group in Poland since 2002. The company was founded 27 years ago and now employs 20 staff. A few years after the fall of the Iron Curtain, Radius-Radpol began to collaborate with Western European companies from the drive industry and since 2002, also with the Elbe Group. Radius-Radpol specializes in customers from the mechanical engineering and motor vehicle engineering sector, including well-known agricultural machinery, bus and car manufacturers. Radius-Radpol supplies these customers with mechanical components, such as cardan shafts from the Elbe Group factories. The headquarters of Radius-Radpol are in Skórzewo, a small town near Poznan. Through its own dealership network in numerous Polish cities, Radius-Radpol offers local support for its customers. In 2003, the company moved into new premises and has, since then, had its own workshop, a warehouse with expansion options and a large service department.



For its customers, Radius-Radpol is more than just a dealer – the company is also a contact in all technical matters. Radius-Radpol offers technical advice for the configuration, calculation and selection of the drive elements. In addition to this, Radius-Radpol is available to its customers as a service partner, looks after repairs and the necessary overhauling and maintenance of the components. The responsibility for this lies with the Technical department, the heart of the company. The five engineers maintain contact with the customer, conduct negotiations, prepare the offers and look after new orders. The Technical department is supported by Customer Service: The service staff receive the orders and are responsible for the entry, processing and follow-up of the orders. The other staff are in the Sales, Service and Workshop departments, as well as Marketing and Import.

2010 was an extremely successful year in the partnership between Elbe and Radius-Radpol. An im-

portant project was the completion of the prototype phase of an order for two important Polish agricultural

machinery manufacturers, who will gradually change over all of their vehicle types to cardan shafts from Elbe. From 2011, Elbe will be the pre-series supplier. The delivery processes have been jointly optimized constantly over the years. In the meantime, the delivery periods have been reduced to a minimum, thanks to regular bridging deliveries, urgent orders are not



only delivered to Radius-Radpol via Overnight Express within one day, but also, directly to the customer, upon request. The service staff at Radius-Radpol are already working closely together and for 2011, it is planned to further expand the cooperation.

The fact that Radius-Radpol attaches particular importance to a good relationship with its partners

in industry is documented by the existence of the “Bison Club”, which the Management Board established after many get-togethers with its international business partners. The club, which stands for good partnership and cooperation, has a bison statue made of brass as its club symbol.

### **Poznan: Trade fair location with charm**

Poznan is one of the oldest cities in Poland; the first settlements can be traced back 12,000 years. The city is situated in Western Poland, around 280 kilometers east of Berlin, to which Poznan is ideally linked by rail and motorway. Poznan enjoys the reputation of being an important, international trade fair city. More than 20 trade fairs per year from diverse sectors and many important universities strengthen the economic significance of the region. With around 580,000 inhabitants, Poznan is about as large as its German partner city, Hannover.

But, Poznan is not only an important business and research location, but also has a great deal to offer in terms of culture. Numerous theatres and concert halls and many architectural highlights, such as the Old City Hall from the 15th century and the gothic cathedral, attract more and more tourists to Poznan. And the flow of visitors will rise even more significantly in 2012, when the European Football Championship entices numerous fans to the Polish stadiums. Poznan is one of the venues and is well-prepared with a newly built stadium.



In September 2010, nearly two years prior to the European Championship in Poland and the Ukraine, the first Polish European Championship stadium was inaugurated in Poznan.



# The supplier in the Elbe Group



## Good news from Hungary

Elso Hungary is starting 2011 with an enormous rise in sales. Having said that, the crisis year 2009 was anything other than easy. As there is no state-subsidized possibility for short-time work in Hungary, the workforce in Eger needed to be reduced by about half. In 2010, Elso Hungary has now been able to achieve a rise in sales of more than 75 percent. The strengthened sales activities are particularly noticeable with new customer acquisition and gaining new projects from existing customers. Cast blanks in diverse shapes and materials, which require precise turning and milling on CNC machines, ensure additional capacity utilization for the state-of-the-art machinery. For the first time, Elso Hungary is supplying cast steel casings as far as India for a new customer.



It is also positive that more than 50 new staff have been hired. The Management Board is particularly pleased that the majority of the new workforce is made up of young, skilled workers, who have completed their training in the Wiegner Vocational School in Eger, in a dual vocational training system. Elso Hungary has been cooperating with the Wiegner Vocational School for many years. As a partner operation for the practical section (we reported in the 02/2009 issue), Elso offers the vocational trainees the opportunity to gather the necessary practical experience, in addition to their theoretical training. The vocational training combination of vocational school and practical experience in the company is comparable with the German dual vocational training system.

In 2010, a reasonable amount of investment also took place at Elso Hungary. Among others, in a fully-automated washing machine for cleaning and grease removal from the processed cast parts. The machine, which complies with the European environmental standard, also contributes to environmental protection. For 2011, additional investments are planned in operating resources and machinery, but money will also be spent on improving the workflows and on quality assurance.

## **BBQ: Support for vocational trainees**

Always in autumn, when the new vocational training year has started, certain headlines repeat themselves in the press. The pages are then filled with bad news, such as "Every fifth vocational training contract is prematurely cancelled". At the Elbe Group, vocational trainees are now supported even better, in order to prevent this.

Therefore, courses are being offered in technical mathematics, as well as in business and social studies. The course in business and social studies already started in September, six vocational trainees took advantage of the offer, which was led



Coach Silke Nübling

by Ms. Silke Nübling. In January 2011, seminars in technical mathematics will be added to this. The instructor is a vocational trainee himself and will pass on his excellent mathematical skills to his colleagues. The main aim of both courses is to deepen knowledge. "It is not as though our vocational trainees are overworked with the material in the school", emphasizes Project Manager and Head of Vocational Training, Hartmut Wölper. "They are highly motivated and take advantage of the courses as an opportunity for further education."

## **New Wintool software: Tool administration improvement project starting in 2011**

In our previous issue, we already reported on the Offensive 2010 at Elso. Now, the starting shot has been fired for the optimization of fitting times. The improvement project is intended to make projects more efficient and give staff the opportunity to concentrate fully on their task and use as little time as possible for refitting the machinery.

A new software will ensure this: In the new Wintool central tool administration system, all important information, such as tool data, fitting plans or NC programs will now be centrally administered. The new tool administration is intended to start real operation in the third quarter of 2011.

## **Anniversary: Gronemann at the Drive Technology Trade Fair for the 15<sup>th</sup> time**

The Dutch Elbe dealership partner, Gronemann B.V., was one of around 160 exhibitors at the Drive Technology Trade Fair 2010 in Utrecht. The trade fair was held for the 15th time in a row in 2010. Gronemann B.V. has not missed a single trade fair. For this anniversary, it was awarded a gold membership for particularly loyal exhibitors.

Gronemann particularly looks after customers from the mechanical engineering and systems engineering sectors, which it supplies, inter alia, with heavy-duty cardan shafts. Gronemann presented these and other products from Elbe and Elso



at the trade fair – also in a completely different way than the customers were used to: Two bistro tables with cardan shafts as legs were the eye-catcher at the stand.

In keeping with the trade fair theme of "Fit for the Future", Gronemann was very successful with 170 visitors, which was an increase of around 30 percent compared to 2008. Out of the interested parties at the Gronemann stand, 80 percent came from companies in the mechanical engineering sector, 20 percent were end-users. It was also pleasing that around half were new contacts.

Within the context of the "Industrial Week" in Utrecht, the Industry&Automation, Macropak and Industrial Processing trade fairs also took place. In total, around 800 exhibitors and nearly 23,000 visitors were on site.

# Greetings to our staff celebrating anniversaries

Thanks for many years of loyalty to the company. This year, Gundram Elbe was able to congratulate sixteen staff on the company anniversary in the Elbe Group and honor them for their loyalty to the company. Fourteen of them were honored for their 25-year employment with the company. Gundram Elbe addressed a special greeting in his speech to Bernd Kramer and Wolfgang Gisterer, who have already been loyal to the company for 40 years. In the presence of the works council, Gundram Elbe expressed his thanks to the staff celebrating anniversaries and presented them with a gift on behalf of the Group of companies.



Elbe anniversary staff (f.l.): Volker Illmann, Tomislav Zaja, Ellen Hofmann, Bernd Sellner, Herbert Graf and Günter-Karl Klemm (missing on the photograph), have been with Elbe for 25 years.



Elbe anniversary staff (f.l.): Oliver Sinn, Volker Werner, Reiner Daub, Christian Walker, have each been with Elbe for 25 years, Messrs. Bernd Kramer and Wolfgang Gisterer have been with Elbe for 40 years.



Elso anniversary staff (f.l.): Ralf Valtenmeier, Bernhard Hofmann, Uwe Schwappach and Reiner Häußinger have been loyal to the company for 25 years.

## How much steel does the Elbe Group process each year?

In the current issue, we would like to continue with our popular prize competition quiz. And as always, there is something to be won. Among all staff who have sent in the correct answers by 30 April 2011, we are drawing five vouchers for a meal valued at € 35.00. As always, subject to a legal disclaimer and in the presence of a works council member. Here is a tip, if you do not want to cut the magazine: Simply copy this page, mark the answer with an "X" and forward it to the secretarial office of the Management Board. Also by fax: +49 (0)7142 353-306. Good luck from the editorial staff.



What do you think, how much forged steel did the Elbe Group process in 2010?

Is it:

- [A] 7,500 tons, [B] 14,600 tons,  
[C] 20,000 tons oder [D] 40,000 tons?

[A]: \_\_\_\_\_ tons

[B]: \_\_\_\_\_ tons

[C]: \_\_\_\_\_ tons

[D]: \_\_\_\_\_ tons

Name: \_\_\_\_\_

Department: \_\_\_\_\_