



Das Original

The Company Magazine Of The Elbe Group

Issue No. 02.2011



Dear readers,

Positive feedback is a sure sign that we are performing our work better than the others. ELSO and Elbe USA have received this positive feedback through the awarding of the "Caterpillar Award" in Bronze. Surely not every customer shows his appreciation for the service performed so obviously. Nevertheless, it is a nice incentive to think about what is special about working in the Elbe Group now, at the end of the year. Therefore, I would like to promote as a new motto for next year that we will make it our goal to act responsibly, and by these actions to obtain positive feedback. This applies equally to interactions with customers, superiors, and colleagues.

But first of all, Christmas time is just around the corner. This is a time to calm down and contemplate the past year. Use these quiet days, to recharge your batteries for the next year and start 2012 with optimism and drive.

In this spirit, I wish you and your families a peaceful Christmas and a Happy New Year.

Kind regards,
Gundram Elbe



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Sales Conference 2011

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Prize received in tandem:
Bronze Award from Caterpillar



Strike 2012 – A bull's eye for the Elbe Group



Have you ever had the uplifting feeling while bowling, of knocking down all ten pins with your first bowl and thereby succeeding in getting a strike? The sales staff of the Elbe Group experienced this feeling within the context of this year's Sales

Strike 2012

Conference, on October 18th and 19th at Elbe in Bietigheim-Bissingen. At a bowling evening, the pins fell by the score and ensured top performance by the teams, which far surpassed the evening and inspired the entire conference.

The central topic of this year's event was the question of how to generate continuous growth in the Elbe Group for the future, in order to solidly counteract developments in the volatile economic environment. Gundram Elbe also showed great interest in the topic. He did not miss the opportunity to personally inform himself of the results. Participants in the conference were employees from the sales organizations in Germany, Austria, Switzerland and key accounts for Europe, as well as employees from the sales office.

Utilizing knowledge and competence optimally

"This year, we deliberately structure the conference as a workshop", says Sales and Marketing Manager, Ralf Gebhardt, "this way, we can optimally utilize the knowledge and competence of our sales staff". Ralf Gebhardt welcomed the participants with several remarks on the current business situation and discussed change in the sales structure of the Elbe Group and particularly the expansion of the sales-oriented departments. After this, the workshop groups were divided into two for

Strike 2012 – Sales motto for the year 2012

On the basis of the major bowling success, the sales team defined the term "Strike" as the new sales motto for the Elbe Group for the year 2012, at the beginning of the second day. In the subsequent workshop, the participants developed many good and promising ideas and conclude that the Elbe Group have the prerequisites for continuing to successfully gain market share in vehicle engineering and mechanical engineering, due to its high level of advisory competence and a large production program. "With the group work this year, we were able to create new ideas, and have identified considerable strengths and some weaknesses, all of which help our consolidation in the market place. The continuous exchange of ideas between employees is an important pillar of our sales philosophy", says Ralf Gebhardt. Valuable ideas were also provided by the group work on the topic of "new application possibilities for mechanical drive components", as well as the presentation of several successful projects in relation to joint disks of SGF, respectively, the new "Binotto hydraulic cylinder" product, by Mr. Koch from ELSO in Hofheim.

The products of the Elbe Group are also intended to inspire the customers in 2012, thereby ensuring continuous

the content work on the following day and a tour of the factory halls. The first day was concluded with the already-mentioned bowling evening in the "BowlingArena" in Stuttgart-Feuerbach.

growth in the Group, all of the participants agreed with this at the end of the two-day event. "We can achieve sustainable growth by communicating the formulated Elbe service catalogue to our existing and potential customers", Gundram Elbe summarized the results of the conference.



The participants of the workshop „Strike 2012“, held on 18th and 19th October 2011 in Bietigheim-Bissingen

Certified:

“Secure IT processes are integral to our company.”

This quotation from Gundram Elbe emphasizes that secure IT processes are of the utmost importance in the Elbe Group and are regarded as a strategic issue. Not only at Elbe, is the security of the IT area a very sensitive topic. On a daily basis, we read headlines in the media, which report attacks from viruses, worms, Trojans and other malicious programs, subsumed under the heading “malicious software” which cause enormous damage. In fact, it is frequently made all too easy for the criminals: Particularly in small and medium sized enterprises, important business information is frequently not protected at all, or only insufficiently. Therefore, often nothing stands in the way of data theft and industrial espionage via e-mail, USB stick or mobile phone

In order to guarantee the security of the information it is not sufficient to implement only technical security measures. In fact, an adequate level of security can only be achieved and maintained through a planned and organized approach by all parties involved. The essential requirements for meaningful implementation and performance monitoring of security measures is a systematic approach. This planning, control and monitoring function is described as an Information Security Management System, or ISMS. The IT security concept serves to illustrate the security measures taken, and checks for adequacy and completeness. Since the beginning of 2011, the Elbe Group has been one of the few medium-sized companies in Germany that is certified according to ISO/IEC 27001 and works within the framework of the ISMS.

Jörg Steinmetz, an employee in the IT department of Elbe Holding in Bietigheim-Bissingen reports to us on how this sensitive topic is dealt with in the Elbe Group.

Mr. Steinmetz, how is the Elbe Group positioned in the area of IT security?

Jörg Steinmetz: Well, a firewall and virus scanners have not been sufficient for a long time. Attacks repeatedly need to be eliminated from the outside; these are the main cause of faults aside from technical failure. However, a considerable risk also exists internally, according to various threat analyses.

And what does that look like in detail?

Steinmetz: In short, each employee can become an IT security risk, without any willful intent. That is why we have created very clear IT structures, which are divided into planning, control and monitoring functions. A cleverly-devised system, which regu-

lates rights for specific departments and employees, among other things. This encompasses many differentiated rights, such as reading, writing and access rights to specific data. We have created standards that limit specific risks, so that we can protect our system from the inside.

In the media, the topic of “data protection” is taking on an ever-increasing role. How is the Elbe Group positioned in this regard?

Steinmetz: Naturally, we comply with all data protection legislation. Even in this sensitive area, the aim is to protect data from unauthorized access. In consultation with our Data Protection Officer, mechanisms have been created, which are constantly monitored and adapted to the legal regulations.

This means that the Elbe Group fulfills the standards and norms according to ISO/IEC 27001?

Steinmetz: Absolutely. However, we do not intend to rest on our laurels. It is very important to continuously reassess the valid regulations. And that is precisely what we are working on, with the goal of structuring the networking within the Elbe Group, and making it even more secure, and constantly improving it.

The certification company for the Elbe Group, COMGROUP GmbH, writes on its website:

“Securing critical business data, business processes or the entire IT infrastructure is rarely the focus of business activity. Deficits in information security cannot only lead to image problems, but also usually represent breaches of legal regulations.” Companies that implement the ISO/IEC 27001 as a security standard fulfill these legal obligations and create a competitive advantage for themselves in their industries.



Prize received in tandem:

The "Bronze Award" from Caterpillar



When the ADT 740B mining vehicle by Caterpillar is set in motion, gigantic quantities are moved. With its eleven meters' length and a 491 horsepower engine, the dumper moves a load volume of approx. 25 m³ or 39.5 tons. Any everyday operational situation becomes an extraordinary challenge for man and

The fact that the Elbe Group is a leader in these fields has paid off once again this year. The US manufacturer of construction machinery and mining technology, Caterpillar, awarded the "Supplier Excellence Process Certificate" in Bronze in August, in recognition of high levels of quality and outstanding delivery reliability, in tandem with Elbe USA and ELSO in Hofheim. With this, the division of locations has proven itself: Elbe USA carries out the logistics for the orders, ELSO produces the flanges and delivers them to Elbe Inc. in the USA.

"We are very pleased about this award", says the Managing Director of ELSO, Horst Kneuer. "It is the reward for daily hard work and recognition of the fact that we implement high standards that are expected of us."



Presented the award by Caterpillar with some pride:

Elbe USA employees, John Van Horn, Linda Johnson, Doug Beckemeyer, Owen Loughrin (Caterpillar), Gerd Heimerdinger, Anja Raphael (ELSO Hofheim) and Stephanie Whitaker (left to right).

material. This challenge does not begin with the use of the machine, but rather with its production, both for supplier ELSO and for the manufacturer, Caterpillar. ELSO flanges are required at a precise time on the Caterpillar conveyor belt, in order to avoid a standstill. And top-quality parts guarantee a long and smooth-running operation. Quality and reliability are required!

In addition to the symbolic effect of this award, is the prospects of expanding our mutual business relationships, as Caterpillar treats awarded suppliers preferentially.

Caterpillar requests more than 50,000 flanges per year from ELSO, and is one of the biggest customers. The collaboration in Europe exists since the mid-1990s. From 2002, the business relations were also extended to the USA and processed there through Elbe USA.

"In coming years, we intend to confirm and further improve our performance", emphasizes Horst Kneuer. "Only in this way, can we reach our goal of being certified again in twelve months' time".



The ELSO employees are pleased about the award from Caterpillar:

Paul Vierneusel, Ines Tuch, Anja Raphael, Owen Loughrin (Caterpillar), Horst Kneuer, Uwe Schwappach and Marcus Höhn (left to right).

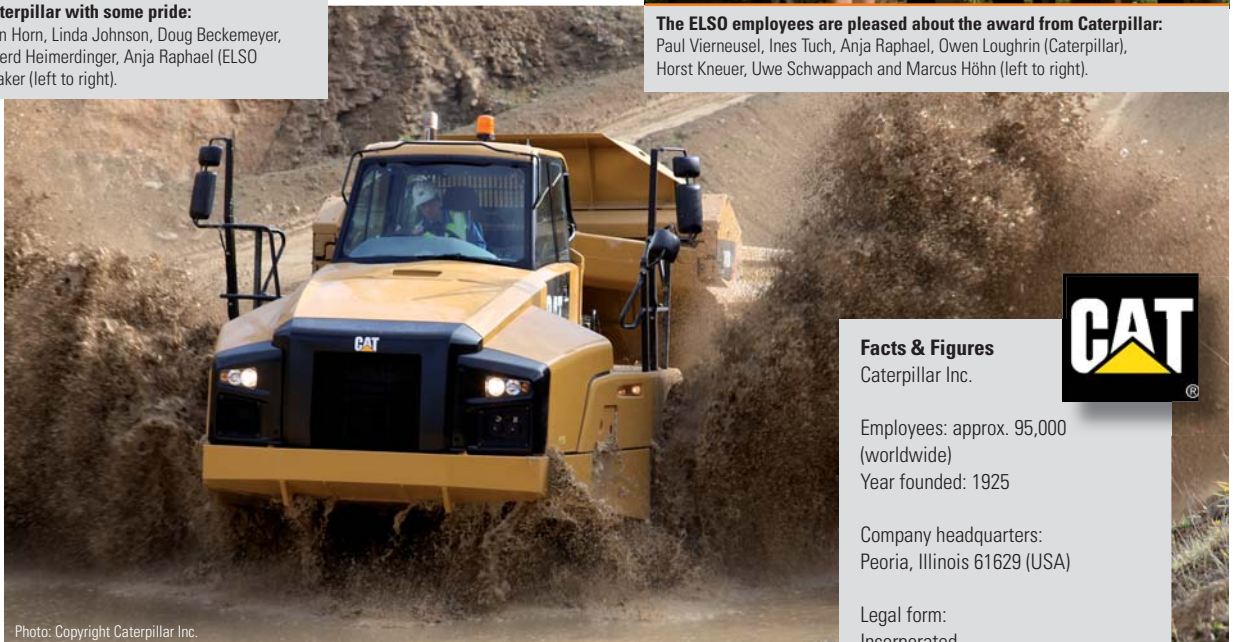


Photo: Copyright Caterpillar Inc.

Facts & Figures

Caterpillar Inc.



Employees: approx. 95,000
(worldwide)
Year founded: 1925

Company headquarters:
Peoria, Illinois 61629 (USA)

Legal form:
Incorporated

Move MAN?

ELSO can.

A big trend in recent years has been the shifting of added value away from the manufacturers toward the suppliers. German suppliers currently generate up to 75% of the added value in vehicle engineering, with a rising trend in mechanical engineering. The trend to use of suppliers is particularly apparent in the area of utility vehicle production. Our excellent positioning in the market makes it possible for the Elbe Group to profit from this development!

Collaboration has existed between ELSO and MAN Munich since 2006. Initially, this encompassed pure job order production, which meant that MAN provided the forged parts and ELSO processed these further. The cooperation was limited to capacity peaks at MAN, which its own production was not able to handle. "Since 2006, we have continuously deepened and expanded this collaboration", says Managing Director, Horst Kneuer. "This year, we took over the production of the complete flange requirement for MAN Munich."



Flanges from the
Elbe Group move
MAN trucks!

elso



Previously, MAN Munich evaluated several scenarios, in order to obtain a well-founded basis for the make-or-buy decision, i.e. continuing to rely on own production or outsourcing it to the supplier. "Through the good quality and reliability performance of our flanges, as well as our communication, we were able to convince them of our competence", says Kneuer. With this, ELSO asserted itself against several European competitors and numerous suppliers. approx. 170,000 flanges were delivered per year to the Bavarian state capital.

Facts & Figures

MAN SE

Employees: approx. 53,000 (worldwide)
Year founded: 1758

Company headquarters:
Ungererstr. 69, D-80805 Munich

Legal form:
Societas Europaea



The MAN TGX EfficientLine is an HGV that is designed for the highest possible fuel efficiency for long-distance traffic. With more than 70,000 km of test runs in everyday traffic, MAN has shown that no technologically complex measures are necessary in order to save up to three liters of fuel at present. Side paneling is mandatory with the TGX EfficientLine, however, compressed-air horns and sun screens mounted on the cab are taboo. The maximum speed is limited to 85 km/h. Air pressure management, daytime driving lights and a new intarder (integrated retarder) generator save energy.



Photo: Copyright MAN Trucks & Bus

High-precision teamwork!

When Specialist Welding Engineer, Frank Schweizer, talks about inert gas welding, his eyes sparkle at least as much as the many welding machines, when applying the welding seam between tube and joint in the Welding department of Elbe Group.

During a tour in the Bietigheim-Bissingen factory, he explains the most important automated processes to us and is enthusiastic about the daily performance of the team surrounding Welding Specialist, Hans Gschweng, and Marco Manz. “In our department, each welder personally guarantees his work with his signature on the welded cardan shaft. Only after a complete visual inspection of the seams, are the shafts processed further”, says Schweizer.

Quality and safety have top priority

Every two years, the machine welder needs to have their skills reviewed by the certification center of TÜV Süd. Only when they pass this test, are

specialist and subjected to a visual examination”, explains Frank Schweizer. “Only after that, can the series production be realized for this order.”

Regular spot-checks supplement the scope of the inspection. “The monthly, recurring welding seam inspection is conducted as a ‘destructive’ quality check over the entire product range of our cardan shafts”, says Schweizer. “For this, the welding seams are cut apart and etched in the visible cross-section.” This way, the welding seam becomes visible and the quality of the seam, and the penetration quality, can be assessed.



With sensitive applications, a “torsion test” must also be carried out. For this, the cardan shafts from the current production are inspected on the torsion test stand for their torsional rigidity. In doing so, a measurement is carried out of the resistance against the cardan shaft from a rotation along the longitudinal axis.

Zero error tolerance, a must with “railway shafts and sensitive applications”

Top speeds on railway routes or millimeter-precise marshaling with the high-load transporter - ultimate reliability and safety is required here. Particularly when people could be endangered, the highest safety standards must be complied with. For this reason, all welding seams on each produced shaft are x-rayed by an independent institute. Only after this, is a release admissible for further production steps. Of course, the already mentioned “destructive and torsion tests” are added to this.

Only after this, is a release admissible for further production steps. Of course, the already mentioned “destructive and torsion tests” are added to this.

In order to be permitted to produce railway shafts, the manufacturers need to be audited by a certification institute. In the Bissingen factory, the “Welding of railway vehicles and vehicle parts in accordance with DIN EN 15085-2” can be carried out since 2003 for cardan shafts.



The “welding team” in the Bietigheim-Bissingen factory:

Hans Gschweng, Marco Manz, Sven Schreiber, Sven Nitschke, Anatoli Wuek, Eduard Husser, Frank Schweizer, Ulfried Brett, Hekar Akgül (left to right).
Missing from the picture: Merush Sargsyan and Benjamin Borchardt.

the machine welders, who are certified according to DIN EN 1418, permitted to produce welded parts. Eleven employees are currently employed in shifts in the Bissingen factory. The production of a cardan shaft proceeds in accordance with the defined approach. “For each order, a first-piece inspection is conducted together with the welding

Welding engineering design inspection with new products

For each newly designed product, a welding process must be developed, and its feasibility tested. "My specialist knowledge is particularly required for this", says Schweizer. "The customer requirements, which reach me through our Sales department, usually require redesigning/recalculation for the welding process. In addition to determining which standard the welding should be based on, it is also necessary to determine which welding fillers are required for the base material and which inert gas is necessary." Through test welding on various prototypes, the team ascertains new parameters. In the next step, these prototypes are put through their paces. Again, this means: destructive test and x-ray. If the tests run positively, the collected parameters can be transferred to the welding power source and recorded as a welding program. The procedure is completed with the preparation of the so-called welding instruction. This way, the Elbe Group ensures consistent high quality and 100% safety of its cardan shafts.



Elbe cardan shafts in use: Day-in, day-out, our cardan shafts (size 0.120) ensure safe passenger rail transport. In sensitive areas, the welding seams are x-rayed and therefore guarantee the highest resilience. The fastest fire extinguishing vehicle in the world (top speed 140 km/h) is fitted with Elbe cardan shafts, sizes 0.122, 0.117 and 0.320 and is ready for implementation at Frankfurt Airport.

Elbe Group KOMPAKT



Ready, set, go: The vocational trainees of ELSO

ELSO in Hofheim is proud of its vocational trainees, particularly the Chamber winner, Nicole Plendl, as recently reported by the daily newspapers in the region around Hofheim. The trio (left to right: Thorsten Eckert, Trainer, Ludwig Laubender, Nicole Plendl and Thomas Bohl) took all of the places on the podium in the final examination in summer 2011. In addition to the award from the Würzburg-Schweinfurt Chamber of Trade and Industry, the two top place winners can look forward to an advanced training scholarship.

With top results into a future career!

At Elbe in Bissingen, the final examination was set for eleven examination candidates in summer 2011. Seven examinees from the Machinery & Systems Operator/Cutting Machine Mechanic & Industrial Mechanic vocational training professions were able to complete the practical part of the examination with a grade of good or excellent, we are told by Hartmut Wölper, Vocational Training Manager at Elbe. Another examination candidate trained as an Industrial Clerk and only just missed full marks in the overall result. In October 2011, an Industrial Mechanic, an Industrial Clerk and a Machinery & Systems Operator were honored with a prize for their excellent exam performance by the President of the Chamber of Trade and Industry, in the Kronenzentrum Bietigheim-Bissingen. Within the context of the gifted and talented program, our young prizewinners had the opportunity to take part in a selection process for a scholarship abroad.



Honored for excellent performance: Machinery & Systems Operator, Michael Thomas Biernacki, Industrial Mechanic, Sascha Stangl, and Industrial Clerk, Kai Strapko (left to right).

The new record: Loyal to the company for 375 years. Our congratulations!

Thanks for many years of loyalty to the company.

15 Elbe Group employees set an historical loyalty record this year: The company goes back 375 years. A reason for congratulations and celebration. Company owner, Gundram Elbe and Horst Kneuer, Managing Director of ELSO in Hofheim, expressed their thanks to the colleagues for their many years of loyalty to our company, in the presence of the works council representatives.



ELSO anniversary staff, each honored for their 25-year employment with the company: Matthias Lurz, Bernhard Hau, Ilse Korn, Herbert Hiller, Herbert Bock, Udo Koch and Udo Kühnel (left to right).



Elbe anniversary staff in May 2011, each honored for their 25-year employment with the company: Alexander Gerber, Tibor Koszma, Ida Hoffart, Darko Dermanovic; not on the picture: Ilias Poirazis (left to right).



Elbe anniversary staff in November 2011, each honored for their 25-year employment with the company: Thomas Keller, Claus Kütterer, Ralf Schebesta, Christos Savvatanios (left to right).

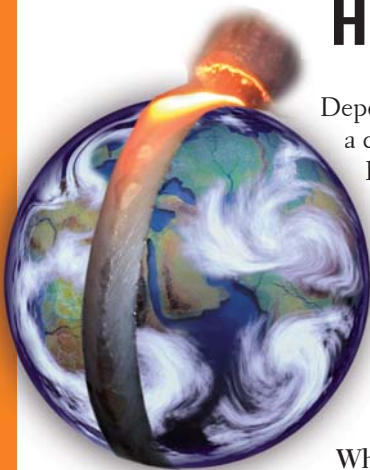
Solution to the prize draw from Issue 01/2011

What do you think: How many customers all over the world does the Elbe Group supply from its seven locations? The correct answer to mark was "C".

We are pleased three participants had the right answer, out of the many submissions.

The winners of a gift certificate for a meal valued at € 35.00 are: Mr. Matthias Wernthaler (Elso Tool Administration), Mr. Hans Bohn (Elbe QS), Mr. Mentelis Kropop (Elbe Service).

Hot topic



Depending on the size, between 20 and 100 cm of welding wire is required for the production of a cardan shaft. For this, the welding wire is melted together with the base material at approx. 10,000 °C in a so-called arc. What do you think: How many kilometers of welding wire were used in the Elbe Group in the 2011 financial year? As always, there is something to be won: Among all staff who have sent in the correct answers by 31 May 2012, 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 many kilometers of welding wire were used in the Elbe Group in the 2011 financial year? Is it:

[A]: 1.150 Kilometers

[B]: 2.540 Kilometers

[C]: 4.050 Kilometers

[D]: 8.200 Kilometers

Name: _____

Department: _____

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