



NEWS

VOL. XXIX, NO. 1
MARCH 2003

1111 N. 19TH STREET
SUITE 425
ARLINGTON, VIRGINIA 22209
(703) 525-2513
FAX (703) 525-2515
www.ihea.org

PRESIDENT'S MESSAGE

MARIO CIAMPINI



IHEA Forges Ahead

The lack of economic stimulus in the past two years, coupled with the heightening of geopolitical tensions, has created formidable barriers to new capital investments. The result is now obvious. The economy logged a dismal growth of 0.7% in the last quarter. Businesses which we serve continued to restrain capital spending, and consumers, their confidence slipping, retreated.

However, despite this brutal business environment within the process heating industry, IHEA continues to forge ahead with expanded programs and services. We have rejuvenated the Board of Directors with versatile and upper quartile entrepreneurs that will be our industry leaders in the next two decades. This vibrant and revitalized leadership Board is constantly upgrading members value added and expanding our services.

Major thrust and achievements during the past six months included an increase in **membership** with the addition during the past month of the previous members of the Infrared Equipment Association (IREA) comprised of 16 infrared equipment

manufacturers, energy companies that actively promote the use of infrared equipment in industry. We welcome this group, and to support their continued needs we have created a dedicated Infrared Equipment Division (IRED). My deepest appreciation to Messers Steve Fruth of Fostoria Industries and Bob Beattie of Process Thermal Dynamics for making this one year project a reality for IHEA. A distinct win-win scenario for both associations, and it will definitely foster synergistic growth.

In **education**, as a culmination of over one year effort, the 15 chapters of the Home Study Course have been rewritten, edited, and checked for technical accuracy. We have been in discussion with Mr. Michael Kinney, Director of Education, ASM International and have strategically agreed to co-market the revised Heat Processing Technology Home Study Course using ASM's learning

Continued on page 3

A Look Inside:

IHEA Elected Officers

IHEA Seminars & Meetings Held in 2002

2003 IHEA Programs and Activities

IHEA Member Company News

2002 3rd Quarter Orders Down

First Three Quarters of 2002 Down

U.S. Exports & Imports for Industrial Furnaces & Ovens

PLANNING AHEAD

IHEA Annual Meeting to be Held March 23-26, 2003

IHEA's 2003 Annual Meeting will be held March 23-26, 2003, at the Hyatt Regency Lake Las Vegas Resort in Henderson, Nevada. The Opening Reception will take place Sunday evening March 23 with the First General Session scheduled the next day, Monday, March 24. The final session will end on Wednesday, March 26.

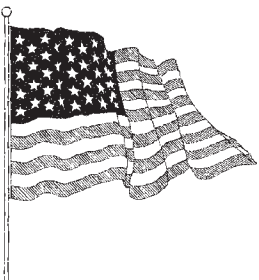
The three day program will focus on key issues involving commerce, insurance, sales, technology and customers. The opening session will have the traditional officers' reports followed by discussions covering export assistance including programs available from the ExIm Bank, and a three hour afternoon session on Product Liability Insurance. Tuesday's session will cover sales development using customer relationship management. The final session on Wednesday will feature speakers from the aerospace and automotive industries and a presentation on materials technology. ■

Standards Seminar Set for May 5-6, 2003, in Chicago

The Industrial Heating Equipment Association's 2003 Seminar on Safety Standards is scheduled to be held May 5-6, 2003, at the Chicago O'Hare Marriott. Coming just before release of the revised NFPA 86 Series Standards for Furnaces and Ovens, the two-day meeting will be significantly important for all personnel involved in the design, manufacture or operation of industrial furnaces and ovens. All of the presenters including the Chairman of the Main Technical Committee on NFPA Standards for Furnaces and Ovens, Algirdas Underys, will provide a great deal of knowledge on the revisions incorporated into the new standards.

IHEA's Safety Standards and Codes Committee submitted many of the approved changes covering such areas as: proof of closure and leak testing for safety shut-off valves; interposing relays in safety circuitry; isolation valves; contamination protection; and other miscellaneous topics.

Continued on page 3



IHEA Elected Officers

President
John M. Cole, P.E.
 Kolene Corporation

First Vice President
Jeffrey W. Boswell
 Seco/Warwick Corporation

Second Vice President
Steve W. Fruth
 Fostoria Industries, Inc.

Treasurer
Brian Russell
 Dry Coolers, Inc.

IHEA Executive Committee

John M. Cole, P.E.
 (Chairman)
 Kolene Corporation

Jeffrey W. Boswell
 Seco/Warwick Corporation

Steve W. Fruth
 Fostoria Industries, Inc.

Brian Russell
 Dry Coolers, Inc.

Mario Ciampini
 Ipsen International Inc.

Dr. Louis Etschmaier
 Hauck Manufacturing Co.

Dave Lurie
 Industrial Heating

IHEA Board of Directors

Robert G. Beattie
 Process Thermal Dynamics Inc.
 (Pyrotherm)

Jeffrey W. Boswell
 Seco/Warwick Corporation

Mario Ciampini
 Ipsen International, Inc.

John B. Clarke
 Maxon Corporation

John M. Cole, P.E.
 Kolene Corporation

John A. Collins
 Surface Combustion, Inc.

Dr. Louis Etschmaier
 Hauck Manufacturing Co.

Steve W. Fruth
 Fostoria Industries, Inc.

Dave Lurie
 Industrial Heating

Brian Russell
 Dry Coolers, Inc.

Virgus Volertas
 Honeywell, Inc.

IHEA Executive Vice President

James J. Houston, CAE

Legal Counsel

Arthur L. Herold
 Webster, Chamberlain & Bean

The following IHEA Member Company Representatives were elected to serve as officers of the Industrial Heating Equipment Association during a meeting of the IHEA Board of Directors on October 18, 2002, in Arlington, Virginia. The representatives will take office at the IHEA Board of Directors meeting to be held March 23, 2003, during the Association's Annual Meeting in Henderson, Nevada.

The Industrial Heating Equipment Association, founded in 1929, is a voluntary trade association comprised of companies that design and manufacture industrial furnaces, ovens, infrared equipment, combustion equipment, process controls and other components for industrial heating applications.

John M. Cole, P.E., Elected President

Mr. John M. Cole, P.E., was elected President of the Industrial Heating Equipment Association. As president he will serve as Chairman of the IHEA Board of Directors and Executive Committee. Mr. Cole currently serves as the First Vice President of IHEA and is a member of the Board of Directors and Executive Committee. He has been an active member of the IHEA Program Planning Committee since 1985 serving as Chairman in 1988. He has served on other committees, including the Industrial Relations, Membership, and Safety Standards and Codes committees.

Mr. Cole is Vice President, Engineering and Development, Kolene Corporation, Detroit, Michigan. He is also a member of the Kolene Board of Directors. Prior to his current position, which he assumed in 1988, he served as Chief Engineer and had various other positions within the company dating back to 1972.

Mr. Cole has a Bachelor of Science Degree in Industrial and Systems Engineering from the University of Michigan. He is a registered Professional Engineer in the State of Michigan and has received their PEI Outstanding Engineering Award in 1994 and the Detroit Metro Chapter Engineer of the Year Award also in 1994.

**Jeff Boswell Elected First Vice President**

Mr. Jeffrey W. Boswell was elected First Vice President of the Industrial Heating Equipment Association. He will continue as a member of the IHEA Board of Directors and Executive Committee. Mr. Boswell has been an active member of the Foreign Relations Committee since 1990, serving as Chairman from 1995 to 1999. He has been active as a member of the IHEA Program Committee since 1999, serving as Chairman in 2000.

Mr. Boswell is Vice President of Seco/Warwick Corporation, Meadville, Pennsylvania, responsible for the corporation's global sales and marketing effort. He is a member of the Seco/Warwick Corporation Board of Directors and is on the Board of Directors of Seco/Warwick Limited, Swiebodzin, Poland, and a Seco/Warwick Joint Venture Company. Mr. Boswell also has management responsibilities for Seco/Warwick (UK) LTD, and Seco/Warwick Corporation Beijing Representative Office.

Mr. Boswell's entire career has been with industrial furnaces, starting with Sunbeam Equipment Corporation in 1978 as a Sales Project Engineer. He is a graduate of Gannon University with a BS degree in Industrial Management.

Steve Fruth Elected Second Vice President

Mr. Steve Fruth was elected Second Vice President of the Industrial Heating Equipment Association. He will continue as a member of the IHEA Board of Directors and serve on the Executive Committee. Mr. Fruth is currently a member of the IHEA Operational Information Committee and has been active in the negotiations with the Infrared Equipment Association to affiliate with IHEA.



Mr. Fruth is Vice President of Sales and Marketing for Fostoria Industries, Inc., Fostoria, Ohio; a wholly-owned subsidiary of TPI Corporation based in Johnson City, Tennessee. Fostoria Industries is a leading manufacturer of electric and gas infrared oven systems. Steve has been Vice President, Sales and Marketing for the last six years. Prior to this position he served as Marketing Manager for Fostoria's General Products Division, manufacturer of infrared comfort heating and industrial lighting products. He also spent several years early in his career as a Territory Sales Manager for the Division.

Mr. Fruth is a 1972 graduate (Bachelor of Arts & Sciences) from Bowling Green State University, Bowling Green, Ohio, and has attended and completed many professional courses and seminars. He has served as President of the Infrared Equipment Association for the past two years and has also served on many civic or charitable boards and committees during his career.

Brian Russell Elected Treasurer

Mr. Brian Russell was elected Treasurer of the Industrial Heating Equipment Association. He will continue as a member on the IHEA Board of Directors and serve on the Executive Committee. Mr. Russell is currently Chairman of the IHEA Government Relations Committee.

Mr. Russell began his career at SBS Corporation in 1977 after attending Michigan State University. He rose to the position of Vice President by helping to pioneer the use of air-water heat exchangers for quench oil and endothermic gas cooling applications.

Mr. Russell is President and CEO of Dry Coolers, Inc., Oxford, Michigan. He founded the company in 1985 to bring innovative water cooling solutions to the heat treating industry. Over the years Mr. Russell has authored many technical papers relating to process cooling and has presented these to the industry through SME, ASM and MTI.



IHEA Seminars & Meetings Held in 2002 Attracted Over 100 Attendees

IHEA's 13th Standards Seminar was held May 6-7, 2002, at the Chicago O'Hare Marriott, Chicago, Illinois.

Thirty-five representatives from eighteen companies participated in the meeting. Companies sending representatives included: ASCO General Controls; Bethlehem Steel Corporation; Columbus Coatings; Corbett Industries; Elkay Manufacturing Co.; General Metal Heat Treat, Inc.; General Motors of Canada; Harley-Davidson; Hauck Manufacturing Company; Ipsen International, Inc.; Karl Dungs Inc.; Maxon Corporation; Megtec Systems; North American Manufacturing Co.; Precoat Metals; Seco/Warwick Corporation; Vac Aero International, Inc.; WJH Consulting Services, Inc.

The next IHEA Standards Seminar will be held May 5-6, 2003, at the Chicago O'Hare Marriott, Chicago, Illinois.

IHEA's 33rd Combustion Seminar and Exposition was held September 23-24, 2002, at the Chicago O'Hare Marriott, Chicago, Illinois.

Thirty-two representatives from eighteen companies and one foreign University were represented at the meeting. The following companies had representatives at the seminar: Bloom Engineering Company, Inc.; Climatic Controls; Columbus Coatings; The Dups Company; ERB Ensign Ribbon; A. Finkl & Sons; Georgetown Steel; Harley-Davidson; Hauck Manufacturing Company; Ispat Inland Inc.; Kimberly Clark; Lewco, Inc.; Maxon Corporation; Meritor Suspension Systems; National Steel Corporation; Steeltech, Ltd.; U.S. Steel Corporation; Wegner Manufacturing Inc. A representative from

Chiangmai University, Chiang Mai, Thailand, also attended the meeting.

The next IHEA Combustion Seminar is scheduled to be held October 6-7, 2003, at the Chicago O'Hare Marriott, Chicago, Illinois.

Thirty-six member company representatives attended IHEA's 2002 Fall Business Conference, held October 17, 2002, at the Hyatt Arlington, Arlington, Virginia.

The one-day meeting consisted of Committee meetings in the morning followed by reports by Committee Chairmen and presentations by guest speakers during the afternoon. The afternoon session included reports on "Homeland Security as it Will Affect Businesses" and a report by IHEA's legal counsel on "Legislative and Regulatory Issues". Reports were also made by representatives from the Department of Energy on the "IHEA/DOE Allied Partner Activities" and "R&D Opportunities in Process Heating".

The evening program was highlighted with a special tour of George Washington's Mount Vernon Estate and dinner at the site. ■



David Goch, Webster, Chamberlain & Bean, IHEA Legal Counsel, presented a report on "Regulatory and Legislative Issues".

2003 IHEA Programs and Activities

IHEA 2003 Annual Meeting

MARCH 23-26, 2003
Hyatt Regency Lake Las Vegas Resort
Henderson, NV

The three-day meeting includes officers' reports, business sessions, workshops and presentations on business topics by guest speakers.

IHEA 14th Safety Standards Seminar

MAY 5-6, 2003
Chicago O'Hare Marriott
Chicago, Illinois

The seminar is designed for individuals involved in the design, manufacture or operation of industrial furnaces and ovens. It is intended to assist anyone to become better acquainted or to better understand the NFPA 86 Safety Standards as they apply to industrial furnaces and ovens and heating systems used for processing materials and products.

IHEA 34th Combustion Technology Seminar

OCTOBER 6-7, 2003
Chicago O'Hare Marriott
Chicago, Illinois

The seminar is designed for anyone responsible for the operation, design, selection and/or maintenance of fuel-fired industrial furnaces and ovens. Sessions cover the chemistry and efficiency of furnaces; types of industrial burners available and how they are applied; supply and control of the fuel and air for systems; flame safety; process and ratio controls; furnace pressure controls; recuperation; and emissions.

IHEA Fall Business Conference

OCTOBER 2003
Arlington, Virginia

The one day conference includes IHEA committee meetings in the morning, with briefings in the afternoon by industry and government guest speakers.

PRESIDENT'S MESSAGE *continued from page 1*

management systems internet hosting and share the net revenues. Printed publications will also be available. This project is forecasted for Q3, 2003 completion.

DOE/IHEA Partnership activities included the qualified Process Heating Assessment and Survey Tool (PHAST) Specialist Training which took place September 25-27 in Chicago. Twelve IHEA members and end users participated and took the qualified exam.

The Process Heating Sensors and Controls Forum co-sponsored by DOE and IHEA was held November 19-20 at the Lawrence Berkeley National Laboratory in Berkeley, CA. The 40 forum participants presented industry needs and reviewed promising research for more sophisticated and robust sensors and measurement in a wide range of process heating applications.

The Process Heating Advanced Materials Forum was held at the Oak Ridge National Laboratory in Oak Ridge, TN on February 5-6, 2003. The over 50 forum participants were exposed to the use of advanced materials such as high temperature alloys, ceramics and composites, and refractory-insulation to achieve greater energy efficiency as well as lower operating costs, greater reliability and productivity, and improved safety. Your Board met with Mr. Buddy Garland, Director of Office of Industrial Technologies at DOE on December 18, 2002 in Washington and we were re-assured of continued support through the Allied Partnership Program and R & D funding.

A special subcommittee of IHEA's Safety Standards and Codes Committee under the leadership of Mr. Kevin Carlisle, Karl Dungs, Inc., has completed the cross mapping of the NFPA 86 and EN746-2 Standards for

industrial furnaces and ovens. Our partner, CECOF will review and approve for release in the next quarter.

My eighteen months tenure as your Association President has been very gratifying and rewarding. I extend my appreciation and thanks to the Board members for their full support, the many volunteers of our standing committees for their commitment and hard work, and to the Ipsen shareholders, Ruhrgas Industries for our participation into IHEA.

As I pass on the Presidential responsibilities to Mr. John Cole of Kolene Corporation, our commitment to excellence, however, will remain constant. We both believe that IHEA's success involves embracing the future while remaining true to the values that defined its past.

Tradition, image and identity are important for any industry association, IHEA is no exception. We will forge ahead and continue to prosper.

It has been a distinct honor and privilege to serve as your President. ■

STANDARDS SEMINAR *continued from page 1*

The seminar provides interactive discussions on the standards. The sessions will also include a report on an "interpretive guide" of the U.S. NFPA 86 and European EN746-2 Standards developed by representatives from IHEA and CECOF.

The discounted fee for IHEA members is \$550 and includes copies of the NFPA 86, 86C, and 86D Standards; certificate; reception; and two luncheons. See ihea.org for registration information. ■

Visit IHEA's website for more information on these activities.



Infrared Equipment Companies Join IHEA

Members of the Infrared Equipment Association recently voted to dissolve their organization in favor of forming an infrared equipment division as members of the Industrial Heating Equipment Association.

The Infrared Equipment Association (IREA) was founded in 1993 by EPRI and infrared equipment manufacturers. Its purpose was to increase the use of electric infrared heating technology. The organization consisted of: IR equipment manufacturers; suppliers to equipment manufacturers; electric utilities; and end users of IR heating systems.

Companies to join IHEA include: AEL; BBC Industries, Inc.; Blasdel Enterprises, Inc.; Duke Power; ITW/BGK Finishing Systems; Protherm; Radiant Energy Systems, Inc.; Solar Products, Inc.; Southern Company; Tennessee Valley Authority. ■

Governor of Ohio Visits Surface Combustion, Inc.

Surface Combustion was honored on October 22, 2002, with the visit of Governor Bob Taft to the company's headquarters and R&D facility in Maumee, Ohio.

Surface's President & CEO, William J. Bernard, Jr., and the company's employees greeted the governor. During the tour of the facilities, the delegation was presented an

overview of Surface's long history in designing and manufacturing of diverse thermal processing technologies used worldwide. While the governor was at Surface, he was given first hand reviews of in-house projects in Surface's engineering department, as well as tours of the controls laboratory and R&D section.

The company was chosen for the tour by the governor's office because of its long-standing support for Governor Taft's exporting initiatives. Surface won the Governor's "E" Award for Excellence in exporting in 1999 and recently participated in trade missions with the governor to Europe.

Governor Taft informed the employees that small high-tech companies with high paying jobs are the future that he hopes to build on and that Surface Combustion was a great example for the rest of the state. ■

Steve Peterson Joins EPCON

Steven R. Peterson has joined EPCON Industrial Systems LP, The Woodlands, Texas, as President & COO. EPCON is a diversified and fully integrated manufacturer to over 25 key industries worldwide that require custom solutions for process heating and environmental air pollution control.

Steve has over 30 years of thermal processing and capital goods related experience along with significant management and international business experience. Before joining EPCON Mr. Peterson was President of the Drever Group. *He served as President of the Industrial Heating Equipment Association in 2001.* ■

2002 3rd Quarter Orders Down

Total domestic and foreign orders for industrial heating equipment, as reported by 21 members of the Industrial Heating Equipment Association, for the third quarter of 2002 totaled \$61.98 million, a decrease of 44 percent from orders received and reported by the same companies for the third period of 2001.

Domestic orders for all industrial heating equipment for the third quarter of 2002 were \$50.42 million, a decrease of 43 percent from orders reported in 2001. Foreign orders for the third period were \$11.56 million, down 48 percent from 2001.

Domestic industrial furnace and oven orders only for the third quarter of 2002 were \$10.64 million, down 56 percent from 2001. Other domestic equipment orders, including atmosphere generating equipment, process control systems, industrial combustion equipment, replacement parts and other types of equipment totaled \$39.78 million for the third quarter of 2002, down 38 percent from the same period in 2001. ■

First Three Quarters of 2002 Down

Total domestic and foreign orders for industrial heating equipment, as reported by 21 members of the Industrial Heating Equipment Association, for the first three quarters of 2002, totaled \$217.90 million, a decrease of 26 percent from orders reported for the same period in 2001.

Domestic orders for all industrial heating equipment for the three quarters of 2002 totaled \$178.52 million, a decrease of 27 percent from orders reported in the previous year. Foreign orders for the period were \$39.38 million, down 22 percent.

Domestic orders for industrial furnaces and ovens only reached \$62.26 million, down 18 percent from last year. Other domestic equipment orders, including atmosphere generating equipment, process control systems, industrial combustion equipment, replacement parts, and other miscellaneous equipment totaled \$116.26 million for the three quarters, a 32 percent decrease from 2001. ■

U.S. Exports and Imports for Industrial Furnaces & Ovens

INDUSTRIAL FURNACES AND OVENS	U.S. EXPORTS (millions)			U.S. IMPORTS (millions)		
	1999	2000	2001	1999	2000	2001
Asia I (Japan, Korea, Taiwan, Singapore, Hong Kong)	\$259.4	\$476.5	\$358.6	\$112.4	\$219.3	\$156.2
Asia II (China, Southeast Asia, India)	67.1	121.0	113.3	2.1	6.8	7.9
Western Europe	190.0	274.4	226.5	190.4	209.3	231.0
Eastern Europe	8.2	15.7	11.9	2.7	15.6	7.8
Mexico	115.6	112.9	86.1	5.2	7.9	5.5
Canada	89.5	95.3	91.1	61.8	72.1	67.2
Central and South America	33.5	31.8	24.7	0.5	0.3	0.3
Middle East	26.4	20.8	22.6	1.3	1.8	2.0
Africa	16.4	9.2	8.6	0.4	1.1	0.8
Oceania – South Pacific	5.8	6.6	6.3	2.7	2.3	2.4
Caribbean	4.9	4.4	3.0	0.0	0.0	0.0
TOTAL	\$816.8	\$1,168.6	\$952.7	\$379.5	\$536.5	\$481.1

Industrial Process Furnace and Oven Manufacturing – U.S. Industry comprises establishments primarily engaged in manufacturing industrial process furnaces, ovens, induction and dielectric equipment, and kilns (except cement, chemical, wood).

Source: Information obtained from U.S. Department of Commerce

Ed Kuska

IHEA mourns the passing of Ed Kuska. Ed served as President of the Industrial Heating Equipment Association in 1992. He was President of Pyronics, Inc. before retiring.