I am reducing the frequency of writing these notes because I think it is more timely to post information in the login section of our website. Unfortunately, if you are not accessing the website (weekly?, monthly?) you will not know what is going on. If you need to have your login credentials reset, please contact Debbie. She can do it easily. As always, suggestions to improve the information available to you are always welcome. Give me a call, stop by to chat, or drop me an email.

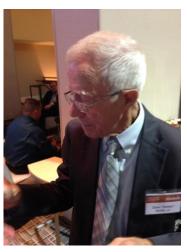
Our business is behaving a little weird lately. The glass business has been quite strong and seems to be consistent with what I read about the general economic environment. Automotive builds are good and the construction market is improving. The steel industry serves the same end users and they are in the dumps. I just attended the AISTech conference in Cleveland and there are virtually no new projects being planned. The main issue for the steel industry in the US seems to be a surge of imports. The strength of the US dollar and the slowdown in China has made the US market a dumping ground for foreign steel. So, although the steel customers are having pretty good years, the domestic manufacturers have lost market share to imports and are in the process of idling furnaces and shutting down plants. The severe drop in the price of oil has also had an impact on the HPI business. And we seem to be losing some of our traditional cement cooler business to solgel refractories where the plant is getting by without a dryout.

We have been lucky to offset some of the domestic uncertainty with improved activity in Australia and with some large international projects. We still have remaining work to do in Saudi Arabia and Kazakhstan. Mexico activity has been pretty good. We have a lead on some major HPI work in Kuwait but we lost an opportunity for a copper job in the Phillippines. Our first four months of the year are a great start but there remains some uncertainty whether we will be able to sustain it thru our traditional slow period in the summer.

The Hotbels glass seminar was its usual success. Donna and Ryan did a great job and we had over 100 of the main players in the glass industry in Lexington for a couple of days. The BTU award was given to George Kopser for his contribution to the conference and the industry. Smitty participated once again this year and he seems to be getting along just fine. Here's a few shots from Hotbels.







A new Technician training class was completed recently in Mexico. In addition to Pedro and Ricardo who recently joined us, Jason Frendo participated from Australia. Jason is going to be handling sales to non-glass clients in Australia. And Alex got to do some of the English/Spanish translation duties.



Jason, Alex, Ricardo and Pedro

We have had an interesting time on a project in New Caledonia. The client used our competitor, ExCelsius, for the plant start up. ExCelsius left their oil equipment in country (apparently leasing it to the client). We were asked to come do a dryout on a CFB that had some refractory repair and to use the equipment that they had onsite. The original plan was that we would be supervising the client's trained employees who would be operating the equipment. In the final analysis, we had to operate the equipment with the assistance of some contractor laborers assigned by the client. There is more work in the future at this plant and given the difficulty of importing equipment, it may be necessary to use the competitor equipment again. We should try to learn as much about this stuff as we can.



Popo (and the rest of the crew) did a great job getting a round Sorg furnace drained safely recently. There had been a certain amount of anxiety about his job since the access was so limited.

Jason Tomkins had his appendix removed this week. Jimmie McManus is recovering from broken ribs suffered in a car/bike accident at home in Thailand. We wish them both a speedy recovery.

We've survived a tough winter in most of the US and now we're headed into the warm season. Don't forget to manage your fluids and take precautions for the heat. It looks like there may be a company picnic on June 2 here in Lexington. If you are in the area, D would like to have more participants in the cornhole tournament.

Tom