



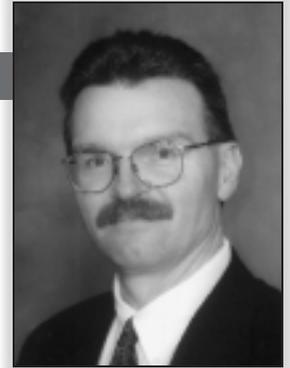
NEWS

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1139 FEHL LANE
CINCINNATI, OHIO 45230
(513) 231-5613
FAX (513) 624-0601
www.ihea.org

PRESIDENT'S MESSAGE

JOHN COLE, P.E.



Moving Forward in Difficult Times

A Look Inside:

*IHEA Relocates
Headquarters and
Introduces New Staff*

*IHEA Sponsors Fall
Programs*

*IHEA Welcomes the
Infrared Equipment
Association*

First Quarter Report

*NAM's Annual
Labor Day Report*

While there are indications that the U.S. economy is coming out of its doldrums, the recovery is moving painfully slow. Global change is affecting every industry at every level. Manufacturing is moving to low cost producer nations such as China, India, and other Southeast Asian countries. An equally troubling shifting of IT jobs to India is following the flight of manufacturers. Most recently we read about companies specializing in financial transactions and consulting utilizing employees holding advanced degrees working for 1/10th of what U.S.-based advisors make. These employees are based in India, consulting for U.S. firms. It's no wonder that while the economy slowly recovers it is quickly becoming a jobless recovery.

Each of us is dealing with this continuing economic crisis in our own way. We are making difficult decisions that hopefully will result in our being ready for the better times sure to come. Your association isn't immune to the difficulties our industry is facing. The Industrial Heating Equipment Association has been forced to make some equally difficult decisions to prepare for the future. In July of this year we ended our long association management relationship with Jim Houston and Industrial Association Management, Inc. This was an extremely difficult decision reached by your Board of Directors, as Jim Houston's 25+ year management of IHEA was largely successful. The Board carefully reviewed past performance, future plans, and visions before reaching the conclusion that IHEA needed a new level of leadership necessary to make it successful over the long run.

Goyer Management International (GMI), an association and meeting management firm in Cincinnati, OH was selected over several other candidates to provide management services to IHEA. Take a moment to get to know the GMI staff in an article on page 2 and

learn about the considerable qualifications of their organization. Our front office staff instantly grew from 1 to 7 individuals. I can tell you from personal experience that you will be pleased with the response you receive from the folks at Goyer Management. We welcome Anne and Andy Goyer, along with the rest of their staff to IHEA.

Several other significant events took place or are planned this year.

Dave Lurie and his program planning committee took the first step in the new direction IHEA has charted for the future when they successfully organized our 2003 Annual Meeting at the Hyatt Lake Las Vegas in Henderson, Nevada. This meeting featured the same amount of information and activities as previous four-day meetings, but was presented in three days. The committee's efforts to keep meeting costs down were also shown in the special negotiated room rates received. Overall meeting costs were significantly lower than in previous year's with no reduction in content. John Searle and his committee are already working on next years meeting. It promises to be equally action packed with excellent content and at a very favorable cost.

I am pleased to announce that we have successfully completed melding the Infrared Equipment Association (IREA) into IHEA as the Infrared Equipment Division. This new division is already quite active and will be meeting regularly. We welcome our newest members and look forward to our new alliance.

The majority of you should be receiving regular updates from the National Association of Manufacturers as a result of our agreement with them to provide most IHEA members with automatic NAM membership. Once Goyer Management works through all the issues that arise from transitioning our association's management they will begin representing IHEA through NAM's Association Council.

Our Education Committee, working closely with the ASM, will soon be announcing the arrival of our web-based Heat Processing Technology Course. This course closely mirrors the one jointly developed and marketed by IHEA and ASM in the 70's, with significant updating, of course.

We continue working with CECOF and have completed our portion of the Cross Mapping effort between the NFPA standards and those in place in Europe. Long term, it is planned to make this available to IHEA members in print form and others through seminars presented by IHEA. IHEA has presented CECOF with our interpretation of the major differences between standards and we expect CECOF concurrence in the very near future.



John Cole and Anne Goyer sign the agreement for IHEA management services.

2003 IHEA OFFICERS

IHEA Elected Officers

President

John M. Cole, P.E.
Kolene Corp.

First Vice-President

Jeffrey W. Boswell
Seco/Warwick Corp.

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 Corp.

Jeffrey W. Boswell
Seco/Warwick Corp.

Steve W. Fruth
Fostoria Industries, Inc.

Brian Russell
Dry Coolers Inc.

Mario Ciampini
Ipsen International, Inc.

Dr. Louis Etschmaier
Hauck Manufacturing Co.

David M. Lurie
Industrial Heating

IHEA Board of Directors

Robert G. Beattie
Process Thermal
Dynamics Inc.

Jeffrey W. Boswell
Seco/Warwick Corp.

Mario Ciampini
Ipsen International, Inc.

John B. Clarke
Maxon Corp.

John M. Cole, P.E.
Kolene Corp.

John A. Collins
Surface Combustion, Inc.

Dr. Louis Etschmaier
Hauck Manufacturing Co.

Steve W. Fruth
Fostoria Industries, Inc.

David M. Lurie
Industrial Heating

Brian Russell
Dry Coolers Inc.

Virgus Volertas
Honeywell International

IHEA Executive Vice-President

Anne Goyer
aygoyer@one.net

Legal Counsel

Arthur L. Herold
Webster, Chamberlain
& Bean

IHEA RELOCATES HEADQUARTERS & INTRODUCES NEW STAFF

With the selection of Goyer Management as IHEA's new management firm, IHEA's headquarter offices have moved to Cincinnati, Ohio. Please be sure to make note of IHEA's new address, phone and fax number as well as staff email addresses found at the end of this article.

Goyer Management International is an association and meetings, convention & trade show management firm that has been serving industrial clients since 1990. Anne Goyer, GMI President, and Andy Goyer, GMI Vice-President, both began their careers with industrial trade publications in the early 1980s. Anne Goyer was an editor for *Products Finishing Magazine* for six years at Gardner Publications prior to launching an association and meetings department for Gardner. Andy Goyer was an editor with *Modern Machine Shop Magazine* where he also held positions in the Information Technology department before moving into sales. The Goyers began their own management firm in 1990 and since then have provided management and meeting/convention and trade show services to a wide variety of industrial clients including the Chemical Coaters Association, The Powder Coating Institute, The Center for Emissions Control, RadTech International, ISA/IEEE and corporate clients such as Toyota Motor Manufacturing, Cincinnati Bell and JobBoss Software to name a few.

"Our entire staff is very excited about working with the IHEA membership," Anne Goyer notes. "IHEA has a long standing tradition of serving the industry well and we want to ensure that IHEA continues to evolve and serve its members best interests while helping the industrial heating industry advance as a whole. There is little doubt that the face of manufacturing and the way we will conduct business in the future has changed forever. As an association, the membership needs to work together to move beyond the past several slow economic years and become a force in moving the industry forward. With the demands on people's time and need for cost reductions in all areas of our businesses, our number one priority is to assist IHEA members in achieving association goals by shouldering more of the work."

GMI hopes that members will call the IHEA office at any time with questions, ideas, input and feedback. GMI's staff and their responsibilities include:

Anne Goyer, President

Anne will serve as IHEA's Executive Vice-President. She will be active with IHEA Board and Committees to assist in the development and implementation of programs. She will be responsible for negotiating contracts for IHEA events such as the Annual Meeting, serving on NAM's Association Council as well as working with other associations and governmental agencies. Anne is also actively involved in the writing and production work of IHEA collateral materials such as the Membership Directory, Membership Promotion materials, Newsletter, IHEA publications and more.

Andy Goyer, Vice-President

Andy Goyer handles all of the business and accounting functions for IHEA, with assistance from Matt Berlage. Andy maintains all IHEA financial accounts, budgets, and financial reports to the Board, membership database updates and compiling of the quarterly statistical reports.

Matt Berlage, Accounts Manager

Matt will be responsible for issuing IHEA membership invoices, processing all receivables for dues, book receipts, and meeting registrations.

Leslie Muck, Website & Housing/Registration Manager

Leslie works closely with Anne Goyer on researching hotel facilities for meetings and programs and negotiating hotel contracts. She processes and acknowledges all registrations received for meetings and is GMI's resident webmaster. She will maintain the IHEA website on a daily basis.

Vicki Thatcher, Office Manager

Vicki is the person primarily responsible for answering the IHEA phone line, ordering IHEA supplies, tracking print job orders, coordinating mailings and assisting the rest of the staff with a wide variety of projects.

Linda Scherer, Conference Coordinator & Newsletter Editor

Linda works with speakers for educational seminars to coordinate all the necessary logistics. She will also serve as the editor for IHEA's newsletter, which we hope, will become a quarterly publication.

Mary Connor, Office Assistant

Mary works on a part-time basis, assisting Vicki and

Leslie with their responsibilities.



Goyer Management's Staff (left to right): Andy Goyer, Mary Connor, Vicki Thatcher, Leslie Muck, Anne Goyer & Matt Berlage. Linda Scherer is missing from the photo.

STAFF CONTACT INFORMATION

IHEA
1139 Fehl Lane
Cincinnati, Ohio 45230
Phone – (513) 231-5613
FAX – (513) 624-0601

Email Addresses

Anne Goyer	aygoyer@one.net
Andy Goyer	goyermgt@one.net
Matt Berlage	mberlage@one.net
Leslie Muck	lmuck@one.net
Vicki Thatcher	vickit@one.net
Linda Scherer	lscherer@one.net

IHEA Sponsors Fall Programs

IHEA has a busy Fall schedule of programs of interest to both the members and industry at large. Mark your calendar now and plan to attend! **Registration forms have already been mailed to members. You can also obtain another registration form on the IHEA website: www.ihea.org. Click on MEMBER REGISTRATION FORM on the main page.**

2003 Fall Business Conference Set for October 8 in Rosemont, IL

The 2003 IHEA Fall Business Conference has been moved to the Chicago O'Hare area and will follow the Combustion Seminar and the PHAST Optimization Workshop. This event will be held at the Hyatt Regency O'Hare in Rosemont, IL. In an effort to reduce costs and travel to members, the decision was made to hold the Fall Business Conference in conjunction with other IHEA events. The Fall Business Conference will begin with Committee meetings on Wednesday morning, followed by lunch. The afternoon program will consist of Committee Reports, an update from IHEA's President, John Cole; a DOE update from Arvind Thekdi; and a presentation on New NFPA 86 Standards presented by Ted Jablowski of The North American Manufacturing Co., Ltd. The Fall Business Conference will end with an evening of great dining at Café La Cave, a Rosemont area restaurant. Transportation to and from dinner will be provided.

34th Annual Combustion Seminar Scheduled for October 6 & 7

The 34th Annual Combustion Seminar and Exposition will be held October 6 & 7 at the Hyatt Regency O'Hare. Companies use this highly evaluated seminar as a key instruction program for employees responsible for the design, selection and maintenance of fuel-fired industrial furnaces and ovens.

The two-day seminar provides the attendees an opportunity to learn all facets of the combustion system for industrial furnaces and ovens, and discuss problems of special interest in an environment of practical information sharing. It is designed for the person or persons responsible for the operation, design, selection and/or maintenance of heat processing industrial furnaces and ovens.

Exhibitors as of September 1 include:

(check our website for new exhibitors – www.ihea.org)

- Bloom Engineering Company, Inc.
- Eclipse, Inc.
- Eurotherm Inc.
- Fireye Inc.
- Fostoria Industries, Inc.
- Hauck Manufacturing Company
- Heat Treating Progress
- Industrial Heating & Process Heating Magazines
- Ipsen International, Inc.
- Maxon Corporation
- North American Manufacturing
- Protection Controls, Inc.
- Seco/Warwick Corporation
- Surface Combustion, Inc.
- WS Thermal Process Technology Inc.

DOE PHAST Workshops

IHEA and DOE have partnered to offer PHAST Training Workshops this Fall.

A PHAST Specialist Qualification Training Workshop

A Process Heating training program will be held on **September 24 & 25** at Kolene Corp. in Detroit, MI. This program includes introduction to the Process Heating Analysis and Survey Tool (PHAST) software. The PHAST tool is designed to survey and analyze energy use in industrial furnaces and investigate available options to increase thermal efficiency of these furnaces. IHEA is supporting DOE efforts for a two-day workshop and qualifying examination that seeks to recognize industry experts (suppliers, consultants, and expert users of process heating systems) as Qualified PHAST Specialists to insure the best possible training for use of PHAST. DOE recognized Qualified PHAST Specialists for their ability to apply the PHAST tool with industrial users. Attendees who successfully complete a PHAST qualification workshop receive this designation. The workshop is open to individuals with substantial knowledge of process heating systems and who are interested in taking a rigorous qualifying exam.

A Process Heating Systems Optimization Workshop

geared towards end users is scheduled for **October 7** at the Hyatt Regency O'Hare. This workshop will be held the day preceding the IHEA Fall Business Conference. This one-day training course, developed by the Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE), includes an introduction to process heating and process heating equipment such as furnaces, melters, dryers, ovens, heaters, kilns etc. used by all major industries. The course includes discussion on combustion and other heating methods, heat transfer in furnaces, waste heat recovery, commonly used process heating controls and emissions from heating processes. The course highlights the use of a tool, Process Heating Assessment and Survey Tool (PHAST), that can be used to survey furnaces, to identify major energy using equipment, to prioritize improvement opportunities, and to assess available methods that can be used to improve thermal efficiency in an industrial plant.

A complete description and registration forms for both workshops can be found on the IHEA website. Click on the link found on the left side of the main home page. ■

UPCOMING EVENTS

ASM Heat Treat Show

SEPTEMBER 16 & 17, 2003

Indiana Convention Center

Indianapolis, IN

VISIT IHEA IN BOOTH 2429

PHAST Specialist Qualification Training Workshop

SEPTEMBER 24 & 25, 2003

Kolene Corporation
Detroit, MI

34th Combustion Seminar

MONDAY, OCTOBER 6 &

TUESDAY, OCTOBER 7, 2003

Hyatt Regency O'Hare
Rosemont, IL

Process Heating Systems Optimization Workshop

TUESDAY, OCTOBER 7, 2003

Hyatt Regency O'Hare
Rosemont, IL

IHEA Fall Business Meeting

WEDNESDAY, OCTOBER 8, 2003

Hyatt Regency O'Hare
Rosemont, IL

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



PRESIDENT'S MESSAGE continued from page 1

Under the leadership of Mario Ciampini and Doug Perks, our relationship with the DOE is stronger than ever. Look for a significant announcement to come out of our efforts very soon. IHEA is supporting the DOE's energy reduction program by presenting three Process Heating Assessment Tool (PHAST) seminars in September and October. The seminars include two introductory one-day presentations on Process Heating and a two-day comprehensive course on using the PHAST tool culminating in certification as a PHAST expert. Information has been mailed to members and can be found inside this newsletter as well.

I'd like to report that we have accomplished more during the first part of 2003 but, as you can imagine, the issues relating to transitioning from one management group to another have been

quite time consuming. I can assure you that many valuable and exciting programs and efforts are planned and will get significant attention in the 4th quarter. Our membership drive will take a front seat and during the 2004 budgeting process the member dues structure will be carefully reviewed with a target of bringing member company costs down significantly.

As with any association we depend on member participation to be successful. I am very pleased with the level of volunteerism exhibited by our member companies. We would not be able to put on successful seminars, meetings, and cooperative ventures without their participation. On the other hand, we need more input from you as to what your association can do for you. After all, IHEA exists for your betterment. Tell us how we can help. ■

IHEA Welcomes the Infrared Equipment Association

By Steve Fruth
IHEA Second Vice President

After months of discussions and cordial negotiations, the IHEA Board was very pleased to announce at the IHEA Annual Meeting in March, the formal consolidation of the Infrared Equipment Association (IREA) with the IHEA, whereby the IREA would become the Infrared Equipment Division (IRED) of the IHEA.

The IRED currently consists of 9 manufacturers of infrared oven systems and/or IR emitters, as well as several electric utilities that actively market electro-technologies. These companies are now active members of the IHEA. The IRED is the IHEA's 4th Product Division, and has an Executive Committee consisting of both manufacturers and utilities, to oversee the execution of the IRED objectives and mission, as well as those of the IHEA. At least two IRED members will be on the IHEA Board for any given administrative year.

The IRED (IREA) was established in 1993 to promote the benefits of infrared technology in many thermal process industries and markets, and to develop standards and objectives consistent with good

design, manufacturing and marketing practices. The IRED is currently working on a standardized IR handbook that will detail many application opportunities in a wide variety of markets, and has also instituted a growth initiative that will expand the IRED and the IHEA as well.

As talks and plans for consolidation developed, it was plain to see that both the IRED and the IHEA had (and have) many common objectives and values. There certainly are synergies that make this consolidation a very significant milestone in the histories of both organizations, and will cause the IHEA to be even more effective in the promotion of all process heating technologies.

IRED is scheduled to meet from 9:00 – 10:00 AM on Wednesday, October 8 at the Hyatt Regency O'Hare as part of the 2003 Fall Business Conference. ■

Visit IHEA
at



Booth 2429

2003 First Quarter Report

Total domestic and foreign orders for industrial heating equipment, as reported by 16 members of the Industrial Heating Equipment Association, for the first quarter of 2003, were \$50.23 million, an increase of one percent from orders received and reported by the same companies for the first quarter of 2002.

Domestic orders for all industrial heating equipment for the first quarter of 2003 totaled \$41.76 million, a decrease of 5 percent from orders reported in 2002. Foreign orders for the first quarter were \$8.47 million, up 48 percent from 2002.

Domestic industrial furnace and oven orders only for the first quarter of 2003 was \$15.80 million, down 7 percent from 2002. Other domestic equipment orders, including atmosphere generating equipment, process control systems, industrial combustion equipment, replacement parts and other types of equipment totaled \$25.96 million for the first quarter of 2003, no change from the same period in 2002. ■

NAM's Annual Labor Day Report Sees Manufacturing Jobs Recovery Challenged by Structural Problems

"While manufacturing shows increasing signs of recovery, structural impediments of unfair international competition and rising domestic costs cloud the outlook for manufacturing jobs," said Jerry Jasinowski, President of the National Association of Manufacturers. In releasing the 2003 NAM Annual

Labor Day Report, Jasinowski cited "unprecedented challenges" that have made this manufacturing recovery "the slowest on record since the Federal Reserve began tracking industrial production back in 1919."

"The good news is that recent economic data point to accelerating growth later this year and into 2004," Jasinowski said. "For 2004, continued solid business investment and consumer spending will increase GDP by 3.7 percent," Jasinowski said. "Faster overall economic growth should add one million new jobs in the second half of 2003 and then another 2.5 million in 2004. "Though manufacturing employment will stabilize by the end of 2003, increases in some industries will not begin until 2004," Jasinowski said. "Manufacturing job recoveries are most likely in fabricated metals, machinery, transportation equipment and computers and electronics, which together have accounted for half of the manufacturing job losses."

"While a cyclical recovery is in the making, manufacturers face significant structural challenges which, if not addressed, will threaten the long-term health of the manufacturing sector," Jasinowski said. "Unfair international trade practices, particularly by China, plus an overvalued dollar, make it impossible for manufacturers to raise prices to meet escalating domestic costs associated with health care, pensions, regulations, asbestos litigation and rising energy costs, especially for natural gas.

The full Labor Day Report can be accessed on-line at www.nam.org/labordayreport. ■