

Red Rocket News



A DIVISION OF **Hudaco** TRADING LIMITED

The official Deutz
Dieselpower Newsletter

June 2005 - January 2006

Geared For Growth



Leon Coetzer
Managing Director

Our 2005 financial year ended on a high note despite the difficult trading conditions experienced during the first six months (December to May) of operations.

Demand for engines in the Mining and Power Generation sectors was lower than expected for most of 2005 but sales activity picked up during the second half of our financial year, especially towards year-end.

We have managed to increase our operating profit by 8,4% compared to 2004 and achieved an excellent result of 71% on our return on net operating assets, which is a further improvement of 49% on our already satisfactory result of 47,6% in 2004.

We are exploring several opportunities to expand sales within DDP together with Deutz AG and, if successful, will allow for real growth within our company over the next few years.

Our prospects for 2006 appear to be good if the increased activity levels of October and November continue into this year.

Our anticipated result for December and January of our new financial year is ahead of last year by at least 18% and, even more importantly, also ahead of budget.

We welcome Rowan Michelson to D.D. Power (Pty) Ltd Board of Directors and we are looking forward to his contribution towards the success of our company.

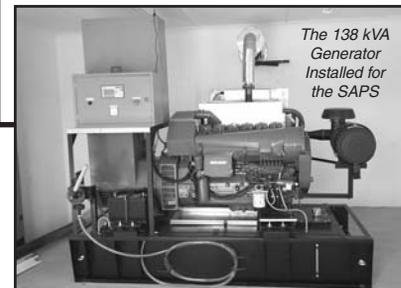
I am also delighted to advise the opening of our new branch in Steelpoort headed by Dawie Maree. We wish Dawie and his team all the success in providing a real value-added service to our customers in this important geographical area.

My sincere thanks to all employees for your commitment to our achievements in 2005 and I wish you a very successful and rewarding 2006.

Leon Coetzer

On The Right Side Of The SAPS

Durban branch has conducted another successful generator installation for the SAPS. As reported in our last Red Rocket, we have been supplying generators for specialised applications to the SAPS since 1998, and the reliability of Deutz generators, as well as our personalised service, keeps them coming back for more.



The 138 kVA Generator Installed for the SAPS

DEUTZ AFRICA ANGLOPHONE SEMINAR IN COLOGNE

During the month of January the divisional and branch managers attended the Anglophone seminar at the Deutz headquarters in Cologne, Germany. The seminar was also attended by some of the service partners from the sub-Saharan African countries. The seminar's main focus was on the new strategy sales incentive "Service 25%", initiated by Deutz to increase the worldwide service sales to 25% of total Deutz sales.

In addition to key products and service training, customized tours were arranged to the various production facilities in Cologne, the 912/913 air-cooled assembly plant, and the 1011/2011/2012/1013/2013 assembly plant in PORZ.

In covering the service and logistic side of our business, tours were arranged to the spare parts logistics facility in KALK and the Deutz Engine Logistics Centre (STUTE). One of the highlights of the tours was the in-depth tour of the R&D division in PORZ, where the Tier III technology design was demonstrated and presented.

Countering the old adage "all work and no play", we were treated to an evening of exciting indoor ice hockey at the indoor Köln Arena, and enjoyed some good traditional German beer and food at the Früh and other German Brauhauses. Many thanks to all who attended and to our hosts Deutz AG. The seminar was a major success and we all look forward to the follow up seminar.

The Deutz participants were Rowan Michelson, Maurice Pringle, Edwin Engelbrecht, Lionel Salmon, André Gouws, Ian Marias, Derek Andersen, Derick Winter, Vossie Möller, and Dawie Maree.

Service Partner participants were Donald Britter (Tractor & Equipment Mauritius Limited), Ant Derry (Hubert Davies Zimbabwe), and Marc Hasenclever (CC Woermann – Nigeria).

Maurice Pringle & Edwin Engelbrecht



Branch Focus

WELKOM BRANCH

The successful Welkom team has made great strides over the past two years, backing the Deutz brand and products with expertise from its technical and sales personnel.

The services that Welkom is excelling at are a 24-hour spare parts sales and a full workshop facility, which supports our loyal customers in and around the Gold Fields of Welkom.

The Welkom workshop also supports and provides services to the DDP branches that don't have these types of facilities.

Dawie Maree, who was part of this successful team until the middle of October 2005, has since moved on to open and manage the new branch in Steelpoort, and his valuable contributions will be missed.

We take this opportunity to wish him well, for no doubt we will be supporting one another in the not-so-distant future.

Jaco van Zyl has taken over in the workshops where Dawie left off, and I have all the confidence in him to continue supporting the team and loyal customers as we have been doing.

Office Staff



Front: (Left to Right) Pierre Bolton, Rebecca Mokata & Isabel Bernard
Back (Left to Right): Denzil Ogilvie, Wimpie Wiedeman & Derek Andersen

Workshop 1



Front Isaac Khoesha & Elvamore Mokiri
Back Aupa Molete, Ernest Matshaya, John Chomane & Klaas Nkholele
Absent: William Sabata & Meshack Mariping
(All names read from left to right)

Workshop 2



Front: Neels van den Heever & Elf Venter
Back Jaco van Zyl, Freddie Anderson, Hannes Janse van Vuuren & Johan Botha
Absent Jan Rossouw
(All names read from left to right)

The Red Rockets Blast Their Way Into the Next Sprint Tri-Athlon Series

Over 1800 entries and a sweltering day met the Red Rockets at Roodeplaat Dam on Sunday 2nd October.

First off where the ladies' and men's individual participants and then at 09h15 it was up to Sally Shuttleworth to blast the Red Rockets off to a good start in the 600m swim – not an easy task considering the water was a chilling 19 degrees and the water hyacinths added an extra obstacle. A swift handover to Rowan Michelson to tackle the 20km cycling route, fortunately without any mishap in the way of punctures or accidents. However, a tough hill at the end, and souring temperatures made this leg of the race tougher than expected.

It was then up to Ettienne Rabie to bring the team into the finish, setting a blistering pace on the 5km run and leaving many a competitor in his wake over the tough climbs and off-road sections of the route.

At the end of the 600m swim, 20km cycle and 5km run, the Red Rockets crossed the line in 1h 24,47mins to finish in the top 40% of the field.

Well done to the team, as they managed to shave 12 minutes off the last tri-athlon.

Thanks to Elmo Best and Jean Pelser, family and friends for the much needed and welcome support.

Rowan Michelson

ISO NEWS

Deutz Dieselpower is extremely proud of its SHEQ Management System, which not only guarantees that our customers can rest assured of service excellence from a company that is committed to providing an exceptional standard of quality in its products and services, but also because it shows our very real concern for the health and safety of all our employees and the environment in which we work and live.

In order to ensure that our SHEQ Management System is properly maintained and continually improved we have appointed the following ISO Representatives in the areas indicated to assist us in this task.

Our very able team (in no particular order) consists of:

Shani Ellis - Purchasing Dept - Jhb
Francis Burger - Administration - Jhb
Venash Raghunanan - Engine Division-Jhb
Shawn Bedser - Customer Serv. Div. - Jhb
Jeanet Pelser - Service Division - Jhb
Goolam Rassool - Logistics - Jhb
Wimpie Weideman - Welkom
Maxine Maharaj - Durban
Rowena Gordon - Cape Town
Rudi Jones - Rustenburg
Chantelle van Schalkwyk - Kimberley
Jaco Hattingh - P. E.

The responsibilities of our ISO representatives cover promoting health and safety, environmental and quality awareness, initiating changes to documents and processes, performing internal audits, liaising with human resources regarding orientation, induction and training, attending customer satisfaction forums and assisting in the identification of operational risks, particularly in respect of health and safety matters.

Mike Tilston



Front: (Left to Right) Sally Shuttleworth, Rowan Michelson & Ettienne Rabie



Sales Division



Rowan Michelson
Sales Director

Optimising Your Deutz Engine Coolant System

All Deutz liquid cooled engines need and demand an effective engine cooling additive to ensure durable and efficient engine operation.

The most important part of any effective cooling system is the quality of the water and the type and specification of the coolant conditioner. For more details on the water quality standards and specifications please consult Technical Circular TN 0199-99-1115

The use and promotion of inadequate cooling system conditioners frequently causes leakage of the cooling system due to corrosion and incompatibility with sealing materials. Pitting on the aluminium components causes flaking which clogs and blocks the cooling channels and ducts. These factors contribute to engine damage and drastically reduced engine hours.

Other major consequences of using none approved conditioners and incorrect concentrations are severe cooling medium cavitation and ineffectual protection against overheating and freezing.

It is therefore imperative to use only Genuine Deutz cooling system conditioners. Our conditioners are perfectly matched to all materials contained and used in the Deutz engine, and thus prevents, with the correct concentrations of conditioners, corrosion, cavitation, overheating and freezing.

With our worldwide commitment to protect our sensitive environment, it goes without saying that the Genuine Deutz cooling conditioner is free of nitride and amines which may react and develop into hazardous and carcinogenic nitrosamines. Thus the conditioner contributes towards protecting your health and the environment.

If you are not in a position to purchase and use the Genuine Coolant conditioner then the following approved alternatives are available in your region.

Mobil – Mobil antifreeze extra

Shell – GlycoShell

Total- ELF Glacelf MDX

Valvoline – G48 Antifreeze

BP – BP anti freeze Code No X 2270 A

For further information consult Technical circular-TR- 0199-991115.

Purchase your Genuine Deutz cooling system conditioner using the following part numbers:

5 litre container:

part number 0101 1490

20 litre container:

part number 0101 6416

A World First in Flameproofing

Deutz Dieselpower (DDP) have locally developed two 1013 engines for Flameproof applications, making us the first in the world to achieve this. The two models are the BF4M1013E and the BF6M1013E. The BF6M1013E has been approved with a wet system, and in order to meet our customers' requirements the BF4M1013E has been developed with a wet and dry flameproof system.

DDP worked successfully in conjunction with Elgin Flameproofing to have these engines certified by the South African Bureau of Standards (SABS) and we received the following ratings:

BF4M1013E

65 kW Dry system DME number D190

70 kW Wet system DME number D191

BF6M1013E

110 kW Wet system DME number D157

Both of these engines are turbo charged with mechanical injection systems and are both certified to SABS 868.

The **wet system** has an exhaust cooler filled with water. The exhaust gas is forced through a number of compartments reducing the exhaust gas temperatures and making the system safe for fiery mines.

The **dry system** also has an exhaust cooler, but in this case the cooling water is passed through channels in this cooling box using water from the main cooling system. The exhaust gas is passed over these channels in the box and this in turn cools the gases. In the dry system there is no direct contact between the exhaust gas and the cooling water. The BF6M1013E flameproof engine has been fitted to a shuttle car and dump truck. At the moment we are busy with a number of exciting opportunities for the BF4M1013E.

Should you have a requirement for flameproof engines please contact our sales department and we will be happy to assist you.

Customer Support Department

The Engine Revolution

It is hard to imagine the world as it was in 1864. It was a world without most of the technological advancements that we have become used to today. But it was a world about to change with the introduction of the first ever engine factory started by Nicolaus Otto together with the financial backing of Eugen Langen in Cologne. Nicolaus Otto has been acknowledged by the engineering community over the years for his contribution to early engine development. He invented the four-stroke combustion engine, and the four-stroke thermo-dynamic cycle that he developed was named after him (the "Otto Cycle") and is taught to engineering students to this day.

This original company that he formed was the forerunner to Deutz AG. I wonder what Otto would say if he was alive today to see the extent to which his invention has revolutionized the way we live, work, play and travel.

Today's challenges with regard to diesel engine development and service are much different to those early days, but no less intense. Stringent legislation governing exhaust emissions combined with the natural expectation for reduced fuel consumption demands engines that are far more efficient, with smaller tolerances and higher injection pressures. Over and above these design developments, it has also become more and more critical to offer uncompromising technical service support and has led to the necessity to work hand-in-hand with OEM's and end-user's alike to ensure that engines are maintained and operated in the best possible manner to ensure increased longevity. Deutz Dieselpower has a dedicated team of technical staff that, combined with those of our Service Network, offer professional support and strong technical advice.

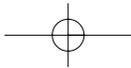
Heading up this technical team is Dirk Jacobs who, with many years of technical experience at Deutz Dieselpower, is one of our product specialists and has subsequently been appointed as Customer Support Team Leader.

As mentioned in our first edition of this newsletter, one of the areas that we are particularly focused on is training. In line with this, we are very pleased to introduce Jannie Bekker who has moved from Engine Sales into a position in Customer Support as a permanent product Training Officer.

Please contact us for any of your training or technical needs.

Steven Moss





Engine Division

DEUTZ Power Pack for Pump Sets

Packed with features, this 1.15m high Power Pack is fitted with either an FL912 or an BFL913 engine for a wide power range of 36-125 kW and provides an integrated solution for the pump market. The compact design has a ready to run drive system and a BO time of 10,000 hours in standard applications.

The extremely reliable engine has been based on the gained experience of 2.7 million engines, while installation and maintenance costs are low, and operation time long.

The features that contribute to absolute reliability include an engine with flywheel, mounted air filter, fitted muffler to adhere to noise pollution standards, compact integrated cooling system and a safety guard for the blower. There is manual speed adjustment via a threaded pin and speed adjustment with a hand lever, electrical solenoid for shut down, as well as starter and alternator.

The standard operational panel consists of ignition switch, hour meter, monitors for engine protection against low oil pressure, cylinder head overheat, alternator failure and blower failure.

All this is supported by a service network that is synonymous with DEUTZ Dieselpower and quality engines.



Lionel Salmon, promoted to Business Unit Manager - Sales Division in January 2006

Edwin Englebrecht, promoted to Business Unit Manager - Sales Division in January 2006



Maurice Pringle, promoted to Business Unit Manager - Sales Division in January 2006



Steven Moss, promoted to Business Sales Support Unit Manager - Sales Division in January 2006

Welcome

Cape Town Branch

Howard Little – Engine Sales Engineer

Johannesburg Branch

Albert Tshabangu – Checker (Logistics)
 Connie Calitz – Despatch Supervisor (Logistics)
 Dimakatso Maluleke – Admin Clerk
 Shane Sinclair – Parts Picker (Logistics)
 Widor Grobbelaar – Accountant
 Zelda Binneman – Printroom Controller (Logistics)

Rustenburg Branch

Marcelle Du Plessis – Admin Clerk
 Zane Barnard – Field Service Technician

Steelpoort Branch

Chantelle van der Merwe – Admin Clerk
 Rudolf Coetzee – Field Service Technician

Welkom Branch

Alf Venter – Diesel Fitter
 Denzil Ogilvie – Stock Controller
 Johannes Jansen van Vuuren – Field Service Technician
 Pierre Bolton – Internal Salesperson
 Thembile Matshaya – Cleaner

Promotions

Congratulations to the people who have been promoted.



Dawie Maree, promoted to Branch Manager - Steelpoort in October 2005



Jaco van Zyl, promoted to Workshop Foreman - Welkom Branch in October 2005



Rowan Michelson, promoted to Sales Director in January 2006

Transfers

June

Fred Nel as Warranty Co-ordinator, Customer Support Division

September

Michael Lockey as Service Manager, Durban Branch

January 2006

Jannie Bekker as Training Officer – Customer Support Division
 Dirk Jacobs as Team Leader – Customer Support Division

