

RedRoc^{et} News



A DIVISION OF **Hudaco** TRADING LIMITED

The official Deutz
Dieselpower Newsletter

September 2006 - February 2007

SURPASSING EXPECTATIONS

Our 2006 year end results surpassed all expectations. We completed the most successful year in the history of our company.

This increase in our performance was driven by strong sales into the platinum mining, power generation and military market segments, and we are confident that this trend will continue for some time, enabling another satisfactory result in 2007.

On this note, I would like to thank all our customers, service partners and friends for their ongoing support and wish them all of the best for 2007.

To our employees, thank you for your hard work and congratulations with the excellent results obtained in 2006.

The challenge for DDP in 2007 will be to continue and further improve our value added service to our customers and to clearly differentiate ourselves from our competitors.

The new year, 2007, started with lots of optimism as sales are buoyant to the end of February, up at least 30% compared to the same period last year.



*Leon Coetzer
Managing
Director*

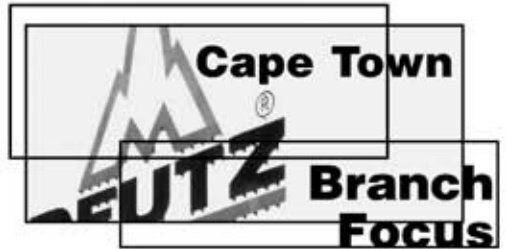
The recent renewal of our open-ended Distribution Agreement by Deutz AG confirms their long term commitment towards DDP and Hudaco Industries.

Our ISO 9001/2000, 14001 and OHSAS 18001 audit by Dekra is due in March and I am sure that I can rely on all employees to ensure that we are ready for the audit in order to continue with our accreditation of these standards.

This accreditation forms an integral part of our strategy of ensuring that we satisfy our customer requirements, apart from our own internal needs.

Finally, remember customer respect and continued support is earned through our actions and not through promises.

Leon Coetzer



We never know which exciting project fortune might bring next to our branch in Cape Town.

The work we do is as varied as the roots of our very capable workshop personnel. We have an ex-Air Force Shackleton technician, an ex-Air Force helicopter technician, and a City Tramways trained mechanic.

Although this was many years ago, with that excellent background, some DEUTZ technical support, internal engine training, and some training at the German factory, I believe we have a workshop team with DEUTZ technical expertise and experience second to none.

Our marine team, with Cassie at the helm, undertakes the most arduous and demanding work, providing round the clock service to mainly the local fishing industry. Service to passing ships, Angolan oil rigs, Mossel Bay gas rigs as well as hydro-electric schemes in Mozambique are also not unusual. The industrial engine workshop, led by Gerald Costa, has challenges of a different kind. Currently it is the project of building an F12L413F generating set into a shipping container to supply emergency power to a hospital on the island of Tristan da Cunha, in the middle of the South Atlantic Ocean.

Next might be emergency repairs to a grape harvester in the Boland region – delivering grapes to our famous wine industry.

But, be it Wayne and his DEUTZ spare parts and logistics team, Yvonne handling workshop administration, Adri importing marine spares or Howard moving new engines, Cape Town Branch prides itself in many, many combined years of DEUTZ experience and putting the customer first.

Andre Gouws



The Sales Team

Back Row: Cowdrey Dlala, Adri Louw,
Howard Little & Rowena Gordon.
Front: Mossie de Mesquita, Gerald Gordon &
Wayne Phillips



The Workshop Team

Back Row: Albert Jija, Gerald Costa, Wally
Curlewis, Cassie Castelyn & Munir Williams
Middle Row: Andre Gouws, Ralton Petersen,
Raymond Weaver, Shorty Velloen
Yvonne De Beer & Jackson Songelwa
Front Row: Lifton Siboya

Sales Division



Rowan Michelson
Sales Director

Deutz Engine - Diesel Facts and Findings

The general perception from the market is that our SA fuel is not of a suitable world ranking quality standard.

Recent studies have proven the contrary. Our refineries produce a quality product conforming to worldwide specifications. The problem is not so much the quality of our diesel as with the contaminants it picks up between our refineries and our workshops, and ultimately our end-user.

Our current Deutz engines (914, 2012, and 2015) operate at fuel injection pressures of 1000 to 1800 Bar. To give you an idea, our former non-optimised 912 engine model fuel injection pressure (year 2000) was 450 Bar, while the latest optimised version has been increased to 700-750 Bar.

The only way to maintain such pressures is to reduce operating tolerances of the fuel injection system to prevent leakages. Deutz, to meet market demands, has designed engines to have higher outputs, smaller envelope sizing, higher efficiencies, longer service life, extended service intervals and production of less exhaust and noise emissions. To make this possible our engines demand, amongst other critical fuel quality specifications, clean fuel.

The fuel injection system operates to such fine tolerances that dirt particles of 2 microns (2 thousands of a millimeter), and where the thickness of a human hair is 80 Micron, can cause component failure. The current misconception that if you have a suitable filter you need not worry about fuel cleanliness is not correct.

Research has shown that filters with a rating of 2 Microns are still not sufficient to prevent injector failure. This is because of fuel cleanliness standards only addressing the mass of contaminants, not the number. So, even if the dirt particles are perceived to be "small enough" to not cause a component failure, the shear number will be enough to cause failure.

Based on the lowering of sulphur within the diesel fuel, one of its main properties of providing critical lubricity has now been removed, which has presented the fuel companies with a difficult challenge. To overcome this, additives are included.

For the Deutz engine customer to control and minimize damage to the engine caused by a contaminated fuel system it is critical to only use Deutz specified and approved fuel grades. More details are noted in TR-0199993005-En.

Use only Genuine Deutz Filters, comply with Deutz recommended service intervals and fit good quality Deutz approved pre-water trap filters (Separ or Racor). In addition, ensure that you use only approved service providers, never purchase "cut price" diesel, and keep the area around the tank inlet and cap clean.

For more information please contact our Technical Department.

M-Net backs Generator Logic and DEUTZ for power generation at Nedbank Golf Challenge



As the 26th Nedbank Golf Challenge (formerly the Million Dollar Golf Challenge) was under way at Sun City, with 12 of the world's greatest golfers battling it out for their share of over \$4million in prize money, Generator Logic was hard at work ensuring that the client, M-Net Supersport, was able to broadcast the event to millions of viewers.

M-Net commissioned Generator Logic to synchronise and manage their three 100kva genies using the DEUTZ BFM1013 engine which the broadcaster purchased from Generator Logic some years ago. When you're broadcasting to a global audience, mistakes cannot be made, one of the key reasons why M-Net's Louis van Sittert has used the services of Generator Logic and DEUTZ engines for the last 10 years.



"When you're working on an event of this magnitude there is no room for error and a low price is certainly not your key criteria in selecting a supplier. After sales service, back-up, support and proven technical expertise are critical. Generator Logic offer power consulting and assessments to ensure we have the right back-up power at the right time. We run all our technical equipment off the three synchronized genies with DEUTZ engines which includes lighting equipment, aircons, the broadcast centre, 34 cameras, 90 monitors and video tape machines," explains Louis.

James van Wyk, Generator Logic's technical expert says, "We must ensure that our equipment supplied to M-Net performs reliably, as we cannot experience downtime in the broadcasting industry. We rely on quick and efficient support from DEUTZ Dieselpower with the diesel engines. We are experts in electrics and electronics, but leave the backup of the diesel engines to them. The DEUTZ engine has proved to be reliable and the service support from DEUTZ Dieselpower is excellent. This is critical to ensure that our genies run smoothly and provide power for problem-free broadcasts."

Maurice Pringle



Customer Support Project



Deutz Installation Know-How

A high degree of operational reliability and a long service life can only be expected from properly installed engines, allowing also for quick and easy servicing. The Deutz installation manual gives us guidelines with respective instructions for an appropriate installation, and makes reference to the minimum and maximum values to be complied with. The engines manufactured by DEUTZ are developed for a wide variety of applications. This variety of application installations makes it impossible to lay down any rigid rules which would apply universally. Experience and specialized knowledge are required to achieve an optimized installation under the given installation conditions. We therefore recommend early consultation with Deutz installation engineers, preferably at the planning stage. All contacts should be arranged through the sales division or directly with the Customer Support department.

Important measurements

Crankshaft end-float

A good tip is to measure the crankshaft end-float before adding the transmission or hydraulic pumps. After installing the hydraulic pump or transmission, take the end-float reading again. These two readings must be the same values. If the end-float is not measured and the clearance is too small the crankshaft thrust bearing will wear and eventually seize.

Exhaust back-pressure

The exhaust back-pressure should be checked and confirmed that the measured value is not above the maximum value. The extent of excessive back-pressure above the maximum allowable limit will determine the severity of problems such as loss of engine power, high operating temperature, component failure, poor exhaust gas quality, high fuel consumption and reduced engine life.

Intake system

The size of the combustion air filter is calculated from the engine airflow requirements. Care must be taken to ensure that no hot air circulation is present as this causes the air density to decrease. This will affect the maximum engine performance, exhaust quality, temperature level and, in extreme cases, engine starting difficulties.

The soiling of the combustion air filter depends on the dust content of the air and the selected filter size. If a high dust exposure is to be expected a cyclone separator can be connected to the combustion air filter. The cleaning intervals cannot be generally defined. They must be defined depending on each case, which depends on the operating site conditions.

Fuel pressure

With the new injection technology it is most important that the fuel pressure and flow is checked as is not only used for the combustion but also to cool the injector pumps. With the very small tolerances in the fuel system it is not possible to use any filter. Only genuine Deutz filters should be used according to the correct part number. It is best to install a Deutz pre-filter between the fuel tank and engine lift pump.

This is enough for now. I will handle more topics next time.

Dirk Jacobs



DDP Engine Training Centre NEWS

Deutz engine training has been taking place in South Africa since the early 1950's in the form of workshop manual reviews and in-depth workshop practises.

In the early 1970's the format changed by having groups of trainees doing spill timing and workshop manual reviews, mainly from the industrial and construction industries. The models used were air cooled engines 912/413/513, and older models 514/714. The trucks, Magirus Deutz, were fitted with 914V type engines and later 413V, with training being independent from our normal market. Then mechanised mining emerged (under ground rubber tyred vehicles) and started to intensify with OEM (original equipment manufactures) adding a new perspective to our training program.

This meant that our training expanded to

other parts of Africa and to end users (mining houses). Deutz have always produced water cooled engines in the Marine and Genset markets covering a range from 200KW up to 4000KW. Training for this sector was carried out in Deutz Germany.

Due to market demands Deutz introduced water and oil cooled industrial and automotive engines which also covered mining applications. This new focus and product launch created the need to intensify our training program.

Deutz Dieselpower has now started to participate in specialised training programs at Maccauwei Training Centre to qualify and certify our trainers. The first step is Coach the Learner, followed by Occupational Directed ETD Practices, and then detailed and in depth Assessor Training. After completion our trainers will be registered trainers and assessors with the Sector Education & Training Authority (SETA). Once our trainers have reached this milestone we will be in a position to add real value and be part of securing critical technical know-how for our internal DDP personnel and our very important external customer base.

We would also like to take the opportunity

to congratulate the following companies for participating in the Deutz Training Program during 2006.

1. Atlas Copco (OEM)
 - a. Compressor and Power generation div.
 - b. Mining Division
2. Cementation Mining (Mining contractor)
3. DBT Africa (OEM)
4. ELB Equipment (OEM)
5. Exclusive Air (Plant hire)
6. Femel (OEM)
7. Mc Cain (End-user)
8. Palaborwa Mine Company (End-user)
9. Selmec LDA (Mozambique) (End -user)
10. TEML (Mauritius) (Service Partner)
11. VME (Service Partner)

Our training is available either at our Johannesburg Training Department or at the Customer's worksite. We also offer training in all countries under the responsibility of Deutz Dieselpower. We focus on delivering superior product, technical awareness and development training.

For more training related information please contact Jannie Bekker on (011) 923-0640.

Jannie Bekker





ISO NEWS

In our quest for continual improvement of our Safety, Health, Environmental and Quality Management Systems (SHEQ), we appointed Mr Raymond Reed in October 2006 as our Network Quality Control Manager.

One of Raymond's many tasks will be to propose improvements to our quality management system, especially with regards to our workshop processes and quality procedures.

One of his first projects has been to revise our workshop quality control systems in conjunction with our branch managers, with the aim of having better control and trackability of product conformity.

Coupled to this project is the aim of improving our waste and recycling capability, with the obvious environmental benefits.

We are confident that with Raymond's quality control experience and our management expertise, together with valuable input from our SHEQ team, we will be more than able to improve our overall SHEQ Management System.

SHEQ Team

As a result of recent staff movements, a number of changes have been made our ISO Team.

The following employees have been appointed as ISO Representatives and also designated as Health and Safety Representatives for the areas indicated next to their names.

- Shani Ellis** - Purchasing Dept. Johannesburg Branch
- Jay van Vuuren** - Administration/I.T. Johannesburg Branch
- Leon Cock** - Sales Support Mod-shop Johannesburg Branch
- Shawn Bedser** - Customer Service Johannesburg Branch
- Jean Pelsler** - Sales Support Johannesburg Branch
- Goolam Rassool** - Logistics Johannesburg Branch
- Neels van den Heever** - Welkom branch
- Ian Marais** - Durban branch
- Rowena Gordon** - Cape Town Branch
- Raymond Weaver** - Cape Town Branch
- Derick Winter** - Rustenburg Branch
- Chantelle van Schalkwyk** - Kimberley Branch
- Rudi Jones** - Port Elizabeth Branch
- Lionel Salmon** - Johannesburg Repair Centre.

Mike Tilston



Deutz participation in the 94.7 Cycle Challenge held in November 2006 lead by Raymond Reed (centre)

Exhibitions



Deutz Dieselpower Stand at Electra Mining 2006



Exhibitions

Welcome

Cape Town Branch

Ralton Petersen - General Assistant

Johannesburg Branch

Raymond Reed – Network QC Manager
 Amit Singh – Sales Support – Internal
 Leonard Mataboge – Sales Support – Ext.
 Dhereen Beedasia – Sales Support - Engine Team Leader
 Claire Coutanche – Sales Support - Admin.
 Sean Cockrell – I.T. User Support
 Naomi Botha – Admin Clerk
 Aldrin Norman – Stock Control
 Jeffrey Sethoga – Stock Control

Johannesburg Repair Centre

Leslie Fuchs – Workshop Foreman
 Brendon Jacobs – Apprentice
 James Mtomboti – Engine Stripper
 Norbet Mokgathi – Engine Stripper
 Phillip Schoeman – Auto Machinist
 Ronnie Rikhotso – Cleaner
 Lourens Geldenhuys – Auto Machinist
 Shevriil Peterson – Admin. Clerk

Rustenburg Branch

Bertie Willemse – Field Service Technician
 Neo Kgalegi – Field Service Technician
 Andre Bosch – Field Service Technician

Steelpoort Branch

Kobus Strauss – Internal salesperson
 Gawie Maritz – Field Service Technician

Welkom Branch

George Kymdell – Field Service Technician
 George Erasmus – Field Service Technician
 Shadrack Masolane – Stripper/Cleaner
 Abram Kgabale – Driver

Transfers

Lionel Salmon – Branch Manager, Jhb Repair Centre

Solly Schutte – Technician, Jhb Repair Centre

Elmo Best – Stock Co-ordinator, Jhb Repair Centre

Fred Nel – Dyno Room Controller, Jhb Repair Centre

Shafee Subjee – Junior Bookkeeper, Johannesburg

Sibongile Sithole – Junior Bookkeeper, Johannesburg

Zelda Verster – Receiving Supervisor, Johannesburg

Jeffrey Masoga – Modshop, Johannesburg
Klaas Nkhoeli – Driver, Rustenburg