

driving forward

This issue of *Luxfer Xpress* gives me the ideal opportunity to update you on recent developments within the European Division including exciting news concerning our key market sectors.



David Rix
MD Luxfer Europe

Firstly to the Alternative Fuels Vehicles Market (AFV) where Luxfer recently received NGV2 approval for its Type 3 compressed natural gas cylinders.

With virtually every country on Earth investing in clean energy

technologies, the alternative fuel industry is set to expand rapidly over the next few years. Globally, there are now more than 4.7 million CNG vehicles in use, providing major environmental benefits such as a 20% reduction in CO₂ emissions.

As a major player in the supply of large composite cylinders into the CNG market, Luxfer is working alongside the International Association for Natural Gas Vehicles (IANGV) to develop a range of lightweight, large-diameter carbon cylinders for use in alternative fuel vehicle fleets across the world.

Strategic investments in other key sectors including Medical and SCBA markets continue to strengthen Luxfer's European customer base with an ever-evolving range of advanced-lightweight cylinders offering higher-capacities than ever before.

In today's ever-changing marketplace, Luxfer continues to

with alternative fuels

focus on achieving world-class performance levels in the face of rigorous competition.

Although difficult trading conditions, including dramatically increased aluminium prices and escalating utility costs have far exceeded our medium term forecasts, we remain committed to offering our customers

optimum service with minimum surcharges wherever economically possible.

As always, we welcome your suggestions for future issues of Xpress which can be passed on either via your Sales Representative or directly to our Marketing Department in Nottingham.

Luxfer France marks first year of

Our Luxfer France facility in Gerzat celebrated its first year of producing full-wrap carbon composite cylinders for the European marketplace on 15th September 2006.

On that date in 2005, Luxfer Gas Cylinders announced the opening of its new European composite cylinder facility after investing several million euros in the state-of-the-art plant, which initially employed 40 people.

full-wrap production

The new facility was an expansion of Luxfer's existing French plant, which was acquired when Luxfer purchased SM Gerzat from Pechiney in 2001. The plant was already manufacturing a popular line of hoop-wrap composite cylinders.

The new Luxfer France facility produces a range of full-wrap carbon composite

cylinders used primarily in the medical markets, as well as by firefighters and emergency rescue personnel. Products include medical oxygen cylinders and life-support cylinders for self-contained breathing apparatus (SCBA).

"European demand for composite oxygen and life-support cylinders has significantly increased", said David Rix, Luxfer Europe Managing Director. *"The increased capacity at our French plant has greatly enhanced Luxfer's ability to meet the*

growing needs of our European customers with a wide range of products that we previously manufactured only in the US. We have future plans to further expand the manufacturing capacity of our French facility in response to growing demand in other European market sectors."

David Sparkes, European Operations Director, said that manufacturing and technical experts from Luxfer USA played a significant role in developing the new French composite cylinder facility.



did you know?

- 1 One person in seven in the UK is affected by lung disease.
- 2 COPD (Chronic Obstructive Pulmonary Disease) is the fifth most common cause of death in the UK.
- 3 Over 1.5 million children under five have a respiratory disease.
- 4 COPD is rising rapidly amongst women.
- 5 The BLF's Breathe Easy network has 22,000 supporters and over 130 patient support groups nationwide.

Luxfer help set up new British Lung Foundation breathe easy groups

Luxfer recently announced plans to support the British Lung Foundation by providing start up grants, totalling £1,250 for five new Breathe Easy Groups across the Midlands.

Lung disease affects eight million of the UK population, ranging from asthma and emphysema, to TB and lung cancer. Breathe Easy is part of the British Lung Foundation's support network that extends across the UK. The 136 nationwide groups offer mutual support, advice and information to all those affected by lung disease.

Caroline Johnson, BLF Support & Development Manager for the Midlands said:

"People often take breathing for granted until they, or a loved one develops a problem. Our Breathe Easy groups help to highlight the plight of the many millions who

find it a struggle everyday to even get out of bed due to shortness of breath. We welcome these start up grants from Luxfer, they will help us to support more people affected by and living with lung disease in the Midlands."

The grants of £250 each, for the five new areas - Buxton, Bourne, Newark, Retford and North Nottingham - will enable groups to find and book a venue to meet regularly and set up communications networks, including newsletters, to keep members fully informed, providing a vital source of contact between members, their families and healthcare professionals.



Luxfer paintball team takes on London Tigers

When an intrepid team of 12 from Luxfer's Nottingham facility donned camouflage and headed to Kent for a cold winter's day of paintball play, they were perhaps expecting fun and games.

What they got was World War III.

The fact that some of their team mates - and later opponents - were members of the London Tigers professional paintball team had a good deal to do with the level of mayhem that materialised.

At first, the Tigers and the Luxfer team were on relatively friendly terms. (After all, as a Tiger sponsor, Luxfer had equipped the team with Luxfer high-performance carbon composite paintball cylinders. The Tigers, in turn, had helped Luxfer promote paintball safety by participating in seminars and training sessions throughout England and Europe).

After a thorough safety briefing, the group split into two teams and let loose at each other with unlimited ammunition. It quickly became clear even to the most experienced Luxfer participants that this was unlike any paintball they had played before. For one thing, the Tigers didn't just blast away - they were sharpshooters.

The professionals patiently coached the Nottingham novices through several different game scenarios and taught them how to improve their "hit" ratios. Most Luxfer players got the hang of it (except for one who thought the winner was the one wearing the most paint and another who preferred pretending to be shot and rejoining the team when the

shooting stopped). After a couple of action-packed hours, plenty of people were bruised, beleaguered and bespattered.

But now it was time for the real battle.

All 12 Luxfer shooters (granted unlimited lives) took on just 4 Tigers. Despite the lopsided odds, the pros showed the amateurs what it means to be the third-ranked paintball team in Europe. When the splatters subsided, it was a clear win for the Tigers.

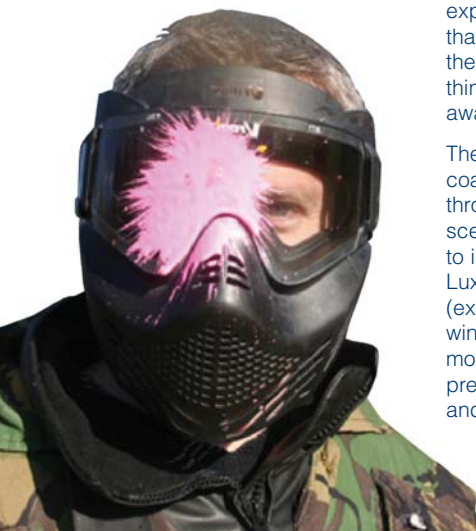
But judging from the bragging over food and beer later, it seemed that everybody had won.

A full-weekend rematch is planned.

Nottingham retains 'Class A'

Luxfer's Nottingham facility retained its Oliver Wight Planning & Control 'Class A' status after an accreditation review on 19th July.

"As always, the accreditor, Peter Hill, was very thorough in assuring our processes are still in line with Class A requirements" said David Sparkes. "He confirmed that we continue to operate a robust sales and operation planning (S&OP) process, but reinforced the need for us to look at long-term forecasting in order to ensure that we continue to meet the requirements of an ever-changing marketplace".



..Action... Action... Action... Action... Acti



working for a greener future

Luxfer launches its **AFV** range of cylinders

Luxfer recently received both NGV2 approval and ECE R110 approval for its Type 3 compressed natural gas (CNG) cylinders, which will be available to alternative fuel vehicle (AFV) manufacturers.

Type 3 cylinders are lightweight, fully wrapped carbon composite cylinders with all-metal aluminium liners. Luxfer is developing a product range specifically for use on commercial buses and trucks.

The world's largest manufacturer of aluminium and composite high-pressure gas cylinders, Luxfer offers an expanding range of high-quality cylinders for CNG and hydrogen storage in alternative fuel vehicles.

Specification sheets are available as downloads from the Luxfer website www.luxfercylinders.com



on the road to a greener future

May 2006 saw Luxfer exhibiting at two of the worlds major CNG (Compressed Natural Gas) events.

First Luxfer exhibited alongside 31 other manufacturers and service providers at the **12th annual NGVs for a Better Climate conference** in Brussels, Belgium. Hosted by the European Natural Gas Vehicles Association (ENGVA) and featuring political speakers from across Europe, the event was aimed at improving awareness about the advantages of natural gas vehicles in relation to European energy security, clean air and the environment.

Luxfer then exhibited at the **Clean Cities Congress** held in Phoenix, Arizona. The Congress attracted more than 1500 visitors and 85 exhibitors with focus on "Fuelling Economic Solutions" aimed at increasing global use of alternative fuel

vehicles (AFVs) and associated new technology.

Both events were ideal for the global launch of Luxfers fully wrapped carbon CNG cylinder range. Luxfer has developed a lightweight, large-diameter (410 mm) aluminium lined, fully wrapped carbon composite cylinder that can be supplied in lengths of up to three meters. Cylinders are designed to be mounted in groups on tops of buses or in subframes of trucks and are compatible with a number of existing compressed natural gas systems already on the market.



introducing
Mark Lawday
- AFV Project
Manager

Luxfer has announced the appointment of Mark Lawday to the Luxfer marketing team as Alternative Fuel Vehicle (AFV) Project Manager. Mark has responsibility for developing the compressed natural gas (CNG) market on a global basis.

Mark has a background in mechanical design and manufacturing and is a graduate member of the Institute of Materials, Minerals and Mining with a special interest in metallurgy and the processing of high-strength aluminium alloys.

As a major player in the supply of large composite cylinders into the CNG alternative fuel market, Luxfer is working alongside the International Association for Natural Gas Vehicles (IANGV) to develop a range of light-weight, large-diameter carbon cylinders for use in alternative fuel vehicle fleets across the world.

"With virtually every country on Earth investing in clean energy technologies, the alternative fuel industry is set to expand rapidly over the next few years", Mark Lawday said. "Globally, there are now more than 4.7 million CNG vehicles in use, providing major environmental benefits such as a 20% reduction in CO₂ emissions and over an 80% reduction in nitrous oxides."

Luxfer joins **Fire and Rescue Suppliers Association** FIRESA

Luxfer became a full member of the Fire and Rescue Suppliers Association (FIRESA) in 2006.

Formed in April 2005, FIRESA is an association for suppliers to the fire and rescue services. The primary purpose of the association is to contribute positively to the growth and development of the fire and rescue service market, improving its effectiveness at protecting life, property and the environment. FIRESA is actively expanding its membership base to represent a full spectrum of interests across the fire and rescue sector.

Alongside Firebuy and the National Procurement Board, FIRESA is positioned to promote the aims of the National Procurement Strategy. Acting as a single point of industry contact for Firebuy, the association is aligning itself to facilitate procurement of appliances and respiratory equipment and to promote the Integrated Clothing Project. FIRESA also plans to play a major role in the proposed structure of the CFOA National Procurement Board.

By becoming a member of FIRESA Luxfer can contribute actively to the growth and development of the fire and rescue service market through the work of the association.



Luxfer named to balanced scorecard hall of fame

Luxfer Gas Cylinders was named to the prestigious Balanced Scorecard Hall of Fame for Executing Strategy in ceremonies in Barcelona, Spain, on June 14 2006.

Luxfer was one of only three companies to receive the 2006 Global Award, given by the Balanced Scorecard Collaborative. The Balanced Scorecard (BSC) concept was created by Dr. Robert S. Kaplan and Dr. David P. Norton in 1992 and featured in their best-selling Harvard Business School Press book, *The Strategy Focused Organisation* (2001).

The BSC approach has been implemented in thousands of corporations, government agencies and organisations around the world and has been cited by Harvard Business Review as one of the most important ideas of the past 75 years. Based on the simple premise that "measurement motivates," the BSC puts strategy at the centre of the management process, allowing organisations to implement strategies rapidly and reliably. In 2000, Drs. Kaplan and Norton launched the Hall of Fame program to honour publicly companies successfully using the BSC.

Presenting the awards was BSC co-founder Dr. Norton, who said: "Today's winners have achieved breakthrough performance results using the Balanced Scorecard and are truly strategy-focused organisations."

Luxfer Gas Cylinders President John Rhode accepted the award on behalf of his Organisation. "It is indeed a great honour for our company," he said. "Many people within Luxfer Gas Cylinders have worked long and hard on our strategic development over the past 10 years - and in particular with the BSC over the past five years. This award is for them."

"It is all too easy in business today to get hung up on the short-term and run a company by micro-managing the present", John continued. "At Luxfer, we have studiously avoided falling into this trap. Whilst current performance is important, it counts for absolutely nothing unless it is rigidly allied to a clear

strategic view of the future, and this award supports our determination to link the present with our future. Because of top-level persistence, our strategy is now absolutely integral to our management thinking.

Consistent concentration on our global strategy has not only made us stronger, more competitive and more successful, but also more responsive to our customers' needs."



a history of **pioneering innovation**

To mark the opening of the French and Chinese manufacturing facility Luxfer have produced a commemorative brochure which tracks the history of the company and in particular that of composite cylinder development.



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