

# PLIBRICO

## The Mixer

2<sup>nd</sup> Quarter | 2018

### PLIBRICO AND NMBS ANNOUNCE GLOBAL STRATEGIC PARTNERSHIP

**Maritime repair and retrofit specialist will use Plibrico refractories to improve reliability of onboard boilers and incinerators.**

Plibrico and maritime repair specialist Nordic Made Boiler Services, Inc. (NMBS), has established a global strategic partnership to deliver retrofit supplies and services to the world's cruise ship operators. With the partnership, NMBS will use Plibrico's Plico brand refractories in the retrofitting of cruise ship boilers and waste incinerators needed to ensure passenger safety and comfort.

"Partnering with Nordic Made Boiler Services enables Plibrico to help improve maritime operations the world over reducing cruise ship costs and their energy consumption," said Brad Taylor, President & CEO of Plibrico. "Combining our refractories with NMBS's retrofit solutions means that together we can extend the reach of our most advanced heat treatment technology."

### IT MAKES A DIFFERENCE

The importance of proper cruise line boiler and incineration operations

**20M** People annually take cruises

**170M** Gallons of water used daily

**10t** Waste disposed of daily

### INSIDE ISSUE

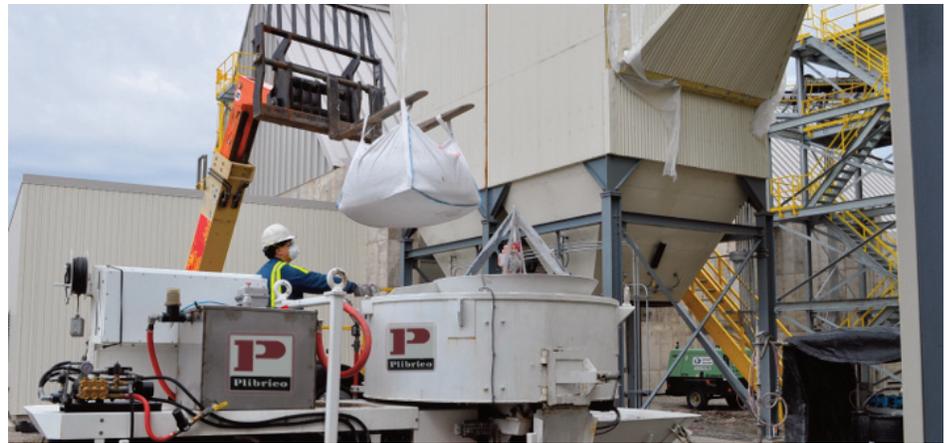
- > President's corner
- > Department updates
- > Employee spotlight
- > Economic trends

# President's Corner

**I think it's finally happened... spring has arrived in the Midwest.**

In addition to spring flowers blooming, it looks like the economy is blooming too. According to preliminary data released by the National Association of Manufacturers, the U.S. economy grew by an annualized 2.3% in the first quarter, which has helped get us off to a strong start in 2018. We are 17% ahead of budget and have had strong contributions from both PliPartners and our construction operations.

On the materials side, both shipments and production have seen an increase over 2017. Plibrico YTD material shipments are 18% ahead of schedule and production volume is 14% up. On the construction services side of the business, we are 8% ahead of plan and quote activity remains strong.



“ Business is strong - YTD shipments are 18% above plan and production is up 14% ”

Finally, I want to reinforce the concept of “1-Company” – not a construction company and not a materials company, 1-Company. While it's true we manufacture materials and provide installation and construction services within 2 separate divisions, we are a single company. Our VISION reads “The trusted source for refractory solutions” and together across both

divisions and with our partners we provide those solutions. While it might mean different things to each of us, to me it means we have an incredibly talented team of employees - but without communications, collaboration and support for each other we won't reach our full potential. As always, BE SAFE.



## Highlights from Q1 2018

### NEW HIRES

- New VP of Sales, Norm Phelps, who comes to us from Calderys.
- Phil Wrisley new Project Manager for our Ohio office.

### NEW PARTNERS

- Nordic Made, covering locations in Europe - Norway, Sweden, Finland, Poland, Denmark, Spain and Netherlands.
- Upstate Refractory (URS), is now a PliPartner in upstate NY. With USR's extended reach east, combined with the territory covered by Plibrico NY Operations, we've increased coverage to further develop the territory.
- Our best wishes go to Fran and Joe Higgins in their retirement and congratulations to Dave and John as they join URS.

### FUN FACT

- We gave away 11 cars. That's right 11 cars, Hot Wheels® are cars, right? Who says talking about company financials can't be fun.

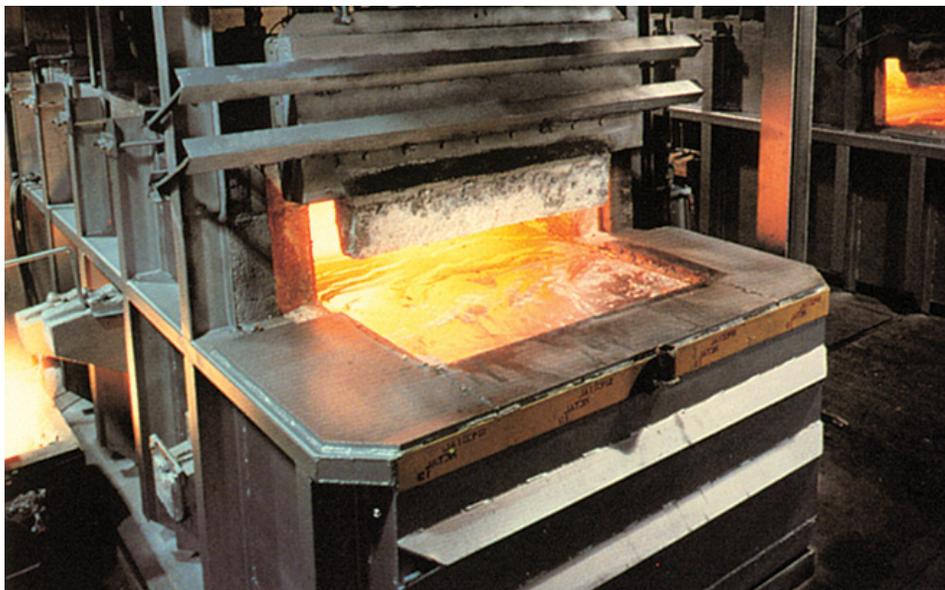


Brett Huston, Shawn Snyder, Steve Baker, Brendon Slusher, and Dustin Varney of Oak Hill show off their car awards. Other winners were Pam Hendy (Omaha), Mohammad Wahidi, Wanda Daniel, and Alice McHugh (Northbrook), Frank Gonzalez and Russ Barnes (Salem), and Wendy Huddleston, Chris Horton and Dale Johnson (Bartow)

The engineering team analyzes projects, and provides installation drawings, heat loss calculations and recommendations needed to save customers money



## Department Focus: Engineering



### First Quarter 2018 kept up pace with 2017 18 projects in-house, 4 live jobs

2017 was a busy year for the engineering department. In total, we received 70 project requests throughout the year. We define engineering projects as those in which some kind of output is submitted by the department to the requesting party that takes more than 4 hours of time. In total, the department fielded approximately 120 separate requests for support, such as technical assistance on material applications, anchoring, heat loss estimates and bake-out questions. Last year, the top three markets were:

1. Industrial Furnaces
2. Thermal Oxidizer/Incineration
3. Steel Mills

The balance were made up in Boilers, Cement, & Hydrocarbon Processing.

#### PROJECT REQUESTS

Another point of interest is the contact that Plibrico had with the network overall. These project requests have come in based on the following break-down:

SOURCE	PROJECTS
Plibrico Construction Offices:	28
Pli-Partners:	25
Division I Direct Sales / OEM's	15
Oak Hill / R&D Lab	3

## MORE DEPARTMENT NEWS

#### ACCOUNTING

Under HR Director Shannon Pipkin's leadership, the department completed a successful transition of the 401K Plan provider from Principal to JP Morgan. This change will benefit employees for years to come. IT Manager Dave Rimkus continues to work through the implementation of NAV. We have set a new GO-LIVE date as a result of the complexity of payroll for July 9th. Our goal is to complete as much of the training ahead of time, and have on-site support, where needed, to make the actual go live date as seamless as possible.

#### MANUFACTURING

The Oak Hill plant had a strong 1st quarter in 2018 with shipments and production exceeding 1100 NT all 3 months.

Continuous improvement initiatives:

1. Weekly Quality roundtable meetings have been implemented. Plant Quality and Production managers meet via teleconference with Brad Taylor, Justin Teiken, and Lorraine Leung to discuss on-going quality improvements and concerns.
2. The plant investigated and performed a trial on a new style of packaging to enhance aesthetics.
3. All employees completed Walking & Working Surfaces training (Slips, Trips, & Falls) as well as warehouse safety.
4. Corporate Safety Manager Chris Smith and Oak Hill maintenance Leadman Chris Roe attended The Ohio Safety Congress Expo in Columbus. While at the Congress, they attended educational classes about machine guarding of equipment.

>> DEPARTMENT UPDATES CONTINUED ON PAGE 6

## How To Become A Star On LinkedIn

Four tips on using the world's largest social platform for professionals to connect, inform, persuade and sell

Your customers are on LinkedIn looking for content that helps them solve a problem, and if your content fits the bill, the results can be remarkable. Studies show that 80% of B2B leads come from LinkedIn, and 94% of B2B marketers use LinkedIn to distribute content. Here are 4 Top Tips to optimize your LinkedIn content:

### 1. Write a stronger headline.

Headlines can make or break the performance of content. The optimal length for LinkedIn post headlines is 80 - 120 characters. You can test your

headlines on Advanced Marketing Institute's Emotional Marketing Value Headline Analyzer for free.

**2. Make content easy to skim.** Majority of readers skim content, so focus on making your content easy to read with bulleted lists and short paragraphs. Use subheads that set the correct expectations for the paragraphs that follow them. Just as with headlines, short and clear trumps long or clever.

**3. Publish content that your target audience finds interesting.** Clicks, shares, and comments are all good

indicators of engaging content. While it can be tempting to sell your audience on the benefits of your product or service, "salesy" content doesn't generally perform well on LinkedIn. **4. Use visuals to boost engagement.** Multiple images capture the greatest number of shares, likes and views. Try a new image every three to five paragraphs.

Great content on LinkedIn can lead B2B decision makers back to your site, too. On average, 46% of social media traffic coming to B2B company sites is from LinkedIn.



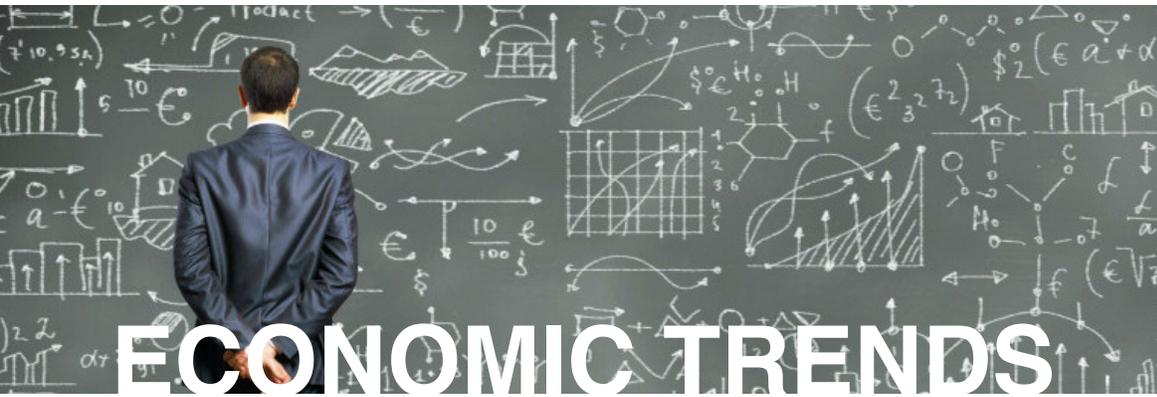
## Getting to know you: Matt Ireland

**Where do you work?** "I've been a shipping/receiving lift truck operator in the Ohio Hill, Ohio plant for three and half years."

**Where do you live?** "I live in Wellsont, Ohio with my wife and four children."

**What do you do in your free time?** "I like to fish and hunt. I've also coached all four of my children in various youth sports in the local area."

**What do you like about your job?** "One of many reasons I enjoy my job is that the plant is located close to home, so I can spend more time with my family. I am also proud to work for a company like Plibrico that has a rich history of quality products and industry leadership."



# PLIBRICO IN THE NEWS

Catch up on the latest Plibrico news by visiting our expanded News section at [www.plibrico.com](http://www.plibrico.com).

## RECENT NEWS

Safety in 2018: How Will You Stack Up?

[Read on ▶](#)

Plibrico Announces Norm Phelps New Vice President of Sales

[Read on ▶](#)

Plibrico and NMBS Announce Global Strategic Partnership

[Read on ▶](#)

Investment in Employee Growth Crucial to Success at Plibrico

[Read on ▶](#)

Virtually No Wear in Highly Corrosive Environment

[Read on ▶](#)

Plibrico Appoints New Director of Marketing

[Read on ▶](#)

◆ The U.S. economy grew by an annualized 2.3% in the first quarter, according to preliminary data from the Bureau of Economic Analysis. This was the strongest first quarter reading in three years.

◆ New durable goods orders rose for the second straight month, up 2.6% in March and extending the 3.5% gain in February. New durable goods orders jumped from \$248.6 billion in February to \$254.9 billion in March. New durable goods orders have trended strongly higher across the past 12 months, soaring 9.5% since March 2017, or 6.7% YOY.

◆ According to the Bureau of Labor Statistics, labor markets are tightening and pushing up wages and benefits.

◆ Private manufacturing compensation rose 0.7% in the first quarter of 2018, or 2.9% over the past 12 months. It was the fastest YOY pace in manufacturing compensation since the Q2-2011.

◆ Private-sector manufacturing workers earned 2.6% more over the past 12 months with benefit costs up 3.3% YOY.

◆ The Consumer Confidence Index edged higher in April to 128.7.

◆ In general, Americans remain upbeat about the economy, with the index continuing to be at elevated levels.

◆ Consumer Sentiment from the University of Michigan and Thomson Reuters dropped from 101.4 in March, the highest level since January 2004, to 98.8 in April.

◆ Uncertainties around policy, especially trade policy are a concern.

◆ Americans continue to be optimistic over the long term, and numbers are consistent with 2.7% growth in consumer spending over the next 12 months.

## The Safety Corner

Spring has freed itself of winters icy grip and warm weather is finally here. With the rising temperatures, we need to be thinking of hydration for your Crews. Electrolyte drink such as Gatorade is okay, but water works well also. Please have plenty of ice and water available on our jobsites to combat dehydration. As a precaution, be careful of the



caffeine drinks such as coffee, ice coffee, teas and some sodas like Mt. Dew. Caffeine drinks increase the kidneys output (diuretic), and that along with excessive perspiration can lead to dehydration and a trip to the ER for IV fluid therapy.

Trust me, I've seen this happen.

## Plibrico Webinar Available Online

Thanks to those who attended our latest webinar! During the 43-minute presentation participants heard exciting news about:

- Plibrico's commitment to you
- 2017: A year in development
- Looking ahead to 2018 and beyond

If you would like to see the webinar, please click below for the replay.



## Employee Spotlight: Catherine Donatello



Catherine “Cathy” Donatello, a Plibrico team member since 1992, will be retiring at the end of this year. On behalf of everyone at Plibrico would like to wish her happiness as she enters into the next stage in her life.

Cathy joined Plibrico in 1992 as a receptionist. As the years passed, she was moved into the accounting depart-

ment and greater responsibility. During her career, Cathy has held many different accounting positions and through it all has been a huge asset to the company and its many different locations.

Please take a moment to thank Cathy for her years of service and wish her well. Cathy is looking forward to spending more time with her family and friends. She will be missed here at Plibrico. Good luck Cathy!

## Department updates

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Plibrico Construction Operations – Omaha team at a power plant working on a Boiler Ash Hopper.  
Standing (L-R): Ron Heilig, Zach Jones, Josh Kritenbrink, Randy Knudson, Enoch Heilig, Clem Brown. On knee (L-R): Ed Grimes, Joe Grim

### CONSTRUCTION

Plibrico construction offices remain recordable free in 2018. The department began a Redi-Shape project in Salem, Ohio that involves hundreds of different shapes that create a puzzle-like lining for a major steel producer.

Our South East operation recently secured a new account in the Pulp & Paper industry, a targeted industry for the branch with great growth potential.

Brandon Sheldon, from the Salem branch, has earned his API-936 certification. Congratulations Brandon!

### RESEARCH & DEVELOPMENT

With an increased growth in industrial production recently, there has been a

surge in demand for refractories. This surge has increased production throughout the industry creating a heavy demand on refractory minerals.

China’s recent efforts to improve on environmental and labor agendas have had an extreme affect on refractory mineral supplies available to import. In Quarter 1 R&D saw unfavorable shifts in supply and demand, creating large cost increases for most of the raw materials used to make refractories. In response, we have dedicated internal resources to mitigate or minimize cost increases.

### SAFETY

Since its inception in September 2017, there has been little OSHA activity on

enforcing its new Silica dust standard. However, that may change as we enter into the first busy construction season since it was implemented. This is an important issue for Plibrico since we use Silica for lintels, modular hearth blocks, wall panels, and other pre-cast shapes, as do other manufacturers.

Please mark June 23, 2018 in your calendars. The General Industry Dust Standard section of OSHA’s Respirable Crystalline Silica Regulation is set to begin for the General Industry group on that day. The General Industry OSHA Silica Exposure requirements are somewhat different than those applied to the Construction Industry, so take the time to know what’s required before the deadline.



Click above to download the fact sheet “OSHA’s Respirable Crystalline Silica Standard for Construction”



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