

Managing Your Exports In Uncertain Times

Rhine Ruhr Pty Ltd



2008 Governor of Victoria
Export Awards

Winner

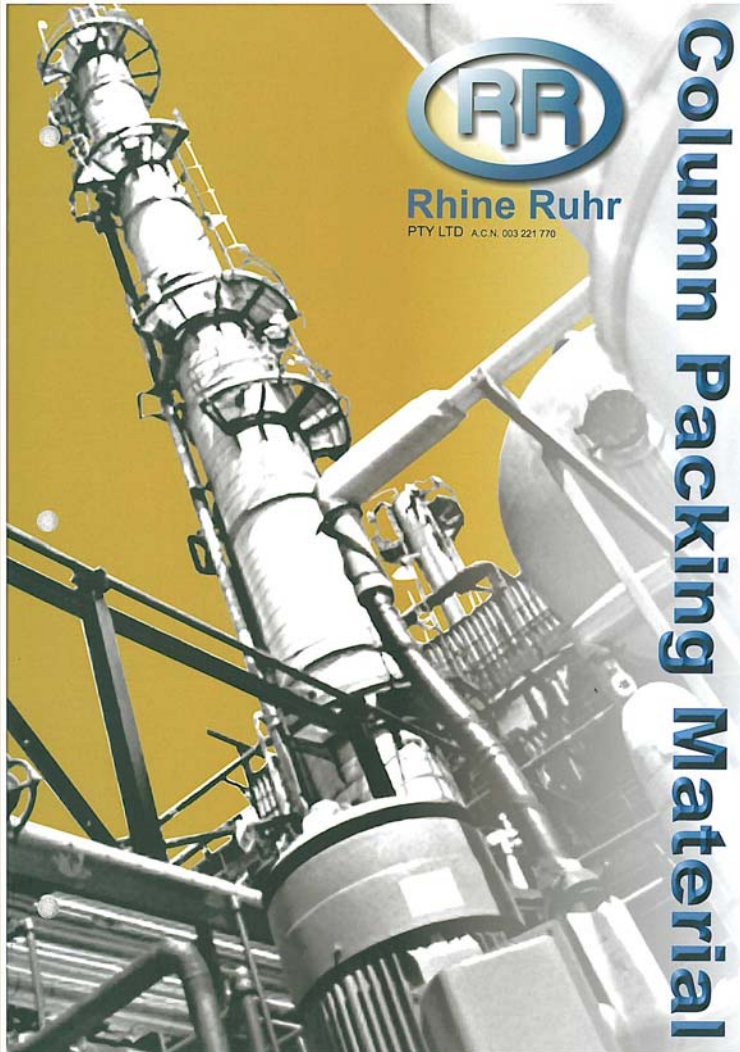
WINNER 2008
AUSTRALIAN
EXPORT AWARDS

The logo for the Australian Export Awards, featuring a stylized orange 'X' shape.

Our Company Background

- Rhine Ruhr Pty Ltd was established in Australia in 1986 to service the oil/gas, petrochemical and energy sectors.
- We are a 100% Australian owned small business which directly employs 15 skilled people in Sunshine, Victoria.
- We design and supply column Internals.
- Our equipment has been exported to over 20 countries world wide.
- We won the 2008 Governor of Victoria Export Award and the 2008 Australian Export Award in the category of small to medium services.

Product Examples



Distillation Trays

Valve trays have steadily replaced the traditional bubble cap and sieve trays that were once considered the work horses of the column internals industry. Providing a lower cost solution or operating more efficiently over a greater operating range, they have become an industry standard for those separations demanding tray technology.

Rhine Ruhr have been designing and supplying our Dyna™ range of distillation trays for the past 15 years. These trays are designed using our own in-house programs, which give a full hydraulic output for the individual cases considered. The final design is optimized from both a cost and operational point of view. The optimum style of valves, from a venturi cage valve for a low pressure drop to a mini fixed valve for maximum performance, can be specified by our experienced design engineers.

Our supply basis for trays can be divided into the three following categories.

Supply of new trays for a brand new column

Rhine Ruhr has extensive experience in the supply of trays with a full hydraulic design for brand new columns. We take extra care in the layout and the design of the vapour and liquid inlets to ensure that maximum performance is achieved. The internal arrangements are considered carefully to ensure full compliance with the required specifications as well as a design that is reasonable to install. Special consideration may also be given to the tray design to allow for installation in a horizontal position allowing for a reduced onsite installation period.

Upgrading existing columns for new operating conditions

Old columns need to be upgraded for new flow conditions. We have developed systems that allow for the modification of downcomer sizes and overall tray dimensions without the need for hot modification of the existing vessel welded in attachments. This allows for lower cost and reduced time vessel repairs. Higher capacity tray designs can also lead to column upgrades in performance without expensive column replacements.



Replacement of existing trays on a like for like basis

Rhine Ruhr can supply a partial or full replacement of existing distillation trays. This usually occurs during routine maintenance. We supply Rhine Ruhr designed trays that fit up to existing support structures and operate identically to the existing equipment. We offer equivalent valve and identical downcomer sizing to ensure identical column operation.

Our commitment also extends to the emergency situation where, as a result of an unscheduled breakdown, replacement trays can be drawn and manufactured in a very short time frame.

Our experienced draftsmen are experts at taking a theoretical design and developing a full three dimensional model. This model ensures that there are no conflicts when the equipment is installed.

Rhine Ruhr distillation trays

Dyna-Valve™

- Robust design to reduce valve loss
- Incorporated anti-rotation feature
- Design for quick-fit/quick replacement
- Fixed orientation for maximum turndown
- Various valve leg lengths

Mini Dyna-Valve™

- High capacity alternative to Dyna-Valves™

Type 'C' Valve

- Traditional 3 leg design
- Typically supplied as equivalent replacement spares for existing trays

Cage Valves

- Ultimate valve security in unstable service
- Unique high strength cage feature

Cage Venturi

- High strength cage feature with reduced pressure drop, compared to a standard cage valve

Mini Fixed Valves

- High capacity trays with no moving parts
- High resistance to fouling

Bubble Cap

Tunnel Cap

Sieve



Diameter	Material	Equipment	Country	Service
4724	CS	Tray, Two Pass	Australia	Main Fractionator
3960	Monel	Tray, Two Pass	South Africa	Crude, Atmospheric
3400	CS	Tray, Two Pass	China	Light Ends Column
2500	Titanium	Tray, Two Pass	Australia	Dissoctor
2500	400 ss	Tray, Two Pass	Taiwan	Stripper, HDS
2130	316 ss	Tray, Two Pass	Malaysia	DCA Absorber
2286	Duplex 2205	Tray, Two Pass	Australia	MDEA Regenerator
4400	430 ss	Tray, Two Pass	Singapore	Crude Tower
3048	400 ss	Tray, Two Pass	PNG	Atmospheric Crude Column
2591	Hastelloy	Tray, Two Pass	Australia	Main Fractionator



Rhine Ruhr's Market

- We sell to an industry that has global engineering standards and global methods of best practice :
The Oil/Gas/Petrochemical/Energy industries.
- Most of our serious competitors are multinational large corporations.
- Our clients demand a high level of technology in our equipment together with proven experience using industry specific procedures.
- We must guarantee our results on par with our multinational competitors.

Rhine Ruhr's Business Model

- We concentrate on what we do best.
- We invest in new technology and state of the art procedures applicable to our industry.
- We stay in control of our projects and take full responsibility in front of our clients.
- We subcontract what we consider is not our core business and look at reliable subcontractors who can implement internationally accepted best practice and quality.
- We look for long term relationships with those strategic subcontractors.

Exporting is a Critical Factor to Review for any Business

- Small to Medium sized business can adjust to client's requirements rapidly.
- Your unique companies experience and ability may be in great demand some where in the world. Find your niche!
- In many markets Australia has an **automatic** reputation for integrity, reliable supply and providing quality.
- There are many examples of Australian innovation that are fascinating.
- If you are replacing imports with locally manufactured products, why aren't you exporting immediately?
- Successful exporting creates more success in your local market

Starting our Export Drive

- Why? the obvious and most important : **To improve turnover and to utilize differing business cycles.**
- To gain world recognition for our uniquely branded product range.
- To enter markets that trade strongly with our multinational competitors so we can gain better insight into our products strengths and weaknesses compared to those of our competitors.
- To interface with prestigious foreign customers and to be classed as an approved supplier.

Use the help available

- Investigate the Austrade/Vic Government services that are available.
- Look for foreign business associations of interest and book in to attend their meetings.
- Do trade research before hand and accept that you will need to travel to the country of interest a number of times to gain opportunities.
- Take advantage of Foreign Trade shows.
- Look at your own staff for language or cultural understanding support. Most Australian companies today are multi cultural.

To help us export

- We participated in the Export Development Grant from Austrade that provides marketing cost support.
- We used EFIC (Export Finance and Insurance Corporation) to support cash flow on a large project.
- We participated in Austrade and Victorian Government (Department of Innovation, Industry and Regional Development) sponsored International Trade Missions.
- We appointed a senior member of staff to reside in Malaysia and continuously market for us in and around South East Asia.

Improving our Export Success

- We appointed more distributors of our equipment.
- We revised or improved our sales brochure information and created electronic formats or versions for easy distribution.
- We updated our web site.
- We implemented a new control and monitoring system in the office to record the export enquiries.
- We network with businesses that are complimentary to ours with the aim of sharing marketing information.

What we need to do to maintain export success

- Our international **clients** require attention and support.
- Our international **distributors** require attention and support.
- That means both need regular face to face meetings which means that our staff members **have** to travel and we need them to become **respected** ambassadors for our company.

Requirements for export Markets

- Don't under estimate the market or the sophistication of the client.
- Understand the approval process that you need to pass before you are allowed to trade in that market.
- Do you understand the **politics** of selling in the new market?
- Do research on your products technical acceptability **and** the expected pricing band.
- How well is your competitor servicing the market.
- Do you **immediately** need a representative?

Keep Your Eye On The Business Basics

- Payment Terms are **absolutely** critical.
- Cash up front before sending? Irrevocable Letter of Credit (confirmed?) Partial Payments? Be careful of the detail.
- FOB, CIF, Partial shipments, INCOTERMS?
- Use of Internationally approved Inspection Agencies before dispatch. Client preferences?
- Insurance and special packaging requirements.
- Airfreight, sea freight and why do delays occur.

Trip ups with Export

- You get legally tied up with the wrong Agent or Distributor.
- Some individuals you approach to discuss opportunities demand illegal pay offs.
- Your friends tell you that pay offs are the cost of doing business in many markets.
- “Trust me, give me credit : just send the goods and you will be a rich man!”
- “If you want to show that you are serious about selling in my market, you must show your commitment and invest a lot of money into a joint venture that I control !”
- “I am the best man to represent you as my cousin is directly connected to the Prime Minister”

Basic Advice

- Select your Agent or Distributor carefully and as if you are **giving** him a share of your Australian business.
- Do **not** give credit and insist on prepayment or L/C terms of payment conditions. Agree with your agent that business success is based on cash flow. The more cash flow, the better the business flows.
- Try to deal directly with the end user together with your Agent. Your potential customer will be impressed and you will get to know the market better.

Basic Advice (con't)

- If your agent treats you well, you treat him better. If he organizes prepayments pay his commission immediately you get paid. If he requires your help to land a **definite** order, get on the next aeroplane. Make sure you deliver the goods with quality and on time. Your agents reputation depends on this.
- Never turn your back on your agent or your client when there is a dispute regarding your supplied equipment.