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Bell Bay Aluminium CPT Engineering agreement a big tick for local manufacturing

Bell Bay Aluminium and CPT Engineering in George Town today announced a four year supply agreement valued at approximately \$3.7M to manufacture anode rods for the aluminium smelter

Bell Bay Aluminium is progressively replacing anode rods as they wear out and, will at the same time modify the replacement rods to make them more energy efficient. Over the next four years the smelter must replace 13000 steel/copper anode rods. The rods conduct electricity in each cell where powdered alumina is converted to molten aluminium at 960 degrees.

Ray Mostogl, Bell Bay Aluminium's general manager said "It shows confidence in the capability of Tasmania's manufacturing industry to award this important piece of work to a local engineering company.

Without big industry, such as Bell Bay Aluminium, supporting smaller local businesses, opportunities to generate employment and substantial economic benefits for the State like the one announced today would not arise. Sustaining major industries in Tasmania, such as Bell Bay Aluminium ensures the economic wheel keeps turning and generating wealth for our state.

This is a prime example of what 'Take a look at the Big Picture' campaign is all about. We are hopeful that this will also open up doors to similar business opportunities for CPT across Australia."

CPT Engineering's managing director; Geoff Watson said "In these tough market conditions, especially in the manufacturing sector, we are immensely proud to have been awarded the Bell Bay Aluminium contract."

Bell Bay Aluminium had believed that manufacturing the complete anode rod in China was the lowest cost outcome for its operation. However, before committing to a Chinese manufacturer, the smelter's business improvement team worked collaboratively with CPT through the Business Action Learning program on an anode rod process improvement project to understand what it would take to manufacture the entire fleet of anode rods in Tasmania.

The outcome of the project meant that CPT was able to match the Chinese supplier, enabling Bell Bay Aluminium to award the contract for local supply of the anode rods.

"Bell Bay Aluminium is fortunate that Geoff Watson and his highly-skilled design, engineering and manufacturing team is right on our door step. Aside from the obvious logistical benefits a local supplier can provide, the other major benefit of local supply is that we are literally just 10 minutes away from CPT Engineering. This has proven to be immensely useful especially in tracking the ongoing improvement in the performance of the anode rod as we have the ability to interact regularly and in person with Geoff and his team," said Mr Mostogl.

As Geoff Watson explained, "CPT has invested \$500,000 on new rod manufacturing equipment, most of which was designed and fabricated in house. We have also spent \$1.5M on new laser cutting equipment that is used

to make the steel shrouds for the new rod assemblies. We have employed three people directly to manufacture the new rod assemblies taking our work force to 52 employees including some casuals.

Significant investment in new equipment and staff training is clear evidence of the commitment we have to provide our customers with the highest quality Tasmanian manufactured products coupled with the shortest lead times. It will also ensure we remain competitive against overseas companies in future.”

The first rods have already rolled off the production line.

About Bell Bay Aluminium:

Bell Bay Aluminium is located on the Tamar River near George Town in Northern Tasmania.

Bell Bay Aluminium directly and indirectly employs more than a thousand Tasmanians and contributes \$690M per annum to Tasmania’s Gross State Product.

Annual production in 2013: 189,423 tonnes

Bell Bay was the first aluminium smelter built in the Southern Hemisphere, commencing production in 1955 as a joint venture between the Commonwealth and Tasmanian Governments.

About CPT Engineering:

CPT Engineering, a family business, operates from George Town, Tasmania.

CPT is a Quality Endorsed (ISO9001), NOSA 5 Star Accredited technical facility whose mission is to provide a high quality engineering service to industry. Accordingly, CPT Engineering offers a significant range of technical services and support including some of the latest and most advanced machinery available.

CPT Engineering is uniquely suited to the economic production of prototypes and the manufacturing of simple and complex components in single, short or medium batch runs. CPT exhibits a high commitment of service to clients requiring this type of support.

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