

Inside AE

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So far 2008 has been a great year for Anderson Engineering. We have just completed a very successful financial year ending 30 June, and 1 July marked the beginning of our celebration of 50 years in business. Since bringing our clients together in one venue would be near impossible, we have chosen to share our jubilation with you by way of this publication.

We had our official company 50-year Celebration on 28 June, when staff, family and retired staff got together for a fun-filled day. It was a time for reminiscing about days gone by, for storytelling, for celebrating our employees' dedication, for setting the scene for the years ahead, and also for simply enjoying one another's company. We had a "friendly" soccer match, the youngsters enjoyed Kimbo the clown, and we all moved and grooved to the singing talents of The Durban Divas. It was truly an occasion for us all to remember.

It was also a day on which we paid tribute to all our clients, some longstanding and others from more recent times. Our relationship with our clients is always the focus of our attention and we wish to thank you all for your support. Anderson is a company guided by the needs of its clients, so wherever possible we have made adaptations as your needs have changed. In recent years we have seen your staff numbers decline and also seen the impact of the loss of skills in your businesses. The result has been an increasing number of requests for us to undertake turnkey work. Our capability in undertaking such work (involving fabrication and electrical/control engineering), combined with our process knowledge, has resulted in the completion of many very successful projects. It is one of the great pleasures of my working day when I get a call from a client of long standing

who is interested in ordering new equipment from Anderson.

While getting together with all our clients in



Hans, Cobus van der Merwe (Clover Queensburgh), Mr Poole and Stuart Anderson.

one place at one time is not practical, we do enjoy it when we get to meet you individually. I recently met Mr. Bob Poole, the engineer for one of Anderson's earliest clients, Creamline Dairies, which ordered milk tanks from Anderson Engineering in about 1960. Mr Poole is in good health at the age of 91 and I was able to fulfil one of his dreams when I took him (dressed in a suit and tie!) for a ride on my Heritage Softail at a recent Classic Bike gathering. My thanks go to Mr. Cobus van der Merwe, the present engineer at Clover, for arranging this meeting.

Since our previous newsletter (November 2007) we have been keeping a close watch on the nickel price, as it is an important base commodity ingredient for stainless steel and the price was extremely volatile back then. We are happy to report that stability has returned to this commodity, which has brought about an improvement in the price of stainless steel. (See updated graph below.)

I hope you enjoy our second newsletter and would like to encourage you to give us your comments. We look forward to working with you in the years to come as an exciting future awaits us all.



Hans Coertse
Managing Member



**ANDERSON
ENGINEERING**

Dedicated Expertise.



STAINLESS STEEL

CIRCULATION



Anderson Engineering - 50 years on!

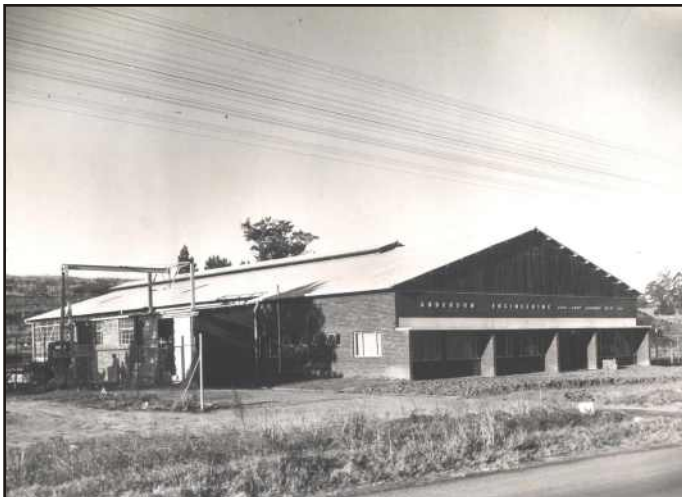
Anderson Engineering was founded in 1958 by Eric Anderson, who saw the opportunity in the marketplace to manufacture stainless processing equipment for the dairy industry, e.g. milk tanks, cheese vats, etc. The company started operations at 95 Church Street in two workshops, and the estimating and designing aspects were initially performed in the evenings from home!

Our first client was Clover in Durban. As the dairy industry evolved, so did Anderson Engineering. Initially we repaired the milk churns that were collected on flat bed trucks daily from the farms and taken to the dairies. However, as time progressed a better system was required and Anderson was the first company in KwaZulu-Natal to build the refrigerated milk-cooling tanks that were installed on the farms. We also manufactured the insulated milk collection tankers which went from farm to farm on a frequent basis. As a result the cold chain was improved, and with it the quality of the milk.

Anderson Engineering was also the first company in South Africa to manufacture chassisless milk tankers. The benefit of having no chassis on the long-haul tankers was the saving in weight which then allowed for a greater payload.

Eric's son, Stuart, worked for ACOSA (Aluminium Company of SA), now known as Hulamin, before joining the family business in 1962. From the outset he was a "hands on" engineer and therefore chose to study for his engineering qualifications while he was working.

The business moved to 5 Willowton Road in 1964. The introduction of the overhead crane into the new building increased efficiencies within the factory and also increased the scope of work that we could undertake. The move to a location closer to a railway line made it easier to transport the equipment to the clients.



Anderson Engineering in 1966

The dairy industry proved to be a good source of work, albeit somewhat erratic, and the Andersons recognised that they had to move into other markets to ensure the company's growth and sustainability. As a result of this strategy, the company now applies its skills in industries as diverse as the chemical, food processing, pharmaceutical and personal care industries. This has led to some very interesting projects and the company learning a great deal about the processes and products of the industries we work in.

Having moved into the chemical industry, Anderson Engineering pioneered the paste polish filling line in South Africa more than 20 years ago. The initial project was a request from Nicholas Kiwi (now Sara Lee) and it worked so well that a second line was commissioned. Thereafter, the company installed two lines in Kenya and another two in France! Anderson was also approached by Reckitt and Colman (now Reckitt Benckiser), a key competitor, to manufacture a paste polish filling line for them. The then MD of Nicholas Kiwi gave his permission for this, so the company commissioned paste polish filling lines for Reckitt and Coleman as well. The sentiment was that while the manufacturing lines were similar, each product was manufactured to a unique formula and marketed accordingly, so there was no conflict of interest.

It was in 1995 that Stuart decided it was time to sell the company, as there were no family members interested in taking it over from him. He met Hans Coertse through the Harley Davidson Club, and Hans expressed a keen interest in buying the company. Hans has a mechanical engineering degree and a diploma in mechanical engineering, and is a qualified fitter. After becoming the factory manager for Unifoods Durban, Hans was looking to apply his talents in a specialised engineering business and Anderson offered him the ideal platform to do so. He joined Anderson Engineering in 1996 and is now the



Hans Coertse and Stuart Anderson

managing member. Stuart is still a very active member of the team, working on projects on a part-time consulting basis.

The culture of the company has stayed the same over the years, even with the change in ownership, but as a result of a dynamic business environment and increasing local and international competition, there has been an increased focus on building a range of high-quality products customised to the specific requirements of clients. This also resulted in Anderson achieving ISO 9001-2000 certification in 2003.

Another key milestone was the launch our apprenticeship programme in 2004. It had become evident that as a result of the skills shortage in the country the company would have to build its own talent, and so we pioneered a four-year apprenticeship programme. In this way, Anderson continues to build its collective expertise and Hans believes that this will contribute to the long-term success of the company. The programme now includes both boilermakers and draughtsmen. Hans recently commented, "Our apprenticeship scheme is strong and delivering good, young people who work the Anderson way."

Over the years the company has promoted its ability to undertake turnkey projects, as this makes use of all

its unique abilities, i.e. designing, manufacturing, installing and commissioning projects to clients' requirements. This type of project work creates exacting challenges for the team, but also keeps us interested in and excited about our work. Recently, Anderson manufactured and installed a toothpaste plant with a 3-ton batch capacity for Unilever Nigeria's Oregon Factory. Given the challenges and logistics of working at a distance, it was a great achievement for the team to install the equipment on time and commission it successfully. This particular strength of the company has been proven on many other projects undertaken in countries as diverse as France, Kenya, the Seychelles and Zimbabwe.

With Anderson Engineering providing employment to 50 people, Hans recognises the critical role each one plays in the success of the business. The company still enjoys longstanding relationships with companies in South Africa, Africa and Europe and ascribes this to its philosophy that it's the way you treat your clients that makes the difference. There has not been a dull moment in the past fifty years, and Anderson Engineering is looking forward to being at the leading edge for the next 50 years.



Photos from Our Fifty Year Celebration!



Craig Stieger; Jason Anderson



Hans Coertse handing over the trophy to Craig Stieger, captain of the winning soccer team



Mary Bohmer (retired employee) and Elouise Whitaker at the Anderson fifty year function



Sam Ndlovu; Collin Nehumba; Khaniyso Shabalala; Thabani Mbokazi



The Durban Divas



Employees and their families enjoying the celebrations

Making a Difference

A few months ago, we received a call from Mrs Hazel du Plooy, who had seen an article in the newspaper which featured the Anderson team handing over mobile stainless steel commodes to the Elizabeth Beardmore Home. As she read that the commodes were designed to move the residents to the bathrooms and support them while they were bathing, she thought such a commode would be ideal for her husband, Zee, who had suffered a stroke which had resulted in paralysis. After the stroke Mr Du Plooy was unable to bath or shower and had to be swabbed down regularly with the aid of a helper.

When Mrs Du Plooy contacted Anderson Engineering, she had already gone to the expense of modifying the bathroom at their flat in Jacaranda Lodge so that a mobile commode could be manoeuvred in and out, allowing her husband to take a shower, because despite many enquiries she had not been able to find a suitable commode.

She approached us to ask if we would sell her one, but once Hans understood the circumstances, he decided that we would manufacture the stainless steel mobile commode free of charge. Mrs Du Plooy was both surprised and eternally grateful for the donation, commenting that it had renewed her faith in people

and that it would certainly improve the quality of life for both her and her husband.



Hans Coertse (Anderson Engineering), Trevor Govender (Anderson Engineering), Mrs du Plooy, Helene Jason (Anderson Engineering) and Imelda Chiliza with Mr du Plooy (seated) at the handover

Welcome to Anderson



From left to right: Craig Taylor - Company Buyer; Ian Drennan - Project Co-Ordinator; Sashen Pillay - Stores Controller; Lé Chet Marillier - Accounts Assistant.



From left to right: Colin Nehumba; Nkanyiso Shabalala; Siphamandla Danisa; Peter McCabe; Noel Hutchinson; Themba Mkwenkweni



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