ABB’s Successful Alliance with Petroflex Company

A nine-year old partnership between Petroflex and ABB, in a time of economic, national and international crises, continues with the highest degree of professionalism, commitment and maturity from both Companies.

<table>
<thead>
<tr>
<th>Client:</th>
<th>Petroflex Company</th>
<th>Scope of Work: Management and Execution of the Maintenance</th>
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</thead>
<tbody>
<tr>
<td>Location:</td>
<td>Duque de Caxias site in Latin America</td>
<td></td>
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<tr>
<td>Product:</td>
<td>Synthetic Rubber (SBR)</td>
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“Our product is a commodity. We need big volumes and competitive prices for our survival in the market. The maintenance account is the second largest of the plant. The work accomplished by ABB reduces the cost of development by improvements in the plant and by collaborating in a significant way for the maintenance of our Core Business.”

Mr. Francisco de Assis
Manager of the plant in Duque de Caxias (RJ)
Petroflex Company

The Petrochemical industry is a key economic sector, and one of the most important industrial segments in the world... supplying a very wide range of raw materials and products for all the other industry segments. It is a dynamic and complex sector, characterized by intensive use of capital and technology.

As the recent consolidation in the industry shows, Petrochemical companies are pushing for shareholder value. In turn they are demanding more from their suppliers to reduce costs and increase performance. In fact, the focus has changed from availability and cost reduction to plant reliability and proven productivity increase.

This is exactly the formula ABB has been pushing for some years. We know how to deliver on such demands!

Currently around the world, ABB has a wide resource of knowledge in systems and people. From these resources and the many years of effort and competence, we have established approximately 30 successful Full Service contracts in the Petrochemical industries.

Our strategies, based on our worldwide approach, include reducing the implementation time for contracts, optimizing the use of resources, and maximizing the results for our customers through integrated solutions in products, systems and services for better utilization of their assets.

Essential elements such as Scoope, RCM, Total Machine Management or TMM, Turnaround Management, maintenance material management, and performance based contracts contribute to utilizing the total capacity of the plant, minimizing the process losses, and speeding up improvements.
ABB and the Petroflex Company’s site in Duque de Caxias (RJ) is one excellent example of a Full Service contract alliance.

In Latin America, Petroflex is the largest company manufacturing synthetic rubber. The company has three plants in Brazil located in Trinópolis (RS), Cabo de Santo Agostinho (PE) and Duque de Caxias (RJ). The Duque de Caxias plant outputs 57% of Petroflex’s production.

Today, Petroflex exports approximately 35% of its production, with a strong presence in all five continents of the world.

According to Mr. Francisco de Assis, engineer and manager of the plant in Duque de Caxias (RJ), four fundamental points characterize the partnership between ABB and Petroflex:

**Reliability of the Production Process.** “The guarantee of the reliability in the production process through the quality of the services executed by ABB has been fundamental to Petroflex honoring the sales contract of its products, both in the internal as well as external markets. Great customers, like the giants Pirelli and Goodyear, require the participation of Petroflex in global contracts whereby the rubber being produced here is sent to several factories of the group around the world. We have never stopped assisting in the contracts we have signed,” engineer Assis affirms.

**Costs.** Assis continues, “our product is a commodity. We need big volumes and competitive prices for our survival in the market. The maintenance account is the second largest of the plant. The work accomplished by ABB reduces the cost of development by improvements in the plant and collaborating in a significant way for the maintenance of our Core Business.”

**Technology.** “The fact that we have ABB managing the maintenance of our largest plant, which outputs 57% of the production of the entire company, is of the highest importance. Being that this plant is 36 years old, we have a higher degree of danger. This plant also uses very sophisticated equipment.

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### Benefits

- **Reliability of the production process**
- **Reduced global costs of maintenance, materials, and warehouse**
- **Increased production capacity**
- **Increased productivity and availability**
- **Integrated management**

The expertise and motivation of ABB employees working here is unquestionable. For example, a 10MV turbo generator -- which was hibernated for many years -- was reactivated and operational in just two months. This generator was serviced by our own team through the Full Service maintenance contract. Because of this, supply to our neighboring companies and our unit of the Cabo (PE) was facilitated. We were able to collaborate with the government at this difficult moment in our country” Assis continued.

**Integrated Management.** “ABB is totally integrated into Petroflex at all levels... from the management to the execution professionals. The ABB contribution in the conquest of our three certifications was of fundamental importance. Petroflex is thankful and proud of the following certifications:

- **ISO 9002 7 years ago.**
- **ISO 14001 5 years ago.**
- **BS 8800 2 years ago.**

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