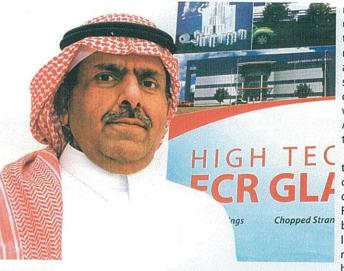
New plant lights up fiberglass market

or the S&A Abahsain Group of companies, the brand-new Abahsain Fiberglass Middle East factory at the Bahrain International Investment Park (BIIP) signals one more move towards the serious world of manufacturing and import substitution.

It also serves as another example of vertical integration as the Saudi-based group has begun manufacturing resin that will complement Abahsain Fiberglass products. Additionally, some of the output at the Bahrain factory will be utilised by a sister firm, Omega Poles, which is diversifying into fiberglass for manufacturing

poles required for electrical and telecommunication installations.

"Abahsain Fiberglass promises to be one of the leading industries of its kind in the Middle East with products that will



Abdullah Abahsain: "We're introducing sophisticated technology into the market'

match the best in the world, utilising technology that offers top-notch quality for a diverse range of products with applications in many fields," said group chief operating officer Abdullah Abahsain whose uncles Saleh and Abdulaziz Abahsain founded the group in 1947.

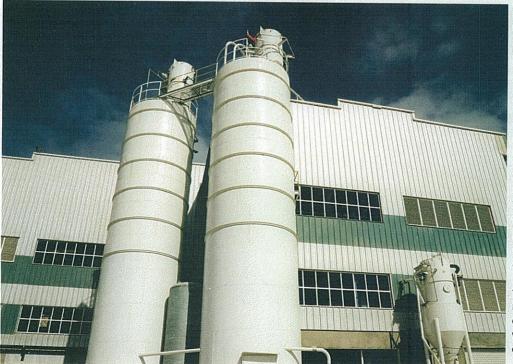
An example of the extent to which glass fiber products can be used is the elegant dome of Bahrain's new Al Fateh Mosque which has been built with fiberglass, the largest such dome in the region. Glass fiber is becoming increasingly popular because it replaces as much

as 90 per cent of the tensile strength of steel and is a very durable product.

Abahsain Fiberglass taps into ready and welcoming markets.

The company has already received purchase commitments from European distributors who will pick up 40 per cent of the output. Another 25 per cent will be distributed by the group's chemical division, which has been a consistent supplier since 1981 to the oil, gas and petrochemical industries, the glass industry, coating, soap and detergent industries and the food and feed industry. The division has Saudi Arabiawide infrastructure and sales branches, warehousing and transportation facilities as well as warehouses in the UAE and business representatives in the UAE and Canada. The remainder of the output will be dispatched to end-users who will directly contact the company for their needs.

The \$80-million Bahrain



The Abahsain Fiberglass Middle East factory at the Bahrain International Investment Park

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plant, currently equipped with two furnaces, produces 30,000 tonnes per annum, and with the second-phase infrastructure already installed, another 30,000 tonnes will go online.

The company plans to produce 60,000 tonnes in the third phase and another 60,000 tonnes in the fourth.

"This is the only industry of its kind in the whole of the Middle East," said Abdullah Abahsain. "With the new facility, our group becomes supplier to the pipe industry with glass fiber and resin.

"We are introducing sophisticated technology into the market."

For making ECR glass fiber in Bahrain, the Abahsain Group has entered into a joint

venture with California (US)-based Glass Strand Inc (GSI), a supplier of technology, engineering and equipment to the glass industry. The group holds some 91 per cent of the shares with the US firm holding the remainder stake.

The ECR glass fiber that Abahsain will produce in Bahrain combines the electrical and mechanical properties of E glass with superior inherent corrosion resistance. It makes way for such downstream products as chopped strand mats, fabrics and pultrusion items.

ECR glass offers attractive advantages over



Maqsood: We will not only be a provider of products, we'll also create a new culture within the market'

E glass including unmatched corrosion resistance; superior thermal resistance; higher di-electrical strength; better surface resistivity; higher tensile strength and modulus; zero boron glass that is environmentally friendly.

Presenting nearly unlimited applications, ECR glass has uses in the aerospace; appliances and equipment; construction; consumer; electronic and electrical; marine and transportation fields.

Some of the other products that can be made of ECR glass fiber are industrial machine housings and bases, tools, safety hats, dental and other medical equipment and cultured marble.

Technology provider GSI designs and constructs many types of melting units



The chopped strand mat line



Weaving equipment

and fiber-forming stations for customers requiring unique fiber-forming systems.

The product range

Charlie Coggin, owner and managing director of GSI and technical director of Abahsain Fiberglass, provided a rundown of what emerges from the Bahrain factory's lines. One of the products is powder and emulsion bonded chopped strand mat.

The plant will also produce assembled roving with a tex of 2400 gm/km for spray up, centrifugal casting and sheet moulding compounding. The single-end roving for filament winding, pultrusion, knitting and weaving has tex of 1200, 2400 and 4800 while other sizes including 300 and 600 tex are available on request.

The company also makes fabrics in woven rovings and tapes available in various strength orientations, widths and weights.

The beginning of a trend

The technology being sophisticated and the applications wide, Abahsain Fiberglass has recognised the need to acquaint the market with its new product. The company plans to open a training centre to educate companies on embracing new technologies in the areas of sheet moulding compounds and vacuum bagging, among other things.

"We will not only be a provider of products, we'll create a new culture within the market," said S K Magsood, director of the Abahsain Group.

"We want companies to invest in new techniques and we will be the supplier of Verdegaal: examining prospects for supplying the highest quality products."

One of the exciting opportunities Abahsain Fiberglass has identified is the alternative energy sector.

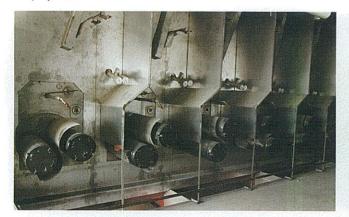
"With windmills propping up with great alacrity in several regions across the world, glass fiber of the kind the Bahrain

plant makes is a suitable component in the manufacture of those energy-generating installations," said Karel Verdegaal, sales and marketing director of Abahsain Fiberglass ME. "Already, the company is in contact with authorities in North America, Europe and India."

Bahrain, where the Abahsain plant is located, is a happy choice for the group. Both centrally located and regionally well-connected, the kingdom offers a secure and stable environment and economic advantages.

The plant is within a short distance of Saudi Arabia thanks to the King Fahd Causeway and, importantly, it will be within 90 minutes' driving time to Qatar once the other causeway to the peninsula is completed. Bahrain serves a regional market of 1.5 billion and caters to a 300-million market in Arab states and 30 million consumers in the GCC area.

The Bahrain International Investment Park is the latest of the kingdom's industrial hubs and has been created adjacent to the new Shaikh Khalifa bin Salman Port. Abahsain Fiberglass has an initial allocation of 600,000 sq m and currently employs 200 employees.



Winders



components for windmills

Vision

COO Abahsain highlighted that the company aims to lead the Middle East as a supplier of glass fiber by penetrating markets on the strength of its quality and reliability.

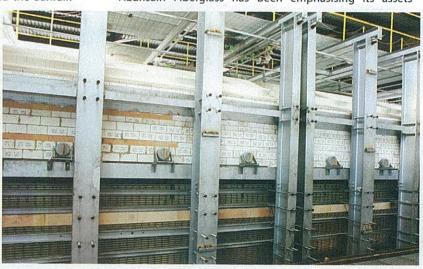
"Our vision encompasses ensuring sufficient production capacity to follow the growth of the Middle East market, stimulating the use of new technologies to create new glass fiber offtake and uses and transferring technology to the Middle East to the benefit of our customers," he said.

"We offer a one-stop-shop concept to our Middle East customers in GRP/GRC and a full range of glass products, resins

and other items.

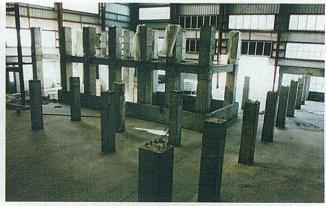
"We aim to produce downstream products, for example through pultrusion."

Abahsain Fiberglass has been emphasising its assets



A furnace at the plant

including its strategic location for the Middle East that will enable fast deliveries and entail short transport routes, the production of superior quality ECR glass, the involvement of US technology, the flexibility in operations and fully integrated operations.



The second furnace during construction