

We still have lots of potential

Interview with Burkhard Jakobuß, CEO of BauMineral GmbH, Herten/Germany.

Herr Jakobuß, there can scarcely be a single motorist in North Rhine-Westphalia who's not heard of BauMineral ...

JAKOBUSS: That's true! Our silo trucks - and we've got over fifty of them - are very striking, and they're on the road the whole week, and not just all over NRW, but everywhere in Germany. So our vehicles, at least, and, of course, our name, are extremely well known on German roads.

... but very few know exactly who or what BauMineral really is ...

JAKOBUSS: Oh, I hope that's not true! Your impression is probably the result of the fact that we don't put out a great deal of publicity for end consumers, but we are in fact extremely relevant for the public, because BauMineral makes a very substantial contribution to protecting the environment. The public isn't able to see this, however. We deliver more than three million tonnes of power plant byproducts to the building industry every year, and that is, on the one hand, an enormous quantity, but no one, on the other hand, can buy our products directly in the supermarket, or even in their local DIY superstore.

But the building industry does buy a lot from you!

JAKOBUSS: Yes, that's right. The basis for this was laid more than forty years ago. In those days, most of the power plant byproducts that we nowadays market were disposed of in a very simple way, via the stack of the coal-fired power plant. The remainder was then simply dumped not far from the plant itself. And that, of course, is unthinkable today! Substances which can harm the environment have now been captured virtually completely, using modern methods and processes, for many years - that's been state-of-the-art in Germany for a long time.

1 "We shall certainly have plenty to do in the next twenty-five years!" Burkhard Jakobuß, CEO of BauMineral Herten stated



BauMineral GmbH, Herten

Our products are, in fact, high-quality feed materials for numerous building products, which can then be encountered by practically everybody in their everyday life.

The recycling and marketing of power plant byproducts is now an established and universally recognised business. We, for example, have succeeded in establishing our business model beyond national boundaries in Europe. In our early years, we served the power plants of the former VEBA group; nowadays, we serve a whole lot more, and well beyond the present-day E.ON group, which is our 100% parent company.

We are working increasingly in the Netherlands and Belgium, and also in Spain and Italy; the UK and France are currently joining, as well. We've been in talks outside Europe, too, for a good time now, and are thus continuously expanding our radius of operations, thanks to our "organically grown" capabilities. BauMineral's medium-sized structures have remained, however - and they are an important part of our success. We've always had our feet firmly on the ground, and that's not going to change in the future.

What exactly makes BauMineral what it is: The image or the tonnage?

JAKOBUSS: We've always seen ourselves as a link between the power generating and the building industry. The environment in which we work has changed in the past twenty-five years, however. Coal-fired power plants used to cover the base-load sector, but that's simply not the case anymore. We need significantly more flexibility, and it's not always easy to meet our customers' requirements, especially where assurance of supply is concerned. As always, logistics still play a crucial role.

We nowadays achieve higher added value than was the case earlier - because, on the one hand, our products are now established and can no longer be placed in doubt by anyone and, on the other hand, because the boundary and framework conditions for their use have changed. This didn't happen automatically, of course, it had to be evolved systematically by ourselves and our partners. In the process, we have ourselves developed from a simple supplier of feed materials to building materials producers into a supplier of all-in systems.

Tonnage is also important, of course, but it's certainly not the only focus.

BauMineral will be twenty-five this year. A good reason for celebration?

JAKOBUSS: It's not our style to celebrate about ourselves! But it is clear to all of us, of course, that these twenty-five years are of great symbolic importance for us. In this quarter century, we have supplied more than 75 million tonnes of these - in the early years vastly underestimated - "power plant by-products", to the building industry, among others. The quality of our products is highly esteemed there, and they make a very significant contribution to environmental protection, at the same time: what we do is, on the one hand, "recycling" in the very best sense of the word, because we return materials to the production cycle. And, on the other hand, the re-utilization of power plant byproducts as building additives achieves a significant reduction in CO₂ emissions from the concrete and cement industry, since it makes it possible to conserve natural resources.

So we, in fact, are part of extremely effective environmental protection which, for its part, must be viewed multi-dimensionally. The building industry knows our worth, and the economic and ecological value we deliver. The environmental lobby and its adherents should also know this, but we don't make a great deal of fuss about it.

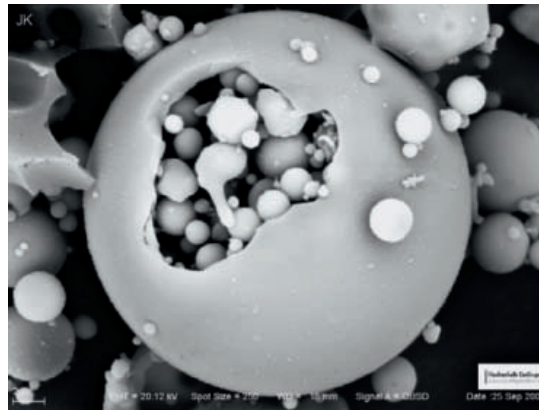
How should we envisage this, specifically?

JAKOBUSS: The picture, for the layman, is as follows: enormous quantities of byproducts are yielded in combustion of fuels for energy recovery and electricity generation in conventional coal-fired power plants: hard-coal fly ash is marketed as a concrete admixture. Constant and uniform quality is assured as early as the product of this fly ash. Adherence to certain properties, which are specified in a standard, must be demonstrated, in order that the fly ash can be used as a certified admixture in concrete.

In flue-gas desulphurisation installations, sulphur is removed from the flue gases using ground limestone, with gypsum as the resultant product. This gypsum can be used for production of drywall panels, for example. This development has made a major contribution to the disappearance of the topic of forest dieback caused by acid rain from the news media in Germany. Man has learned to close materials cycles, and BauMineral is a player here. The fact is, it's not sufficient just to keep these substances out of the environment, they must then be economically reused, as well. And BauMineral helps in making it possible to use these materials in building industry applications.

How do the next twenty-five years look for BauMineral?

JAKOBUSS: That's a very complex Q. Firstly, the energy industry has been changing drastically, since the introduction of the Renewable Energy Sources Act (RESA) - and the changes haven't stopped yet. We are now confronted with more than 70 GW of installed capacity of "green" energy. The conven-



University of Applied Sciences Esslingen

2 Fly ash cenosphere from coal fired power plants (SEM)

tional power plants are also getting ever more efficient and ever cleaner at the same time, however. There will be a permanent shift in favour of alternative energy sources, but coal-fired power plants will still be needed for many years. Nothing will change this in the next twenty-five years, at least. If you look around in the world, you'll notice that coal is still gaining in importance as a provider of primary energy. Germany will have to recognise this, to remain competitive - we don't live in isolation, on an island. Our procurement side is dependent on a large range of factors that are also partly politically influenced or desired.

We are confronting this challenge proactively, and with fresh ideas. At the same time - and this is the second part of my answer to your Q - BauMineral will continue to evolve. We are considering possible alternatives, and developing in a range of directions. The next twenty-five years will therefore be at least as exciting as the last twenty-five. Ultimately, we're putting our faith in our employees' innovative spirit and capabilities, and we are thus well equipped for the times ahead of us.

Do you have a strategy for the future?

JAKOBUSS: Of course, because we have, naturally, been observing and, indeed, predicting developments. Our brands play a central role here. We are developing them ever further, and incorporating contents which will make our products unique and even more special. Microsit is a good example of this: it has highly repeatable quality attributes which we have developed in the laboratory, and it is constantly checked for consistency. We will continue to market carefully designed and defined products such as Microsit, pursuing new routes all the time.

We will be making the necessary investments, of course. We co-ordinate these processes very closely with our parent company, E.ON, and we can, in the future, too, look forward to plenty of back-up from the people there.

We still have lots of potential, so we shall certainly have plenty to do in the next twenty-five years!

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