



# Alumina action in the Americas

Growth, plant expansions, and sales in American alumina sector  
by Alison Burke, *Assistant Editor Americas*

THE INCREASE in world demand and production for alumina appears to continue unabated. World production of non-metallurgical alumina increased strongly in the first quarter of 2004, and although most news has focused on the Chinese market, where alumina demand continues to soar, the US and European markets have witnessed a number of developments, mainly involving plant expansions.

According to the International Aluminum Institute, alumina production (both metallurgical and non-metallurgical grades) rose from 13.594m. tonnes in Q4 2003 to 13.650m. tonnes in Q1 2004, or in terms of average daily

production rates, from 147,700 tpd to 150,000 tpd.

Yet continuing tight supplies of alumina and strong demand have boosted prices of alumina to a range of \$500-600/tonne this year from \$160 in late 2002 sparking interest in a variety of alumina projects.

## **Almatis Arkansas expansions**

Frankfurt-based Almatis, formally the speciality chemicals division of Alcoa World Alumina and Chemicals (AWAC), has expanded its ground reactivities batch mill capacity located in Bauxite, Arkansas.

Two reactive alumina mills in Arkansas had been idled three years ago when AWAC

expanded its facility in Leetsdale, Pennsylvania, USA. AWAC also mothballed the company's 40,000 tpa calcium aluminate cement facility at Bauxite in 2002 (see *IM June '04*, p.64 for a review of the alumina cement market).

The newly restarted mill has added capacity to the company's superground reactive products which include A-16 SG, A-1000 SG, RG-100, A-3000 FL and A-152 SG. The company considers capacity data to be proprietary but Gangolf Kreichbaum, Almatis' chief commercial officer, commented: "We are more agile, more able to quickly respond to market demand".

**Almatis has increased capacity of the ground reactive alumina batch mill at Bauxite, Arkansas. Courtesy of Almatis.**

The ground reactivities capacity increase follows Almatis' recent decision to also expand its manufacturing capability for aluminium trihydroxide at Bauxite by the fourth quarter of 2004. The multi-million dollar investment will increase by 15,000 tpa the capacity for fine precipitated and white hydrates. An additional incremental 10,000 tpa expansion is planned for 2005.

In Europe, Almatis is also in the process of expanding capacity by 50% at its reactivities batch mill located in Ludwigshafen, Germany. The plant is on schedule for start-up in Q4 2004.

Reactive aluminas are still produced at the company's plant in Leetsdale. If global demand continues to expand, the company may also re-start its other mill.

Almatis cites increasing global demand for high-performance reactive aluminas for the growing refractory and ceramic markets particularly in Asia as a major factor behind the two investments.

Price increases can be expected for all alumina products including reactive aluminas due to the increased costs of raw materials. In June, the company announced that it had increased prices for its activated aluminas by 10-12% for all non-contract customers.

### **Almatis extends Possehl agency**

In another development, Almatis has selected Possehl Inc. as sales representative and distributor for its refractory, ceramic, polishing and speciality hydrate products in Argentina, Uruguay, Brazil, Central America and Mexico.

Possehl Inc., a leading raw

material international trading group headquartered in New Jersey, USA, has represented Almatis products in Mexico for the past two years. Products represented in the partnership are the Almatis portfolio of tabular alumina, calcined alumina, calcium aluminate cement, spinel, white hydrated alumina and fine precipitated aluminium hydroxide.