

Begira



ULMA

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Focus on Our People



Xabier Mugarza
*President
of the ULMA Group*



PRECINOX;
*Overview of
the first six months*

Face to Face

Report

Summary

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3 > LET'S TALK ABOUT...: Christmas lights and New Year's shadows. **4 > NEWS AND UPDATES:** ULMA Forging was present at the 3rd edition of the Tubing and Fittings Fair in Turkey. ULMA Handling Systems and COFAC are award winners in the "III Logistics Management Awards". New ULMA Packaging headquarters in Italy. New HUBTEX picking platform. **14 > FACE TO FACE:** Xabier Mugarza: President of the ULMA Group. **16 > ROUND TABLE:** Focus on our employees. **21 > PORTRAITS AND STORIES OF OUR PEOPLE:** Nicanor Valor. ULMA Construcción Partner. **22 > REPORT:** PRECINOX; overview of the first six months. **23 > WEEKEND ESCAPADES:** Valle de Olatz, on the path to the coast. **24 > WHAT DO YOU THINK?** **26 > AGENDA AND SUGGESTIONS.**

> *Let's talk about...*

By the time we receive this issue of BEGIRA we will be in full holiday swing, and that means that we will have finished another year. Even though it will be a few weeks before we start to calculate our balances, we can already be sure that the results will again be to our liking. All businesses in the ULMA Group will have reached, or even surpassed, the ambitious aims established in the PG 2007. ULMA Group as a whole will surpass the 710 million € turnover mark, with an inter-annual growth close to 20% while almost all business have contributed with growth in the double digits. Our Internationalisation process is firmly moving forward, as can be seen in the progress of our international sales, which this year have increased more than 30% and approaches a total of 50% increase for yet another year, and despite the negative effects of the Euro (€) / Dollar (\$) conversion rate for financial statements, which will again reach new historical levels. These are the Christmas lights, and we can all congratulate

European average, will also hurt our competitiveness.

Despite the importance of these on our competitiveness and business evolution, we can not do anything to avoid them. This situation is our playing field, a field which will result much more difficult than what we have been experiencing in recent years, and so we must focus on our capacities and abilities to compete in it. Since we can not change it, we must concentrate on better adapting to it than our competitors. The question is how are we going to compete? Better yet, how are we going to compete on a global stage? The global business stage is rapidly changing. The truth is that we are in a phase of strong transformation, in which we must reinforce our preparation and adaptation. Nowadays the new way of competing is maturing in different socio-economic platforms and the recipes or solutions point towards the common denominator of people, knowledge and innovation as keys towards build-

offers. This specialisation strategy must provide the market with something that is appreciated as different, basing itself mainly on innovation. So in the last lines of this issue I would like to recuperate the Christmas spirit, since Christmas is also the time for wishes. We all wish for the best: more happiness, more health, more success and more enthusiasm to live in harmony. We all say things with good intentions and sincerely, even though we know that they are somewhat ephemeral and only work to be polite and foster friendship. But they are appreciated, since they are part of our courtesy ritual in which they help to fulfil our mission in a life full of promises. In this holiday spirit, from BEGIRA, we want to exchange holiday wishes that without a doubt are also part of those from all members of this great family called ULMA Group: we hope all individual and group aims are fulfilled; that each person finds meaning in their tasks so as to develop their personal life; that we learn and develop



Christmas lights and New Year's shadows

TXOMIN GARCÍA. CEO ULMA Group.

ourselves for the success earned in this closing year; enjoy our Christmas, rest and return with our head up high ready to confront the new year and its shadows over the horizon. Throughout 2007 the economical situation has been thinning out and introducing reasonable doubts on whether the economy can continue this bonanza and positive evolution of this last decade:

- The first signs came from the subprime mortgage crisis, with its restricting impact and mistrust in the financial markets.
- The global economical growth dragged by the BRIC economies (Brazil, Russia, India and China) and along with other geo-political factors, have created an energy crisis which has had the initial effect, while not final effect, of unprecedented rate hikes in the price of a barrel of oil, thus hiking the prices of all energy bills, from which we do not benefit from as other countries around us may (we are energy dependent).
- The Construction sector in Spain closes the year at a crossroads, at least in the housing sector, after a long period of sustained growth. The impact of this change will affect employment, and thus consumption, speeding up the economy's deceleration.
- The final inflation figures, closing the year at 4.1%, around 1 point greater than the

ding the future of organisations and societies' wellbeing. In order to compete on a global stage we must evolve with our environment, anticipating the new challenges and reacting quickly to the possible opportunities. For this, we need responsive and flexible organisations focused on the future challenges. More than ever, we now need the people in our organisation to have a clear, shared vision of the future they want, and the suited skills to develop in this new stage; abilities that require an extra effort by everyone to be able to obtain and develop them. Until now, simply doing things better than the rest was enough. This provided a wide enough margin for competing in recent years. With a less vigorous economic environment than in previous years, with competitors also working hard (eastern countries, China, etc.) now simply doing things better is not enough. The difference in their labour costs forces us to search for alternatives that will allow us to surpass these advantages. We have reached the point where doing things better is simply not enough. We must do things differently, staying ahead of the competitors. And this takes us to a business specialisation strategy in permanent search for that market niche that appreciates product or service difference, for those clients willing to pay for something that solves their needs and problems with greater satisfaction than other

a first class talent (for operators, professionals and directors) which is essential in favouring competitiveness, globalisation and growth processes we need; that the motivation and excitement to contribute to the future challenges carry us away from the temptations of an easy life, lazy comforts, a lack of challenge and commitment which are so damaging to competition in today's market; that our customers satisfaction helps us overcome the past labour difficulties and help us progress towards a responsible self-management as an element of competitiveness; and together we continue to earn the future we wish for us and our society. In conclusion, in this extraordinarily difficult beginning to the 21st century, we are forced to anticipate the future creatively, suiting our organisational structures. All of this without losing our principles and values. Thank you once again for your effort and dedication to our common project: ULMA Group. Merry Christmas to all.

***“People, knowledge
and innovation
are the key parts
from which to
build the future”***

ULMA Polymer Concrete present at the tallest tower in Benidorm



ULMA Polymer Concrete is present in the Lúgano Tower, the highest skyscraper in Benidorm, with its line of ventilated façades. It is a residential building located at a privileged spot on the Levante beach that has 42 storeys and is 158 meters high. This magnificent building is located in a region that is considerably higher than the beach (some 60 meters) which, combined with its height gives it an imposing presence over all of Benidorm, even though it is not actually the tallest building. In order to carry out the project ULMA competed against other ventilated façade suppliers offering ventilated façades made of different materials: lightweight panels and natural stone. After a lengthy selection process in which the three suppliers had to install a sample of their product on the site, the builders in charge of the project, ACCIONA and EDIFESA, finally went with ULMA Polymer Concrete's ventilated façade. The ease of on-site installation, competitive pricing, and material durability made ULMA the best choice. White, slate-textured polymer concrete slabs of 110 x 180 cm in width x 75 cm in height were used in the project. In all, 4,000 m² of ventilated façade was supplied for the project. The spectacular sleekness of the building demanded specific studies and trials, and shoring and assembly sections were redesigned. It was renovated in compliance with the most stringent of criteria of the Technical Building Code, mainly assuring the dynamic pressure of the wind to which a building with these characteristics in height is subjected.



QUALITY MANAGEMENT AWARD FOR ULMA HANDLING SYSTEMS. ULMA Handling Systems received the Basque Quality Management Award "Q de Plata", which the Basque Government awards through the Basque Foundation for Quality Management, Euskalit. The recognition places ULMA Handling Systems as the first Engineering Logistics Company to obtain the Q de Plata based on the quality of its business management. This recognition represents yet another mark in the history of URS' quality management model, which has made progress since receiving certification for its Quality Management system ISO-9001:00 and for its work-related risks prevention system according to the OHSAS 18.001:07 standard. The recent environmental certification of its environmental management system under the ISO 14001:04 standard is now followed by the outside recognition of EFQM model by being awarded the Q de Plata. The ceremony for the presentation of the award will take place on December 20 in the Bilbao Exhibition Centre. The members from the ULMA Handling Systems organization will be present in this act, which will be presided over by the Lehendakari and numerous counsellors from the Basque Government.

ULMA Forging

ULMA FORGING WAS PRESENT AT THE 3RD EDITION OF THE TUBING AND FITTINGS FAIR IN TURKEY, held in Istanbul. At the event ULMA Forging, through its Turkish representative SAYTEK META, which belongs to the large Turkish metallurgic group AYDIN BORU, displayed its full product range. It is a market that has earned special attention due to the growth of neighbouring countries from the Caspian Sea and Black Sea region. This fair signified an excellent bridge to be able to make contacts with countries such as Kazakhstan, Tukmenistan, Azerbaijan..., where everything relating to the gas and petroleum sector is at its very peak, currently being, on a global level, the countries where growth in those fields is being more remarkable. Unfortunately, the non-existent market segmentation in those countries translates into them not being mature and developed enough to be contacted directly from Oñati, like the rest of the international markets are dealt with, which is why it is of utmost importance to closely collaborate with the Turkish distributor.

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ULMA Construcción

The latest new additions to ULMA Construcción products and systems were presented in the previous edition of the French BATIMAT fair

From November 5 through the 11 a number of manufacturers and professionals from the construction industry met in the fairgrounds in Paris, EXPO Porte de Versailles. Over the six days, expositors hailing from 49 different countries displayed their goods in the more than 225,000 m² of space. BATIMAT, the International Construction Salon, has brought together every two years since 1959 suppliers of construction material and equipment, as well as professionals both from France and from around the world. It was because of this that ULMA Construcción, staying true to its principals of quality, professionalism and well doing, has been present to offer all of its services to the visitors. The fair's success can be seen in its 26th edition this year. There has been an increase in both domestic as well as overseas expositors increasing its attendance to around 2,700 representatives. In addition, an influx in visits was recorded close to half a million people who, for the most part, did not leave the event without first visiting the ULMA Construcción site. As in all of the editions, ULMA Construcción has made use of more than 400 m² to showcase a selection of materials from its various families of products, highlighting its star products. With this raw material and the known professionalism of the Technical Department, ULMA Construcción prepared the design of a stand of its best products. On this particular occasion, the assembly consisted in a 12 m tall viewpoint accompanied by a pyramid-shaped structure based on Brio Multi-directional Scaffolds. The wide versatility of this product and its various applications has sparked the interest of various visitors and, therefore, potential buyers. Different kinds of false work and

horizontal and vertical formworks have been displayed, amongst which the new ORMA range of formworks should be highlighted. The ULMA Construcción expositor was located, as in 2005, on the B15 Terrace, an area that has constant traffic of visitors and where direct contact with other companies from international competition can be made. The spaciousness and comfort of this space has favoured, in the facilities set aside for this event, the meeting of manufacturers, architects, contractors and engineers, amongst others. There has been a considerable increase in visitors and, although they hail from various places, we want to highlight the presence of professionals from France and North Africa. The goal of the BATIMAT fair is to introduce the latest trends and new items on the construction market. This year the main theme for the fair was Sustainable Development and its implications on the industry, such as energy control, safety, accessibility, etc. But you can't forget that BATIMAT is a place for business development; that is to say, fostering direct relationships between buyers and sellers. Due to the market increase, BATIMAT 2009 will be organized from the French subsidiary.





ULMA Handling Systems

ULMA Handling Systems and COFAC award winners in the “III Logistics Management Awards”



The Logistics Management Club presented its highest award to ULMA Handling Systems and COFAC as the best logistics automation project. The collaboration of both companies is deeply rooted in the design and implementation of a global logistics automation system developed by ULMA Handling Systems at the Cooperative Ferretera de Cataluña, COFAC (Catalonia Ironworks Cooperative). The award recognizes the commitment of the Catalan cooperative to logistics automation, which has allowed to considerably improve the service it provides to its partners and, thus, to face and compete with the large multinational companies from the ironmonger industry. The solutions developed by ULMA Handling Systems provide the cooperative with an efficient good use of the available space, great ease of access to the stored product, maximum rate of possible turnover and control of the warehoused merchandise. In short, there has been a substantial improvement of service for its associates and a greater efficiency in the supply chain. The main part of the product is found in the automatic silo that is known for its Mini Load made up of four F-300 automatic transport lifts and one L-400 transport lift with a storage capacity of up to 24,000 trays and with a productivity of 480 boxes per hour. Likewise, there is a Unit Load system with

three L-400 transport lifts with a capacity for 7,000 pallets and a productivity of 100 pallets per hour. The silo incorporates Pick and Put to Light systems on dynamic shelves and exit porticos, in addition to automatic classification (sorter) made up of nine exit routes. The preparation capacity is 12,000 lines daily, with 100% of reliability. The facilities allow for dedicating secure and independent areas for the storage of products that are considered to be dangerous. Apart from this, we should mention the implementation of the radio controlled WMS (Warehouse Management System), which allows for a better management of the storage locations, product tracking, inventory optimization, reduction of errors in exit picking, optimization of stock management, implementation of online work systems and in general the best use of the available resources. COFAC represents the largest organization of ironworks in the Spanish state and has a great amount of partners all over the state. The Cofac Group establishments, due to their wide range of products and corporate image, are a reference in the ironworks world. The Cofac Group has 217 members and over 250 points of sale, spread out over the entire domestic region, Andorra and Portugal. Over 2,500 professionals provide consultancy and personalized service to customers.

ULMA Packaging

NEW ULMA PACKAGING HEADQUARTERS IN ITALY. This past November 16 the new ULMA Packaging headquarters were inaugurated in Italy with a large group of guests in attendance of the event. The new headquarters has a modern infrastructure of 350 m² of building space and 450 m² of grounds that are located in an industrial park close to Piacenza in Grangnano Trebbiense. The Italian subsidiary, which was established in 2002, thus starts a new phase that began more than 20 years ago through a distributor. ULMA Packaging Italy's current organization has 13 people (6 service technicians, 2 administrative staff members and 5 sales people), and last year they had revenues of 6 million Euros and forecasts clear growth for upcoming years.



ULMA Agrícola



New Portable Cultivation Tables from ULMA Agrícola

Up to date ULMA Agrícola has had two kinds of cultivation tables: fixed and mobile ones, to which a new model that has just be launched on the market is now added: "Portable Cultivation Tables". With the mobile tables system, which uses rollers, two rolling tubes with parts that act as guides and in turn perform the function of preventing the table from turning over, you are able to make the best use of the inside surface of the greenhouse, as you can have access to all of the tables from one single walkway. The walkways are created by moving the tables. The trays move, but the trestles are fixed to the floor. This new portable table model is different from the fixed cultivation tables as each trestle comes with 2 black rubber wheels that affix well to the floor and of which one front wheel and one rear wheel when placed in a diagonal position serve as a brake, but the rest don't. These tables are created and designed to create rounds of cultivation tables, making the full transportation of the entire table possible. ULMA Agrícola's three models of cultivation tables are manufactured out of hot galvanized steel trestles and aluminium profile corner support trays. This finish makes it a highly suitable item for presentations and expositions. Depending upon the desired use for the table, you may choose from among the previously mentioned models that come with the two kinds of table bottoms that ULMA Agrícola has available: PVC and GRATE.

ULMA Forging

ULMA FORGING REDUCES ITS NOISE LEVELS. ULMA Forging, in accordance with one of the points considered to be strategic for the company, in its constant desire to improve the work conditions of its employees has attacked the soundproofing of the oiling area. The project, which has consisted in the coverage of the entire oiling process, one of the most critical operations in the mechanized process, has managed to drastically reduce the sound levels that the facility was producing. As previously mentioned, this action is in keeping with the strategic actions directed at improving the working conditions of the employees at ULMA Forging. The next action that has been announced will be the installation of a cooling system in the mechanized area, in order to reduce heat during the summer



ULMA Polymer Concrete

ULMA Polymer Concrete presents in the BATIMAT and SAIE 2007 Fairs



ULMA Polymer Concrete recently participated in the past edition of the BATIMAT 2007 Fair, which was held in Paris from November 5 to 10. It also took part in the SAIE 2007 Fair held in Bologna on October 24 to 28. At Batimat it participated with its own booth, which at SAIE it displayed through Orveg, the main distributor for ULMA Polymer Concrete in Italy. At both fairs it presented new items from the Channelling line of products: the new line of polymer concrete channels with 2.5% slope and the HYDRO channels range. Batimat is the main overall fair for the construction industry in France. Its realm of influence is not limited just to France, but also encompasses other countries; mainly African, French-speaking countries and French high seas territories such as Guadelupe, Mauritius, etc. It is the second consecutive year in which ULMA Polymer Concrete participates in this Fair.

ULMA Polymer Concrete

ULMA Polymer Concrete develops special parts for a high standing apartment building

ULMA Polymer Concrete, a specialist in the design and manufacturing of prefabricated parts of this material, presents a "personalized solution" for a high-standing apartment building, located in the coastal region of Sant Antoni de Calonge in the province of Girona. Amongst other parts, it completed the design and manufacturing of special window dressings, cornices, cornice fronts and forged fronts. The building location on a hill facing the sea made the architects who were the project authors, DNA Architects, seek out a material that was weatherproof to avoid the wear of the parts due to the salty sea air, and, on the other hand, another material resistant to changes in temperature to protect the parts against atmospheric changes, thus increasing the durability of the same. On another hand, they intended to give a distinguished and refined touch to the building. To do so, they needed to use a material that would provide a solution to all of the special needs of the house and would be able to achieve the various desired shapes. Being able to comply with all of the



necessary requirements, in addition to presenting a solution that made for easy material installation, made the sponsor and the architects go with ULMA Polymer Concrete.



ULMA Forklift Trucks

ULMA FORKLIFT TRUCKS PRESENTS AT THE 33rd EDITION OF FIMMA MADERALIA.

ULMA Forklift Trucks displayed its HUBTEX forklift truck line of products, suitable for wood, aluminium, metal or plastics, at the Fimma Maderalia fair held in Valencia from November 7 to 10. Visitors to the stand had the chance to test the efficiency of the electrical multi-direction MQ25 2120 series, the 4 path diesel tricycle DQ40 3050 series, and the stacker, apart from receiving a personalized professional advice. In this edition there was a large expectation sparked by ULMA in the wood industry due to the range of products presented, suitable for the public in attendance.

ULMA Agrícola

ULMA Agrícola was an exhibitor at the Horti-Fair international fair that took place in Amsterdam

ULMA Agrícola went as an exhibitor to what can probably be considered as the most important industry fair for the undercover cultivation industry on a global level, the Horti Fair, which was held from October 9 to 12, 2007. ULMA Agrícola participated, as it has done in the past, with an 80 m² greenhouse booth, the Multicapilla Gothic model where they presented various products developed by its R&D department throughout this year, amongst which could be found the GSM system and the portable cultivation table. This edition, there were 985 exhibitor companies hailing from 51 countries and attracted 46,846 professional visitors from 108 countries, 25% of whom intended to make a purchase and 80% of whom assured during the visit that they would return to the fair next year. All of this means that the Horta Fair has become a date to take note of for the entire industry.



ULMA Construcción

Students from the European Construction Engineering Master program visit ULMA Construcción

Students and professors from the European Master's Program in Construction Engineering at the University of Cantabria visited the offices of ULMA Construcción this past November 15. Coming from China, Poland, France and Chile, amongst other countries, they were invited to see its products and how the company is run, in addition to enjoying the customs and traditions of the region. It was a full day. The visit began with a brief presentation by the company in order for the students to get to know the values of the cooperative, its make-up, international expansion, and other interesting items. After the introduction, a tour around the Garibai production plant took place where they were able to see first-hand the organization of the manufacturing process and the production of various products. The visitors were impressed by the size of the facilities and ULMA Construcción's productive capacity. As an end to the "informational" tour, they were shown on-site the true-life application of the products in a stretch of the Vitoria/Gasteiz-Eibar motorway, in concrete, the Basagoiti overpass. After the mouth of a 260 meter tunnel the overpass site, whose objective is to save the Gellao riverbed, is being carried out. Located next to the Izurieta neighborhood in Aretxabaleta, it will be 250 meters in length. In addition to providing data and plans for the viaduct in question, the visit was completed by the technical explanations of Xabier Palacios, head of the site, helped by Iñaki Garmendia. This Master's degree program, sponsored by ULMA Construcción has been offered for the past fifteen years in English thanks to the collaboration of seven European universities: Politécnico

Di Bari (Italy), Fachhochschule Giessen-Friedberg, Hochschule 21 and Universität Lüneberg (Germany), University of Porto (Portugal) and the Polytechnical University of Bering (Denmark). In this case, the first trimester will take place at the University of Cantabria while the second one will take place at the Danish university mentioned above. So, ULMA Construcción intends to help with the specialized training of new generations, in addition to promotion the education of students in various European countries and benefiting from the cultural, technological exchange... The students, after ending the visit, in addition to displaying their gratitude for the treatment received, expressed their enthusiasm in carrying out their respective "End of Master's" projects at any of the subsidiaries and field offices of ULMA Construcción. The Master allows for them to complete the project at any of the institutions that sponsor the program within the offered plans. This way take over is assured.



ULMA Forging

NEW 5,000 TNS HYDRAULIC PRESS. Ambitious investments whose start-up is forecasted for 2008 can already been seen. In the field of ironworks it is proceeding with the finalization of the new 5,000 ton hydraulic press, with its peripheral parts. Likewise, also in this area, preparation tasks have begun for the area where the new rotating oven will be located as well as the new thermal treatment line. In parallel, installation is underway for the covering that will cover the expansion of this area. In the mechanized area concreting is underway needed for new mechanized machines that will produce the new line of products. Lastly, as it was announced in the previous issue of BEGIRA, ULMA Handling Systems has started to install the automatic warehouse, which can already be seen clearly from the Zubillaga relief road. This has meant a displacement of the current warehouse. As you can imagine, all of these projects that will have a bearing on a practically different company during 2008 is creating a true chaos on the entire facility and shipments. It must be kept in mind that 2007 will register a record production, which makes the problem even worse.



ULMA Agrícola

ULMA Agrícola completes a Gardening Sales Centre

The trend of joining sales space with leisure in one single building has also come to be implemented in the agricultural industry. The need to create special sales environments, where there is not only a space suitable for plant maintenance, but rather to create the perfect place for end buyers to make their purchase, has come to be strengthened with the creation of an area geared towards leisure. The latest facility completed by ULMA Agrícola with these characteristics is located in Valle de Guadalhorce, more specifically in Álora, some 39 Km from Málaga. It is a 3,000 m² facility surrounded by an outside area of 10,000 m². The facility has three transversally linked sections that are 12.8 m² in width with six M8. The one used in this structure of 4.5 m b/c is lacquered Metal in the storage area, polycarbonate on the roof, and crystal in practically the entire perimeter. In this centre, Brico Jardin – Alora / Garden García Garrido we can find clearly differentiated and separate spaces: 400 m² of storage, 2,000 m² of store, 400 m² of cafeteria – restaurant, 200 m² and children’s play area, thus creating a balance between the business and leisure areas, making it into a “Great Gardening Sales Centre” where vegetation and garden furniture reign, as well as leisure.



ULMA PACKAGING CELEBRATES ITS TENTH ANNIVERSARY IN SOUTH AFRICA. This past September ULMA Packaging’s South African subsidiary celebrated its tenth anniversary. It was in 1997 when the company decided to commit to an owned subsidiary in South Africa to provide local service to a country with an enormous growth potential. It was the second subsidiary as one year beforehand it had established its United States subsidiary. The individual who successfully headed up the management of the new subsidiary was Marcel Van Niekerk. Marcel has already taken part in the United States subsidiary since the start of this year, located in the new California headquarters, and since last December Eddie Rademan has replaced him in South Africa. The South African subsidiary currently has a team of 14 people who are part of the great ULMA Packaging family which already has 16 overseas subsidiaries.

ULMA Packaging



ULMA Polymer Concrete

ULMA Polymer Concrete presents at PLAZA, the largest logistics platform in Europe

ULMA Polymer Concrete is present at PLAZA, the largest logistics platform in Europe, with its line of channelling products. With an expanse of 12,826,898 m², the Zaragoza Logistics Platform (PLAZA) is the largest logistics location in the European continent. PLAZA’s main characteristic is that it is based on an intermodal transportation centre (train, road and plane), a combination which makes certain capacities possible that makes Zaragoza into one of the most important logistics cities in Europe, with connections to the most important production and consumption centres in Europe. ULMA Polymer Concrete participated in the project by supplying 9,000 ML of a technical channel available in various heights with the casting grille for the passing of vehicles, which extends lengthwise along the PLAZA train platform road. They also supplied the platform with channels for heavy vehicle traffic areas that were placed in truck parking lots.



ULMA Handling Systems

The logistics automation developed by ULMA Handling Systems for CONSUM allows for tripling the platform's activity and assure its future growth

CONSUM S. Coop., the distribution chain found in Catalonia, the Valencia Community, Castile-La Mancha and Andalusia with 556 operational stores, has implemented on its platform dedicated to dry products, an automatic order storage and preparation system that was designed and developed by ULMA Handling Systems. With the objective of bringing greater flexibility to the service and better adapting to fluctuations in demand, CONSUM has committed to the automation project developed in Valencia. The system performs the receiving, storage and automated shipment functions of half-full and full pallets. Also, it performs automated restocking of picking for 600 maximum rotation references. In all, the system concentrates 55% of its business on the platform. The project handled by ULMA is located in two buildings; a 5,527 square metres one dedicated to silo with a height of 30 meters and equipped with 9 transport lifts with 18,368 locations, and the other one set aside for picking and available in both plants with a total surface area of 8,855 square metres. This last building has 6 lifts and 12 transfer conveyors for replacement. The system has a maximum entrance capacity of 220 pallets / hour, which means 5,060 pallets per day, if you keep in mind that the work process is done without interruption

23 hours a day. On its part, the maximum shipment of full and half-full pallets is 80 per hour, which is equal to 3,680 half-full pallets per day. Picking replacement for 600 references can go up to 140 pallets per hour, 3,220 per day. CONSUM management decided that "the automatic system assures the future platform growth with the possibility of tripling its business, and has meant the solution to make the best use of the available surface area and to delay migrating to a different platform". CONSUM points out that the traits that most stand out in working with ULMA are professionalism, quality of service and fulfilling deadlines, which are very important conditions when working with large-scale projects like the present one, subjected to very demanding requirements with regards to output and certain volume characteristics for the product to be handled. CONSUM considers among its forecasts the expansion of the logistics automation model housed in Silla to other general merchandise platforms, providing that the same comply with the level of activity required for automation. Likewise, it is studying the development of picking automation projects to improve productivity and operating conditions, as well as the implementation of error-reduction management systems.



ULMA Forging

M.U. OFFERS COURSES TO ULMA FORGING EMPLOYEES. ULMA, exceeding set expectations, just finished various courses offered by MU and adapted to the particular needs of ULMA Forging. The courses were held on location at ULMA Forging's facilities, in an attempt to make access easier for those workers affected by the courses. The offered courses were a Mechanized Turning and Drilling Course, adapted to the needs of the mechanized department, and a Specialization Course in Industrial Equipment Maintenance, directed mainly at the ironworks department. The length of the same was 150 and 318 hours, respectively. The development of these courses has made it possible for staff without university degree training cycles to have access to important knowledge to better perform their jobs. The consolidation of this knowledge, as well as the correct performance of their jobs will be seen translated in the access to the company in the role of set length partners.

ULMA Forklift Trucks



ULMA FORKLIFT TRUCKS CLOSES AN IMPORTANT AGREEMENT WITH CECOFAR.

Cecofar, a cooperative group with a long history in the pharmaceutical distribution industry, went with the services of ULMA Forklift Trucks, updating its forklift park with 37 MITSUBISHI forklifts. After carrying out an extensive analysis, ULMA presented them a personalized offer, advising them on the forklifts that best fit their handling and storage needs. The proposal presented by ULMA managed to beat out the leading companies on the market, making its know-how obvious. On this occasion it was possible to award this project thanks to the distribution network that ULMA has all over Spain, both regional offices as well as distributors. In closing this negotiation, ULMA is gaining ground in the Andalusia market.

Participation of ULMA Packaging in the CENIT project for subsidized collaboration for the New Technologies Development Centre (CDTI)

Under the acronym FUTURAL (Future Foods), the Ministry of Industry, Commerce and Tourism granted ULMA Packaging a subsidy for a four-year project (2007 to 2010) with an overall budget of 9,115,330 Euros. In this CENIT project companies such as BARRUFET, CASADEMONT, GUTARRA, Hyperbaric, Exxentia, DANONE, METALQUIMIA, COVAP, SEALED AIR, AMCOR, Grupo MAHOU-San Miguel, EROSKI, Nanobiomatters, ULMA Packaging, etc work together on the research, and they rely on the support of the R&D Centres and Universities such as GAIKER, AZTI, CNTA, CENTA, AINIA, ANFACO, IATA-CSIC, IRTA, Universidad de Santiago, etc. The activities of the project, dedicated preferably to food safety and fresh product preservation, are grouped in pillars: high-pressure sterilization for high pressure solid and liquid foods, thermal treatment for electromagnetic waves on solid and liquid foods, active and new

packaging applications for the highly critical fluids in the food industry. The activity ULMA Packaging will do the research on, in collaboration with the companies EROSKI, AMCOR, Grupo Mahou-San Miguel and Nanobio, will be centred on active packaging pillar five. The goal for this pillar is the best use of residual flows in the beer industry in order to obtain an anti-microbial and anti-oxidant extract from which active nano-additives will be developed to include in the packaging materials to ultimately develop the hygienic and automatic system capable of industrially applying the solution of the film obtained which extends usage life. Specifically, ULMA Packaging and ULMA Packaging Technological Centre working with Gaiker and AINIA will develop hygienic design tasks for automatic filling equipment and the end industrial application of the active film to be developed. The lost-fund subsidy received is for the amount 629,994 Euros.

ULMA Packaging

EROSKI-ULMA COLLABORATION AGREEMENT. It was signed on October 1, with the following people in attendance: Constan Dacosta, Agustín Marcaide, Vicente Gómez and Eduardo Cifrian from EROSKI and Txomin García, Juan Ignacio Agirre and Fran Etxaniz from ULMA. It establishes a collaboration agreement in R&D for the development of new packages and filling and conservation solutions for fresh products (meat, fish and shellfish and vegetables, bakery and cake items and pre-cooked dishes), as well as to develop the production lines and packaging machines that these new developments might need. It also takes into account the combined and coordinated participation in R&D projects with national and international research groups for the development of fresh foods packaging projects, such as the development of more active and sustainable packages.



ULMA Agrícola



NEW ULMA AGRÍCOLA SUBSIDIARY IN MEXICO. In recent years Mexico has experienced strong growth in surfaces covered in installed covered greenhouses. ULMA Agrícola already has projects in 15 of the 32 Mexican states, and has been in Mexico since 2004. ULMA Agrícola intends to offer from its subsidiary a closer and quicker response to the various states in the Mexican Republic. Initially, ULMA Agrícola had a 160 m² space dedicated solely to offices but due to market growth and in order to be able to provide better service, the subsidiary moved to a new location and now has a pavilion of approximately 700 m², 500 m² of which is set aside for storage with a trailer access capacity and 6 parking lots and another 200 offices where currently 1 Project Director, 2 sales people, 1 Site Director and 1 Administrative staff member work, all of whom come under the management of Iker Larreategi, from Donosti. ULMA Construcción y Agrícola de México, S.A. de C.V., Carr. México –Querétaro- Km 37.5 – N°5010, Cond. Industrial Cuamatla – Bodega 45, 54730 CUAUTILAN IZCALLI – Edo de México (Mexico).

ULMA Construcción

ULMA Construcción sponsored the II Construction Work Health and Safety Week of Murcia



Work safety in the construction industry has turned into a topic of interest for the media more because of its negative aspects than for its progress. The gradual decrease in accidents can be attributed, amongst other things, to improvements in group and personal equipment and ongoing safety measures. This and many other subjects were discussed during the II Construction Work Safety Week for the region of Murcia. As in previous years, this week was sponsored by ULMA Construcción, which also presented educational discussions. This event which takes place every two years, was held in the Totana region of Murcia from Tuesday November 20 through the following day, and was moved to the region's capital for its closing. These daylong events organized by the Technical Safety Board in construction, intend to become a place for the productive exchange of knowledge and experiences among professionals, involved companies, management and professional schools. You cannot forget that it has the cooperation and support of the Department of Work and Social Politics for the Region of Murcia, the Official Board of Architects, and the Regional Federation of Construction Business People, amongst other institutions. ULMA Construcción has collaborated since its beginnings in all kinds of safety workshops or congresses, and, if the customer or any company requests it, it even provides specialized courses in product safety, assembly, disassembly, etc, through its Training Technicians. In fact, in this manner, it has participated since receiving its invitation to the first Work Health and Safety

Week in Construction. And without a doubt it will continue to do so whenever the chance arises. In this case, ULMA Construcción offered a presentation on Scaffolding, Formwork and Concrete Safety on the use of collective protective devices to prevent accidents. In this manner, different subjects were dealt with on horizontal formworks such as forged lower nets for board assembly, the use of handrails on the perimeter or inside gaps, SARE safety tray and scaffold as a forged border protector. Additionally, with regards to vertical formworks, the display talked about the use of work corbels to make up the platforms and, in this manner, to be able to safely perform high-up jobs. While regarding scaffolds, the content dealt precisely with safety for the assembly of scaffolds and cover edges protector to prevent falls from sloped surfaces by roofs. Throughout these three days, subjects having to do with health and safety in the work environment were dealt with through informal discussions and conferences. The various technical sessions' presentations were given about the Royal Decree regarding the Sub-contracting, safety and product certification law, accident rate statistics and safety inspections, amongst other content. As an end to this intensive week, there was an institutional session which ended with the presenting of awards by the Technical Board. The final words of this Edition II on work safety were the responsibility of the Regional Training and Employment Counsellor for Murcia, Mr. Constantino Sotoca Carrascosa, who closed out the event.

ULMA Forklift Trucks



NEW HUBTEX PICKING PLATFORM. ULMA Forklift Trucks presents great new picking additions through the HUBTEX multi-directional electrical platform for long loads, providing a solution for the most difficult of picking operations. The new picking platform is made up of 2 elevation systems, a flagpole and scissor elevation, having a load capacity of 2000 – 10,000 Kg. This is a guided platform that works with 1 or 2 operators. This model stands out due to its picking capacity for both sides of the walkway, and being able to perfectly adapt itself to any need the customer might have and storage characteristics, which is extremely important due to the highly complex industry where the loads to be handled (planks, PVC, polymer) reach great lengths and widths and the storage characteristics are complex. The picking platform minimizes the necessary handling space and allows the user to perform full order picking in just one cycle, which greatly reduces handling times.



“There needs to be an easier way to find balance between family life and work life”

You were recently elected as President of the ULMA Group. How do you face this new challenge? Once I got over the initial shock, I am facing it with a great deal of hope and responsibility. It is a thrilling challenge both on a personal as well as a professional level. I take on this responsibility at a moment in which the Group is experiencing good health, with a good business situation and a prominent dynamicism. This is why I feel an even greater sense of responsibility, as what I

would most like would be to leave the Group as President with ULMA in an even better situation than it is currently in, both in economic as well as social terms, which is considerable. This is why I am particularly moved by the various groups of people I have had to work with over the past few months, both on a ULMA Group level, as well as in my own Business.

The ULMA Group will complete five decades of progress in three year’s

time. Where do we currently find ourselves on a social level? I would have to start by saying that we are at a moment of changes with regards to social work-related aspects. We have seen that laws are being developed that encompass the social aspect of work, such as the law of equality, paternity permission and certain other measures aimed at reconciling work life with the home life. Having said this, I believe that at ULMA we are at a good place, as we were already reflecting upon these matters. What is extremely clear to me is that we cannot lag behind on these matters, but always keeping in mind that the social side of things does not exist if the economic one does not work. The search for this balance cannot lead us to remain stagnant, to not create employment, as we would be going in the wrong direction. Let us not forget that in the social aspect the cooperative does not have to answer just to its partners, but rather to the environment.

As a cooperative Group our greatest resource are people. What great challenges do you believe they are dealing with in this realm? More than great challenges, and in conjunction with the previous question, I believe that we have to work on trying to make it easier for people from the organization to combine their professional and personal lives. We must try to help people to work to live, and not to live to work. We must also try to make people fully identify with the project of their business and of the Group, in order for someone to identify he/she has to feel fulfilled both on a personal as well as on a professional level. I believe that this is the path we must take, and it is the one I believe we are on. We should try to make all of

Xabier Mugarza

President of the
ULMA Group

The youth of Xabier Mugarza stands out (Oñati, 1973). The new ULMA Group president since this past May. Mugarza has held various roles of responsibility within the Group for nearly a decade. Controller with ULMA Construcción (1998 – 2000), Director of Finance with ULMA Formworks, a subsidiary of ULMA Construcción in the USA (2000 – 2005), Controller at ULMA Headquarters (2006 – 2007). He faces his new responsibility with a great deal of hope at a moment of such great dynamicism for the company.

the tools available that make personal and professional development possible for the people who are part of ULMA, and you can achieve this through recognition and a job well done, by promoting from within, etc.



*“We must reinforce
the institutional nature
of the Group
through lobbying”*

What aspects do you believe should be strengthened or worked on a social level in our cooperatives? In addition to those I have already mentioned, I believe that work health and safety is a very important aspect. More important than trying to combine work life with home life, or that people identify with a project, is that people work safely, as this will in turn have a bearing on everything else. It is key that people feel secure in their jobs, that they see that everything possible is being done to prevent them from having accidents. Another point to promote is the Basque language, which is also being worked on little by little. And another subject I would like for them to promote and perhaps addressing this more to Construcción, is to better convey comprehensiveness of the Business, not just with regards to the subsidiaries, but also to the various field offices in Spain, without looking in doing so the local character and the possibility for the outside team getting to learn the reality of Oñati and the reality outside of the region.

Do you believe that we are united enough as a Group? Should we work on this item? At ULMA we are part of a Group of cooperatives that are tremendously heterogeneous in size, industries, etc. We should be very clear about what the purpose of the Group is, with regards to setting general guidelines and contributing to business those aspects that the daily management of the same does not allow them to develop. I believe that there is togetherness, that we all feel we are part of the ULMA Group, and I also believe that we understand what the role the Group plays. We must continue working along the same lines we have been doing, contributing to the Businesses in matters of advertising and innovation, communication and brand, human resources, finance, work health, and in all others which might contribute to and make our business easier. The Group should also have an institutional nature, working the relationships with public institutions on a Basque Region, Spanish and European level...performing a task of lobbying to the extent of our possibilities. On the other hand, the fact of us being part of the Group greatly facilitates the creation of new cooperatives, such as ULMA Agrícola (which already existed within the Construcción business), as well as the start up of the Packaging Technological Centre. Each business, depending upon its situation, will require different aid from the Group, but we are centred on the ULMA Group and each Business Unit within the Group.

What do you believe are the true challenges for a Group such as our own in an increasingly competitive environment? The main challenge is to assure that the various Business Units of the ULMA Group remain competitive in an increasingly globalised environment by remaining loyal to our cooperative principles and values. This is evermore difficult, as we have to compete around the world and under increasingly delicate conditions. In any manner, our cooperative nature may be an added difficulty but at the same time it might be an advantage, as increasingly important concepts such as sustainable development, respect for the environment, etc. we are able to develop perhaps with greater ease than others. The challenge has to be to continue generating wealth and well-being around us, which is why it is necessary to invest in innovation, research and development, which is why there will need to be stronger relationships with university environments and technological centres. We cannot forget about the people who will need to undertake all of these challenges in order to assure the quality of life of the people who make up ULMA, without the fact of having to be extremely competitive blinding us. Another important challenge is going to become stronger and stronger in more countries, driving even more the international nature of business; in other words, to diversify risks. To summarize, we must be able to continue growing more quickly than the competition, and continue generating well-being and wealth for our people and our environment.

Focus on our employees

We have brought together the human resource directors from our Businesses to discuss amongst themselves current subjects about our employees at a round table.



Xabier Mugarza
President of the
ULMA Group – (XM)



Aitor Galdos
ULMA Construcción
– (AG)

The importance of the human factor within an organization is becoming increasingly evident and should be even more so in our cooperatives. Do you all believe that we are putting enough importance on our people?

- >> **AG:** The politically correct thing to do would be to say yes, but right now the truth is perhaps not quite so. We are a cooperative and we have voluntarily joined force and work to go up against certain economic and social goals and aspirations. We are on the right path, but we still have a way to go.
- >> **NA:** Inevitably we must give importance to people. Our Business is people-intensive. Human capital is the true engine that keeps us running. It forces us to focus our human resource policy directly on training and retaining talent. Therefore, having a suitable staff is the key factor in our Business strategy. People are our wealth.

>> **JDF:** In our cooperatives, in theory, people are very present in the business project itself. I believe that where we should continue improving is in generating hopes in the project, for our people to feel part of the company itself in order for them to keep growing professionally.

>> **XM:** In our strategic plans, in our Vision, Mission...we are constantly saying that people are the key to our project and for this reason we should be aware of the same. It is basic in any company, but even more so when talking of a cooperative. I believe that we do place enough importance on people.

>> **AA:** Yes, we value people. The openings for participation that are created in the cooperatives are formulas in which this value is given and involvement is sought in the project to count on inspired, motivated and involved people.

>> **JMB:** For many years now it has been said at the ULMA Group that people should be in the centre of upcoming business. I believe that it has acted accordingly. We, in the ULMA Forging mission, have already picked up on the fact that people should be proud to belong to ULMA. We are working on various subjects with this goal. We still have a long way to go, but we are on the right path...

>> **JDF:** I believe that we have an internal marketing problem in the Businesses; the truth is that our people participate in the business project, but we don't know how to sell it. It is really interesting to observe how people generally speaking put much more weight on participation, team work, etc. than our own partners where these values are wearing thin, people are already not valuing participation and this is our fault. We don't know how to "sell" what we are...

>> **AA:** I agree. Those of us who have small units spread out over the national market there is an enormous lack of knowledge about what goes on. We dedicate a lot of resources to outside marketing, but few resources on our internal customers. We should market ourselves internally.

“Our people do participate in the project, but we do not know how to sell what we are”

everyone’s commitment. The commitment is in the base of the psychological contract that we partners make with the cooperative and I understand that having a committed partner, innovation, a partner who is curious is something key to business quality or innovation. Commitment is the “something extra” that usually turns companies into winners



Nuria Agirre
ULMA Packaging
– (NA)



Josetxo De Frutos
ULMA Handling Systems
– (JDF)



Asier Agirregomezkorta
ULMA Forklift Trucks
– (AA)



José Manuel Biain
ULMA Forging
– (JMB)

Group involvement is essential for the success of a business project. Our partners have demonstrated this at difficult moments throughout our history but how do you all believe we can involve and motivate the new generations?

>> **JMB:** Nowadays without a doubt young people come more prepared, but they also come from economies that are more comfortable than in the past. How leisure time is more deeply-rooted and people are looking for a greater balance between their personal and work lives. I think that if a crisis were to come along, young people would respond as veterans did in their own day; I have no doubt about it.

>> **AA:** Before and now there will be all kinds, more involved and less involved people. It is true that values have changed. In short, I have no doubts whatsoever that in tricky situations they will measure up.

>> **XM:** I agree that there will be all kinds of people, but the difference is that the new generations at ULMA, we do not know the difficult years and this might lead to us to getting used to having everything come easy for us. I am an optimist and I believe that we have young people who are committed to the ULMA Project in general, and in difficult years, they would respond appropriately.

>> **JDF:** We are experiencing years of bounty during which we have not needed to make any type of drastic decision. This state of bounty makes us all feel more comfortable and obviously the new generations of people that have never been through these times, even more so. At any rate, I also have no doubt that if the moment were to arrive, everyone would put up a fight and the project would overcome any crisis.

>> **NA:** I believe that we should gain

and in our case to fulfil objectives. Also having leaders who dedicate themselves to creating this commitment is key. There is no greater price for a Business to pay than having unmotivated people.

>> **AG:** I would like to quality the difference among generations. Generations from a while back had to live through difficult

“There is no costlier price than having unmotivated people”

> Round Table



times, but also it is true that for the new generations, for example in the ULMA world, to be a partner is also no sea of roses. The path they currently have to take is a lot harder than the one that previous generations had to take. Faced with the possibility of how they would respond if faced with tough situations, I have no doubt that they would do the same. The way to involve and motivate people is to present ourselves as a different fact; we are part of a different way of understanding work and the company.

>> **XM:** Yes, I would like to point out that perhaps they are unaware about what our history has been, what the ULMA Group's history has been to understand and be aware of the fact that we have not always been in this position.

Another great immediate challenge for our Businesses is expatriating of people to cover various needs. Do you all believe that we are truly prepared to deal with it? Have we trained our staff for it?

>> **AG:** Those of us at ULMA Construcción have certainly been working on it, but there is no systematic way of doing so. We have to prepare ourselves for each expatriation. We have to study everything

on a case by case basis. We are not prepared to take the leap. We are taking steps, but there is much to improve, and we should be aware of the value that we are of value to the company and we can give a lot to the project.

>> **NA:** Internationalization and expatriation of professionals are two challenges for us. We are fully undertaking them and in fact we have defined an expatriation policy where we manage information with regards to potential candidates. An expatriation entails hardships, on a family level, career level, etc. It implies both a professional challenge as well as a personal one. Aware that a quick adaptation with no problems translates into personal peace of mind and, therefore, into a greater efficiency in professional activities, well our expatriation policy takes into consideration

“The expatriation process must be managed on a case by case basis”

family integration support as well as moving support, ongoing communication and a set salary scale. It has been mentioned here that each case is different. They are always going to be different. We are never going to be able to manage the expatriation process in simple systematic way. Each case has to be handled with a great deal of dedication and care, not just the expatriate as well as his/her entire home environment. It is important that when the conditions for expatriation are established, the return is taken into consideration.

>> **JDF:** We do not have any expatriate staff, but I do believe that we would have problems because it would be seen as yet another problem rather than an opportunity. In other companies expatriation is something natural and is even a good opportunity for professional growth, but here inside the company we see it more as a problem and I understand that this is because we are set in the career curves. It is a pending signature.

>> **XM:** I have had to go through this on a personal level. I do believe that we have gone backwards on this matter. Situations and cases have been resolved on a personal level and in good faith, but this is not enough. I think that we should make this as systematic as possible, there

“Working outside of the country is viewed more as a problem than an opportunity”

needs to be common guidelines. It is true that we must prepare people for possible expatriate positions and to leave the door open for certain profiles.

>> **AA:** We have zero experience in this matter, but it does not take away from our strategic plans. Soon we might need someone with these characteristics. We are reagents on this subject, and I believe that we might have difficulty with expatriation because we have not recruited profiles that present this opportunity.

>> **JMB:** I am going to limit myself to talking about our Business. Right now we are getting ready to send someone to India, and we are seeing how to carry out this expatriation process in the most coherent way possible. Our Business has always been a clearly export Business, but we have not needed up to this point this expatriate employee, and this is also why we have not prepared ourselves. Now the first and possibly the last comes along. We are now incorporating people with profiles that adapt to the needs of this increasingly globalised world.

>> **XM:** I would like to comment on a subject that has been mentioned which is the subject of returning. The expatriation needs are going to be greater than

the possibilities that there are after relocating.

>> **JMB:** The learning process on this matter has taught us that expatriates have to be people who carry some weight in the Company and who have lived the Business. As we have already mentioned, it is relatively easy to send someone out of the country to work, but the problem is with those who go must at some point come back, and they should perform jobs similar to the one they left behind, which makes the return all that more difficult.

>> **JDF:** There is something that concerns me in what we are talking about here, and I remember old ghosts that we lived with the first international voyages. We must know how to sell the point that it is an opportunity, and we must send the good people.

>> **NA:** I don't see expatriation just for new employees. We were able to send 4 people to work outside of the country this year. We see motivated people. In certain families with small children, you can see how an international experience is an enriching one for the children. The profile of the expatriate is changing.

>> **JMB:** In the ULMA Group, people who have been sent to work as expatriates have for the most part been young. In some companies they start sending people to work as expatriates who are in their final years of working for the company, who are people with a great deal of experience and who could greatly contribute. I believe that this is good for the person and for the Business itself.

>> **AG:** I agree with what you say, but it is not the same sending someone to work in Germany, the USA, Italy, etc. when we might have a waiting list for Dubai, Poland, Brazil...

Attracting and retaining the best, in

a scarce market like the one that is approaching us, we understand that it will be one of the keys to our future. As a Cooperative Group we have a lot to offer, but how are we to do it?

>> **JMB:** At this point in time I must say that the ULMA Group is attractive because the Businesses offer attractive projects. The main problem is that less and fewer professionals are leaving schools and universities and the ULMA Group needs more and more. People look at the project that is offered to them and if the project is interesting, they will come to us. Although pay is an important subject, the project to which they belong is more stimulating for the people than the pay itself.

>> **AA:** I see two very different situations: the selection of people inside of the Basque Country environment and outside of it. They are different realities. Here ULMA is known and this interest and Group solvency that we have is already given and makes selection that much easier. But the majority of our hires are from outside of the region, and outside of here the ULMA image is less well-known. We start off, therefore, with a handicap that we must save with other tools. We must get involved in the personal and professional project and in being able to be seen as a different Group, for which our cooperative values should be well-explained and communicated.

>> **XM:** It is true that the ULMA image outside of our natural environment is a lot less clear. We should make an effort to make our Group project known in other regions of different regions and levels at different actions and activities set around our brand.

>> **JDF:** We all have trouble in choosing, this is clear. As we have mentioned here, the people will come to us when the ULMA Group offers a differencing amount. When we say that the nearby region values ULMA, we must say that

curiously enough when the Society survey is performed in the region of Oñati, it has a low regard for ULMA. Work safety is valued, but other items that go along with the growth of the company in the society such as the environment, people have a negative opinion of it. Our people should feel proud to work at the ULMA Group not because of the work safety, but rather for other more social values and not work-related ones. This is something that we should motivate in the surrounding region and in distant regions. Everything we can do to strengthen the brand beyond the company projects themselves in both regions will reinforce our image. The subject of retention is also key. Our project should be interesting enough to be attractive, and for this reason another battle horse is the issue of pay. At various levels we have extremely tight wages that we must continue to surpass. Pay is not going to be motivating, but it could be unmotivating.

>> **NA:** I agree with the majority of what has been said here. In addition to economic reward, we must know how to sell the growth possibilities that the ULMA Group offers. We must create an image based on attributes such as leadership, quality of employment, innovation, etc. In short, that the ULMA Group is a good place to work.

>> **AG:** I would suggest an equation as a formula both to capture as well as to retain which would be Cooperative Values plus suitable pay plus a renowned position or market leader. People here already know us, know that we hold leadership positions, know that we are a cooperative, but outside of here the first thing people hear is "how...I have to pay in addition to going to work"; that is to say, that is where we run up against a brick wall. Once they are already inside, they do identify with themselves.

>> **JDF:** Communication should not be that I have to give money to come to work,

***"People
are stimulated more
by the project than
by the pay"***

but rather you are going to become part of the company. It would be a good idea to write articles and reports about the virtues of our project in regions outside of the Basque Country.

Combining your personal and work life, do you believe that it is actually possible in organizations like ours? What new formulas could be proposed?

>> **AG:** It is possible yet complex at the same time. What the market demands of us is flexibility. We must serve the customer. We cannot turn to closed models. There are no magic formulas for this subject. The only one that comes to mind is working with common sense.

>> **NA:** This subject from a Business Unit point of view is a challenge, but it could also be an opportunity. Society is evolving, is changing and businesses cannot survive on the edge of this reality. We are continuing to work at a traditional space and time framework when carrying out our work. A flexible company is one that best combines, but puts limits on things that are true challenges.

>> **JDF:** We are service companies that work 365 days a year, 24 hours a day. How do you combine this? We continue providing personal solutions. I think it is difficult

to find some type of tool for this item. I believe that schedule flexibility that we have as a business, the concept of telecommuting for certain positions is going to help certain personal needs. We keep trying to fix this subject with tiny plasters but...

>> **XM:** I think that this should be. It is an obligation for us even though at times it is thorny. This is an issue that in its day a committee was created on the board to debate upon this matter, and my intent is to bring the conclusions and reflections of this table as I believe that it is more than appropriate.

>> **AA:** It is a very difficult aspect because personal situations are very different and are not worth single salaries, which makes the aspect of flexibility; creativity is what must be sought. It is also hard to marry personal interests with those of the company where the demands from customers are increasingly greater. I believe that the cases that have arisen have been met with a perfect solution; although I believe that it would be good if we were reference and if we were ahead on this subject.

>> **JMB:** We have talked about customer service, and it appears that people's flexibility is limited. In our case we are also a company that invests greatly in capital. Our machines are very expensive and we must get the most out of them performance-wise, and this makes it necessary for our people to work three shifts, Saturdays, etc., which limits even more so flexibility. We are also great power consumers and many times we have to work out night, which makes the matter even more complicated. The idea appears to be good that was raised here of sitting down and delving deeper into this matter to see if we are capable of progressing and providing better solutions to the various collectives of the ULMA Group.

portraits and stories of our people

Nicanor Valor. ULMA Construcción Partner

Nicanor can be considered as a modern-day explorer. Last August he enjoyed his holidays by touring the most remote and impressive landscapes of Iceland. He is, before the year has even ended, preparing for his next destination, Madagascar. Nearly every year and whenever the circumstances allow him to, he goes on a trek by himself to the most exotic of places. This summer he journeyed by bike over the spectacular sites of Iceland. Blue water lakes, huge lava fields, southern black sanded beaches, glacial tongues that empty into the sea, deep fjords... and Breidarlón lake. *"After travelling 4 Km of road, little by little you get closer to the glacier, and out of nowhere a lake appears much to your surprise. The small icebergs, the mixture of colours and the peace that you breathe make this landscape a very magical and hard to describe place."* But on his adventure the weather was not on his side. The temperature varied between -4° and 12°C ; although for Nicanor the biggest inconvenience was the wind as it slowed down his crossing and obliged his plans. *"I was visiting the north of the island, Husavik, when a strong storm closed in. It was a place that had been recommended for whale spotting, which is why I couldn't pass up the opportunity. Due to the weather, all of the organized boat trips had been cancelled, but the chance brought me to meet a retired fisherman. He insisted so much in taking me for a trip in his boat that I couldn't say no. The motion of the waves, the weather and everything else made the rest. In short, I had a bad time and the worse is that I didn't see the famous whales"*. The August days became short. The bicycle traveller is considered to be exceptional and attractive people by the natives, which helps with integration. In this particular case, in dealing with Nordic people and also Icelandic people, the "mixture" was slightly complicated. *"In reality they were cold, distant people, which is something you might well expect due to their location. However, after spending a few days with them and gaining their trust, you find very pleasant people who are willing to help you."* There are hardly any motorways in Iceland. In fact, there is only one motorway upon which you can travel across the entire island, which is why Nicanor began his trip via this route, towards the desert over the Kjölur road. *"In general I don't set the kilometres I have to travel each day. It all depends upon how I feel, the weather, how spectacular the place is, the route and obviously my own physical resistance. Some days I biked for 150 km, while others I didn't even go 40. What you must remember is that the important thing is not the destination, but rather the trip getting there."* His next goal is in Madagascar, although he would like to be able to travel on his bike throughout Central and South America. *"Right now there is no way for me to finance a trip of this kind, as carrying it out is impossible while you are still working. But I would like to believe that one day this project will become a reality."*



PRECINOX; an overview of the first six months

Six months have already gone by since when, on May 22, the first PRECINOX piece was manufactured. As in nearly all beginnings, the start of the business was marked by difficulties as work was being performed in unsuitable conditions due to the fact of the facilities not yet being finished and the workers were sharing the space with the various construction labour unions. But this pressure was needed as there was already a need to start seeing results. The laser cutting machine, operational since the end of May, marked the start of the process, as well as the automatic warehouse, polisher, threaded, pneumatic drill and folding machine, even though performance at first was not optimal; the rest of the processes were successively incorporated. Until the end of June the work was carried out in two teams: The Work Team in Oñati: Management, order preparation, manufacturing and shipping order preparation and work team in Legazpi: MOD Operators and people in charge of manufacturing. At the end of June, Precinox was connected by the network to ULMA Packaging, and since then the entire team works in Legazpi. From that moment on, the defined processes were started up and, as is the case in all start-ups, decisions for change were made at that time and team, as there was no time margin. As the orders arrived, staff who had previously been selected was hired and so on, always maintaining the balance between deliveries and capacity, an aspect which at certain times was tense. With regards to facilities finalization, in the same manner the corresponding decisions were made. After a great deal of effort, beginning in September work began to be performed under optimal

conditions. In actuality, business is greater than what was forecasted as even though the start-up was delayed by a month, growth is being quicker to plan. The company is currently approaching the average order collection corresponding to 2008 and due to this demand Precinox finds itself to be exceeding forecasts: 31 people on the staff and another three that are going to be hired before the end of the year. With things this way, previsions for next year exceed those set forth in the business plan, as they will pass 4.5 million Euros and the 40 people. This causes estimation that what was forecast 5 years ahead can be reached in just 4 years.

The keys to success

In Fernando Gorostidi's opinion, these are the keys to Precinox's success:

- Requiring hiring of the staff to become part of the group. In April the majority of the staff for this year had been chosen: people with a great deal of experience in the industry and with the talent needed to tackle a new business.
- The desire to belong to the ULMA Group: As people with higher salaries in other companies have left to become part of this project.
- A solid and unified management team: During a business start-up you must make quick and consensual decisions, always in accordance with the focus of the project.
- Physical business location: Even though it might not look like it, it is an important aspect and is one of the main factors of growth speed, as 90% of the staff comes from Alto Goierri. It is personnel with a wide range of experience which is incorporated into a cooperative project, never normal in the boiler area.
- Investment choice and implementation: In this aspect the best of the market has been chosen and has given its fruits.
- The fact of having a customer from the start, ULMA Packaging: A project with these characteristics is impossible to move ahead without having a customer that is capable of assuring planned growth, for at least the first two years.



FERNANDO GOROSTIDI
Director at PRECINOX



Valle de Olatz

On the pathway to the coast



TRAVEL GUIDE

- Access:** Mutriku. The valley is located in the remotest corner of this villa and the Arno massif.
 - Time:** 1 hour going, if you walk from Santakutz to the bottom of the valley. To get from Olatz to Arnoate it will take you 1 hour 30 minutes one way.
 - Advice:** From Olatz to the Kostola pass, the path is paved in concrete. After that it is a forest dirt and gravel road until reaching Arnoate.
- Information: www.mutriku.net

The Olatz Valley is a unique geological region: Closed off and with no streams, it surrounds its hamlets with lofty heights and limestone pavements. It runs along a classic path that along the mythical Arnoate path travels towards Vizcaya to lead walkers to Santiago to the collegiate church of Ziortza. Olatz holds a step away from the Mutriku coast and caressed by the tempering sea air, a microclimate that allows Bakio in Vizcaya to raise lemon trees and other exotic varieties of trees and plants. When you arrive from Mutriku, you enter a closed valley with a splattering of farmhouses that raise fighting bulls. This is its trademark and also its deep dolines which allow all of its waters to flow free. We can reach Olatz by car and walk from there, but you can also get their by foot from the top of Calvary and enter through the hermitage of the same name. Facing the route that descends from the hermitage, we should

then proceed to the other side of the road that ascends through hamlets and zigzags until reaching the pass with Ibiri auzoa. On the other side it descends to the route that comes from Mutriku to Olatz and then reaches the inner part of the valley. In Olatz, of the 33 farmhouses of yesteryear, only a dozen have survived; buried deep in the hillsides and anchored many times to the same stone. The prevalent feature at the base of the valley is the San Ignacio (Saint Ignatius) hermitage, located at a vertex under which the earth itself is submerged. Under the hermitage, in an inaccessible ravine is the Kobalde doline, which gives way to a series of mysterious corridors by which all of the valley waters are immersed and escape. From the hermitage we could follow the route that climbs following the Path to Santiago towards he beautiful Kostola pass and the Amoate inn. The path then diverges and signage of the Path

to Santiago helps us to follow in the right direction. It climbs up through a forest closed in by high pine trees, weaving tight zigzags to finally reach the Kostola pass, over the farmhouse with the same name. It is a wonderful balcony that overlooks the coast on one side, and the landmark peaks with Vizcaya on the other, from the Oiz hill to the humble peaks of the Lea-Artibai region of From the pass, one full turn to the left will lead us upwards along a pine forest path towards the side of Basarte, which leads to the mythical pass of Arnoate. There we find a magnificent building, marked in front of its lintel by a mugarri that signals with the date of 1889 the point where the Elgoibar, Markina and Mutriku rivers converge, it reminds us of the old important pass that from this place connected the coast with the interior of Vizcaya. In Arnoate they say that various generations of folk healers used to live who used to help

people from other valleys. From its lintel you can take a long look towards the Izarraitz massif, elongated by its hills towards the coast. To return to Kostola and Olatz you can turn towards the left, taking the path that advances alongside the small washing place and fountain of Arnoate to reach the enclave where this historic stele is located. We return amongst the pine trees to Kostala to retrace the path we used to get there.



THE VISIT; Sasiola and Astigarribia

At the foot of the door to Kalbario, on the banks of the Deba river, two important landmarks in water traffic can be found: The Sasiola convent and the San Andrés de Astigarribia church. In Sasiola an old ford was installed in which the pine needles were unloaded that carried the merchandise upstream to the Altzola smallholding. Another point on this water port that the Deba river was, was established in Mollatxua, in Astigarribia, where it intertwined with the path that that went towards the Arnoate pass. One footpath set off from the river below the gothic Jauregi, Etxezabale and Torre de Astigarribia farmhouses. Before them, the San Andrés church is one of the oldest religious gems in Gipuzkoa. From the first Visigothic temple one window remains in the rear apse, over which another Romanesque one was built and from which the Christ that presides over the altar still remains. The temple vaults are supported by a single wooden beam that has been linked to naval carpentry.

Do you think it is possible in organizations like ours to combine personal and work lives? What formulas do you think could be proposed?

To improve this section we propose that you send us the issues or questions that you would like to pose in this post to; begira@ulma.es



MARÍA SENDÍN
ULMA Forklift Trucks
“You get more done with motivated employees”

I agree that yes, perhaps there are positions in our organization in which, due to the nature of the same, these combination formulas cannot be applied, but there are others to which they can. The formulas that I propose are no other than those that are certainly in the mind of the majority of the people that find themselves in this situation: flexible schedules at the start or end of the work day or free distribution of work hours throughout the day, implementation of special hours during holidays, which are measures that allow for working the fair amount of time to be able to have greater productivity while said reduction has an impact on the enjoyment of the family life. Touching on our organization, if there is something that affects me personally and I don't like, is the subject of not having free hours to go to the doctor / specialist unlike the rest of the world, because this contributes to us having to make use of personal time that we would have to dedicate to our homes. Therefore, let's be aware of this; let's think about tomorrow and not so much in today and in obtaining short-term benefits. A company achieves more with motivation, happy, fulfilled employees. It performs better and there is less absenteeism. There are many advantages to go up against the disadvantages that might arise.



MIGUEL ANGEL GURIDI
ULMA Agrícola
“Possible yes, easy no”

I do believe that it is possible, but in certain cases it is not easy. Depending upon each person's own situation, personal objectives and situations vary throughout life and depending upon the phase at which we find ourselves these objectives and needs are not the same. It is clear that this society has experienced in a short amount of time this evolution, which in many aspects has directly affected us in our daily coexistence. In order to face this evolution and the changes it creates, society prepares and organizes itself. Likewise, we should organize both in the personal realm as well as in the work realm so that the influence of said changes have the least amount of effect possible on our coexistence, adapting ourselves in the best possible way to the changes created by the evolution. With work life, which encompasses a great amount of time in our lives, we will cover one of the most important and necessary parts to achieve our objectives: the economic part. To do so, and given its importance with regards to work life, I believe that generally speaking we have options (calendars, schedules, permissions, etc.) which allow us to be able to adapt for the most part our work day with our personal life. Despite this, in certain cases or situations these options (calendars, schedules, permissions, etc.) are unable to be applied uniformly, as they are jobs whose characteristics require other more personalized options. In these cases I understand that combining the two perhaps becomes slightly more complex. Another subject is, and nowadays this happens quite often, for various circumstances (personal reasons, job market, etc.), we are forced to commute to our work centres located at a certain distance from our normal residences, or what is the same, but also vice versa happens, which due to various circumstances and for the same reasons we find ourselves to be obligated to commute from our work place, at set distances and even stays that last various days, months, etc away from our living environments. It is absence itself or the time that we remain away from our normal environment or place of residence, what makes difficult to fully develop a combination of both things. I understand that people who experience this situation find it very hard to achieve this combination. There are no magic formulas. The same formulas work for personal and work life. Planning our personal and work agendas as far in advance as possible, setting priorities, being strict about finishing what you plan. Carry out a plan of action, delegate properly. That is key.



GURUTZE MURUA
ULMA Construcción
“We must think about school entrance and exit times”

I think that it is possible, although it is not easy depending upon the kind of job or tasks to be performed. I understand that it signifies an effort for the cooperative and I also understand that the partner or worker should also be flexible regarding the current needs that might arise in their jobs. With regards to the formulas to propose, I believe that the best solution is to reduce the work day together with the possibility of combining entrance or exit times of the schools or daycares. This ways you can take them and pick them up from school, put in your work hours without having to tell anybody about it (it is obvious that someone always needs to be “on the bench” for the days when his/her children are sick, etc.



NICOLÁS GARCÍA
ULMA Forging

“People must be trusted”

Yes, a balance is possible. The key is flexibility when making schedules fit the needs of employees to capture the balance in reality. This should be based on a trust in people, something that is done at ULMA Forging. Aspects that could be carried out to improve the balance go through, in my particular case, increasing the areas for day-care centres in Antzuola, where there is very little room, having to take your children to Bergara for this reason. I see room for improvement by public organizations more so than by ULMA.



HIBAI ZABALA
ULMA Handling Systems

“Customers demand service 365 days a year”

In service industries such as ours, there are an increasing number of customers who demand service attention 365 days a day, and this trend leads us to reorganize our personal and schedule planning. In this scenario, our personal life might not be affected by our work life, but we should look for solutions to compensate in some way or another these differences. In my opinion, those of us that work in a service role should be rewarded with a kind of “award”, in addition to being paid, to make up for the irregularities that affect our personal lives. I don’t know what would be the perfect solution: one week off, a reduced work-load schedule...



AMAIA RAMOS
ULMA Polymer Concrete

“Changes in job position would need to be prevented for the reduction of the workday”

It is possible, keeping in mind that you should give up a lot of things both on a personal and professional level, and that you need help or support for everyday problems that arise otherwise you will have no option with which to balance your personal and work life. The situation could improve merely by preventing job changes at the request for reduced work days. Something much more complicated would be to look for a common formula to make work times compatible with the times of the schools. In this sense, Iberdrola has set a precedent which should cause an organization such as our own to reflect upon this matter. A good idea would be for us to offer a support service from the group so that during the holidays – mainly in August as that is when the daycares close – they make it easier for us in some way to balance both functions: work and taking care of our children. The best thing would be to extend it also to July and September, which are dates in which there is no school and it is harder to balance family and work life.



ROCIO LERIDA
ULMA Packaging

“Work schedules has an impact on health, well-being and motivation”

It truly becomes hard to balance both tasks. Your family and work life are questions that hold a prominent place in our lives, and we have to dedicate our daily efforts to them. Many of us are working mothers who have at one point or another felt the lack of time needed to take care of our families. This is why the creation of intensive work day positions, average work day positions and flexible workdays are key aspects to achieve balance. Work schedules have a significant impact on our health, well-being and motivation. In the regional offices we find ourselves with few options for change, in that there are limited job positions and schedules. In my particular case, the creation of a second administrative position (I don’t know if it would have been possible otherwise) was the chance for me to have access to a reduced work day after the birth of m second child, which allows me today to continue working and also to have an active hand in raising my children.

New ULMA Cycling Equipment



The ULMA Group has launched a new cyclist T-shirt design for those partners and employees who might want them and has reached an agreement with Lizarralde Kirolak for the sale of these garments.

For any inquiry about the clothing, contact *Lizarralde Kirolak* at *C/ Olakua* in *Oñati* (tel; 943 782986 or 943 799147 in *Arrasate*).

Collaboration Agreements

The ULMA Group, within its sponsoring strategy, maintains collaboration agreements with Guggenheim Bilbao, Arrikruz-Oñatiko kobak and the Kirolgi Foundation. These agreements allow ULMA to have various advertising advantages. In the case of Guggenheim and the Arrikruz Caves, it has access cards for groups of 6 and 5 people, respectively. In the case of Kirolgi, the access passes are for nearly all of the sports in the region of Gipuzkoa. In all cases, and whenever available, our partners and employees will be able to request them at the ULMA Group Headquarters.

RETIREMENTS: Retirements from the ULMA Group from September 1 to December 31.



Luis M. Lasagabaster



Alberto Biain



Jesús Ugarte



José Andrés Leturia



Santos Zubia



Francisco Txintxurreta

Jesús Erostarbe

*Thanks to all
and enjoy! Congratulations*

**GET WITH IT AND
SEND US YOUR IDEAS:**
begira@ulma.es

Also, and as always, we continue to maintain our Suggestions Box where we hope to receive your contributions:

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Garagaltza Auzoa 51 -
Apdo 22
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Ref.: Begira
Email: begira@ulma.es

Cooperative Values Supplement

In this number 16 of the Begira magazine we are inserting the second of the supplements that we are dedicating to our Values. On this occasion we are talking about **Participation** and we are counting on the collaboration of our different partners and employees.



PORTALDE COMES TO LIFE

Help us to Improve the Intranet!!

AND PARTICIPATE IN THE DRAWING FOR A MP3 PLAYER AND 3 USB'S

We want to know what you would like to find on the ULMA Group's Intranet.

Send your ideas to: portalde@ulma.com

All suggestions received during the month of December will enter into the Drawing.



Winners of the photography contest!



These are the 3 lucky winners from the **Cities and Towns** photography contest drawing:



Edurne Vikuña
ULMA Packaging
(a night in agro tourism)



Manuel Sánchez
ULMA Forklift Trucks
(SPA session)



Javier Osa
ULMA Construcción
(bell store)

Thanks for participating!!