

Autocatalysts for South America

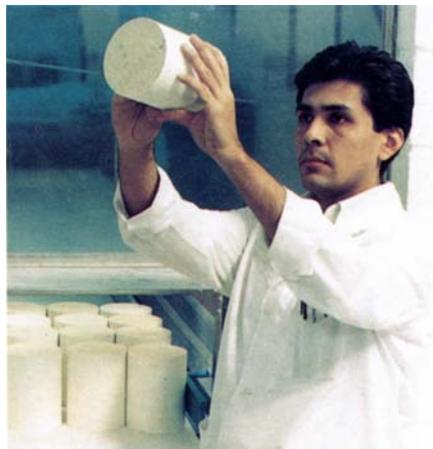
MAGNETI MARELLI AND JOHNSON MATTHEY IN JOINT VENTURE

The countries of the South American continent presently constitute one of the fastest growing economies in the world and Mercosur, the common market area made up of Argentina, Brazil, Paraguay and Uruguay, is committed to expanding its manufacturing capability to respond to the needs of the region.

Since April 1997 Johnson Matthey has been supplying its Mercosur customers with autocatalysts manufactured in Belgium, South Africa and the United States of America, but in deference to the wishes of these customers the decision was taken to set up a manufacturing facility in the region.

In 1998 it is expected that Argentina will manufacture more than 436,000 cars, while Brazil will produce 1.6 million to satisfy the local markets. Johnson Matthey's new facility is well placed to provide our customers with their needs into the next century and has been designed with expansion in mind.

Officially opened on 26th March, 1998, the facility is a joint venture between Magneti Marelli and Johnson Matthey. It is Johnson Matthey's first manufacturing plant in Argentina and its eighth autocatalyst manufacturing plant worldwide. Situated some 65 km north of Buenos Aires, the plant was constructed during the period April to December 1997. With the capacity to produce one and a half million autocatalysts per year, the facility includes its own noble metals salts prepa-



ration unit. The first validation batches of catalysts were produced in November 1997 and commercial production has just begun, during the first quarter of 1998.

An interesting feature of the facility results from the fact that in Brazil cars use a fuel containing up to twenty per cent alcohol, a by-product of the local government supported sugar industry. It is therefore a requirement that all autocatalysts manufactured for use in Brazil have to be formulated to perform well under these local conditions. Indeed, to ensure customer satisfaction Johnson Matthey has set up a sales and technical support group in São Paulo.

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