Owens-Illinois, BOC Gases Announce Oxygen Supply and Technology Agreement

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MURRAY HILL, N.J., May 31 /PRNewswire/ -- Owens-Illinois, Inc., and BOC Gases today announced that they have completed a long-term agreement under which BOC will provide oxygen and advanced combustion technology for O-I's glass container manufacturing operations around the world.

Under this agreement, BOC will be the supplier of O-I's oxygen requirements for its glass container furnace operations. The multimillion dollar agreement also provides Owens-Illinois and its glass container affiliates and licensees with exclusive rights to manufacture glass containers using BOC's proprietary oxy-fuel combustion technology, which BOC has developed to improve manufacturing efficiency and environmental compliance.

Robert Smith, Owens-Illinois vice president and technical director, said, "We have worked closely with BOC engineers and glass technologists over the past two years, and we look forward to their strong support in oxy-fuel combustion technology for our continuing program to improve quality, productivity, and environmental performance. We believe that our exclusive rights to this technology will further enhance the long-term competitive advantage that we and our technology licensees already enjoy because of O-I's glass container technology leadership."

Clive Grannum, vice president of BOC Gases' Glass Technologies Group, said, "This agreement is a result of the investment of time and effort that BOC has made in recent years in developing new, cost-effective methods of oxygen production and combustion technology, in serving the needs of our glass customers. We look forward to building a long-term relationship with Owens Illinois, as the world leader in glass container technology, to achieve the projected competitive advantages and efficiencies."

Much of the oxygen supplied to Owens-Illinois will be produced on-site by BOC's line of modular, non-cryogenic vacuum swing adsorption (VSA) oxygen generators, which employ a proprietary molecular sieve. BOC's VSA generators are designed to be built, shipped and installed quickly, and to operate at low noise levels with excellent power efficiency. The VSA generators also are equipped with the latest in computer and communications technology to allow remote monitoring and operation, further reducing operating costs.

BOC Gases' Glass Technologies Group is a global team of engineers and glass technologists with extensive experience serving the glass industry and expertise ranging from oxy-fuel burner and combustion technology to the supply of oxygen, nitrogen, hydrogen and other industrial gases. BOC Gases is the industrial gases business of The BOC Group (NYSE: BOX), the worldwide industrial, medical and special gases, vacuum technologies and distribution services company operating in more than 50 countries with sales last year of $5.5 billion.

Owens-Illinois is the largest manufacturer of glass containers in the United States, North America, South America, Australia, New Zealand, and China and one of the largest in Europe. Approximately one of every two glass containers made worldwide is manufactured by Owens-Illinois, its international affiliates, or its licensees.
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