In Korea, Azon is the literal translation for thermal barrier. The word Azon is referenced by regulators for any thermal barrier system that conforms to energy savings in windows for multi-story, high-rise buildings. Korea relies on imported fossil fuels for 97 percent of its electricity, heating and for vehicles, so maximizing energy resources is essential in this technically advanced country. The Azon pour and debridge thermal barrier polymers and AZO Tec technical design services we provide are a major contributor in that quest. The majority of prominent buildings erected in Korea over the past two decades all have aluminum windows manufactured with polymers compounded by Azon Korea Inc., in Cheongju.

With the Passive House becoming the energy efficiency standard for Korea in 2016, the AZO Tec team has assisted several curtain wall and window designers to innovate with a dual cavity and mechanical lock for facades with large glass spans. Innovation—both thermally and structurally—has taken the stage in the construction of building envelopes that demand the highest shear strength improved performance fenestration system in the world. (Image 29x530 to 527x787)

From the Chairman, Jim Dunstan

The first essay was entitled Running On Empty, the impact of world oil production. The second essay was on the subject of the petroleum exporting countries that make up OPEC (Organization of the Petroleum Exporting Countries) cut off the export of petroleum to North America, Japan, the Netherlands and Britain in retaliation for their support of Israel in the 1973 six day Yom Kippur war. The Arab oil embargo, as it was called, began in October 1973 and lasted until March the following year. The consequences of this short-lived event remain with us to this day. It was a wake-up call especially for the United States who was the dominant consumer of the world’s petroleum output, much of it coming from the OPEC consortium. The embargo aftereffects may have had more impact on world events than any other happening in the four decades since. Most startling was the realization that America was dependent on the whims of unstable regimes that had very different values than ours and cared only to have us as their most valued customer for the commodity they shipped in tanker ships.

Since the end of World War II until the present time, the world oil market has been priced in U.S. dollars. A “foreign-exchange gold standard” was adopted in 1944 to regulate international trade during a historic meeting organized in Bretton Woods, New Hampshire, to gather representatives of allied nations to agree upon a monetary system. The Bretton Woods Conference was convened on July of 1944 and it lasted three weeks with 730 delegates from 44 allied nations participating. The purpose was to find agreements on ways to avoid repeating the mistakes in the valuing of currencies of countries that occurred in trading after World War I—mistakes that historians blame for starting World War II, twenty-one years later. The basis for the negotiations at Bretton Woods was the anticipation of the need for post war agreements that valued open markets and a way to stabilize monetary systems and to help speed the reconstruction of war torn countries by creating the International Bank for Reconstruction and Development (IBRD). The International Monetary Fund (IMF) was also established and charged with the maintenance of a system of fixed exchange rates centered on the U.S. dollar and gold. The value of the U.S. dollar was guaranteed by gold reserves at Fort Knox, Kentucky with a value pegged to $35 an ounce, which became the standard for security for trade
Enjoy it while it lasts - continued

during the reconstruction of Europe and Japan. The dollar became the de-facto currency for international buying and selling.
In the post-war years, the demand for dollars exceeded the value of the gold held in Fort Knox, forcing the printing of dollars, the real value of which began to decline.
The unwanted consequence was inflation for many parts of the world—the very thing that the Bretton accords were drafted to avoid.
In 1971, President Richard Nixon removed the U.S. dollar’s guaranteed value from the gold, effectively lowering the value of the dollar and causing an upheaval in the way all foreign trade was conducted. In 1973 oil was selling for $3 dollars a barrel. OPEC and other oil exporters were at the mercy of the dollar’s value, when it declined the oil producing countries economies took a hit.
The Yom Kippur war served Arabia, Kuwait and the Emirates and the other OPEC countries with an opportunity to raise the price of petroleum four fold, from $3 dollars a barrel to $12 dollars a barrel. The price increase resulted in financial distress everywhere in the world—and especially in the UK whose economy had not yet recovered from the war that occurred nearly three decades earlier. The world economy suffered from what was dubbed stagnation—a term coined for inflation coupled with unemployment.
The international landscape has undergone many upheavals over the past four decades. Libya—a major exporter of oil to Europe—a nation crippled by factional strife since the end of Muammar Gaddafy. Iraq is in the grips of ISIS, a radical Islamic faction that has interrupted the flow of oil from one of the world’s largest reserves, yet oil prices have tanked because of over-supply and shrinking consumption in world markets. The long-sought goal of independence from foreign oil by North America has been realized. Although the U.S. is still importing some oil from offshore, we are no longer at the mercy of any other country for our energy needs and may in the foreseeable future become a net exporter of refined petroleum products.
The factors that have affected our achieving energy independence are first: the recovery of vast oil tar sands oil in Canada and second, the use of hydraulic fracturing to access the huge oil deposits in the so-called Bakken formation in Montana, Alberta Canada, Utah and in North Dakota.

Good news: Lowered fuel costs will show up at the supermarket, providing relief for all energy-dependent sectors, and we will see a boon for the automobile industry.

Bad news: For investors who borrowed money to open up plays for fracking when oil was trading at $110 a barrel—a price that made money—is now at $48 dollars a barrel and they cannot cover their costs. Lower prices at the pump will most assuredly open the door for increased taxes for fuel.

The losers: Russia the world’s largest oil producer is on the brink of a recession, Venezuela, whose cost for its social system needs oil to sell for $140 a barrel and likewise Iran, who has no significant income besides oil with a mega investment in its nuclear ambitions—all will face a short-term crisis. Even Saudi Arabia—with its $700 billion foreign exchange kitty—needs oil to be traded at $85 dollars a barrel. It will take some time for the winners and losers to calibrate the balance between supply and demand. Under these circumstances, our producers need to see oil selling over $85 dollars a barrel, to stabilize the price of gas at the pump. In the meantime:

Enjoy it while it lasts!

Hydraulic fracturing or “fracking” operation in progress

Fracking began in earnest in the 1980s and was developed as a practice of horizontal drilling. As methods and machinery for extracting oil improved and the means to start the borehole—and later to direct it a full 90 degrees—the well could draw from a borehole—and later to direct it a full 90 degrees—the well could draw from the area with a minimum of wells. Shale oil and gas are found in shale plays, which are formations that share similar geologic properties known to contain significant accumulations of natural gas and light oil (abbreviated LTO).

During the 1973-74 oil embargo, price was not the issue. It was the shortages that caused long lines at the pump and in many cases the closing of gas stations. Measures to control the sale of gasoline resulted in restrictions depending on the license numbers, odd or even ones could only fill up every other day and in the aftermath, the speed limit on all major highways was mandated at 55 miles per hour.

As a consequence of the embargo—to our good fortune—in its quest to save energy, the government offered a fifteen-percent tax credit for any purchase and inclusion of materials that would reduce energy consumption in the remodeling and construction of buildings. It was fortuitous for Azon as we positioned ourselves to help many companies develop thermal barrier aluminum windows.

The price of oil has most recently dropped below $48 dollars-per-barrel.

Service Awards 2014

On December 19 Azon celebrated an annual event in recognition of those who have been worker-partners for an extended period of their working years. We began this tradition by presenting a gold pin to those who had five years of service with the company. As time passed, those who had reached the ten-year mark received a gold pin with a diamond as their reward.

Azon has nearly completed its thirty-eighth year. Little did we imagine that one of those folks who received that first five year pin in 1982 would appear in a picture with Ruth and I, celebrating thirty-five years as an Azon worker partner since his decision to make his life with us, Randy Cleaver’s craftsmanship as chief machinery builder has touched every machine that has ever left our dock, all those years ago. It is only fitting that in appreciation for his contribution to the success of Azon, he be rewarded with a $3,500 travel voucher for him and his wife Cindy.

Readers Choice Award

USGlass magazine*, the magazine of record for architectural glass industry leaders, announced that Azon has won a 2014 Readers Choice Award. The products were featured in the December 2014 issue. The materials were selected through a survey of USGlass readers, who voted for their favorites in a variety of categories. The Azon Guide to Energy Saving Technology was selected as a winner in the “Resource/Information Item” category.

The new guide to energy-saving technology explains how the pour and debridge process works to optimize the energy-savings and structural performance in commercial fenestration. Highlights of the literature include new techniques to increase efficiency, such as the dual thermal barrier technology and how by adding a second thermal barrier cavity in a profile or utilizing the wider MLP cavity design, the U-factor may be lowered as much as 36 percent.

“Early in its life Azon summed up its mission in three words Azon Serves Energy, demonstrating real-world applications to highlight the performance of the fenestration system” according to Nancy Peterson, Azon director of market communications.

"USGlass magazine’s Readers Choice Awards are unique in that they are selected by our readers, recognizing their top picks for architectural glazing products,” says USGlass editor Ellen Rogers. “Azon is more than deserving of this award and we are excited to recognize them with this achievement.”

USGlass magazine serves the entire architectural glass and glazing industry. It is the only industry publication that is audited by BPA Worldwide and has a circulation of more than 40,000 subscribers.

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