Brush Wellman Inc. Selects Elmore, Ohio as Site for Proposed Primary Beryllium Facility

CLEVELAND, Sep 18, 2006 (BUSINESS WIRE) -- Brush Wellman Inc. announced today that it has selected Elmore, Ohio as the site for the proposed $40 to $60 million primary beryllium facility. Brush Wellman considered existing plant sites at Elmore and Delta, Utah for the investment.

Approximately 25 additional jobs are expected to be created to operate and maintain the facility. A significant number of construction and support positions will be created outside of Brush Wellman related to the project.

Primary beryllium is the feedstock material used to produce beryllium metal products. The nation's only primary beryllium production facility, one of a number of units operated by Brush Wellman in Elmore, was closed in 2000 due to several factors, including equipment obsolescence at the facility and the availability of a large supply of primary beryllium from the government stockpile. The Elmore facility presently employs 580 workers.

The preferred location for the proposed facility was determined, in part, through the design and engineering work that has occurred over the past year under a $9 million contract from the Department of Defense's (DOD) Defense Production Act, Title III Program. Middough Consulting of Cleveland is the primary design and engineering firm contracted for the project.

In selecting the location, Brush Wellman cited state and local incentives, as well as the availability of a workforce experienced in primary beryllium production, start up support and proximity to other support services.

Greg Gregory, Primary Beryllium Facility Project Manager, commented, "The Ohio and Utah alternatives were extremely competitive, which made this a tough decision. Both sites offered advantages including excellent existing work forces and strong local and state support." In either case, he explained, there are benefits for the other facility as part of the beryllium production and supply chain. By locating this facility at Elmore, for example, Delta could see an eventual increase in production of some 25%. Brush Wellman's Utah operations mine and mill ore into an intermediate form for Elmore. Another benefit is the preservation of approximately 120 jobs at Elmore related to the further processing of beryllium metal.

In an innovative public-private cost-sharing partnership under the Title III program, Brush Wellman will provide technology, land, buildings and an ongoing operation for the facility, while the government will fund engineering, design and equipment. Financing for the building is being provided by the Cleveland-Cuyahoga County Port Authority. The first phase of the contract, design and engineering, is expected to be completed over the next year. The total cost of the facility will be determined through the design process. The second phase will involve construction and start up of the facility and is expected to require an additional two to three years following completion of phase one. Funding for the second phase will require additional governmental approval.

The Defense Production Act is the primary legislation for ensuring domestic availability of industrial resources and critical technology items essential for national defense. The Title III Program provides a vehicle to create, maintain, modernize or expand domestic production capability for technology items, components and resources essential for national defense and for which there is insufficient production capacity to meet those needs. Title III stimulates investments in key production resources to increase the supply, improve the quality and reduce the cost of advanced technology and reduces U.S. dependency on foreign sources of supply for critical materials.

Brush Wellman Inc., the world's only fully integrated producer of beryllium, beryllium-containing alloys and beryllia ceramic, is a wholly-owned subsidiary of Brush Engineered Materials Inc. (NYSE:BW). Brush Engineered Materials, commemorating its 75th year in 2006, is headquartered in Cleveland. The Company, through its wholly-owned subsidiaries, supplies worldwide markets with beryllium products, alloy products, electronic products, precious metal products, and engineered material systems.

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SOURCE: Brush Wellman Inc.

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