

# Centravis: The right choice for quality

As a leading global supplier of seamless stainless steel tubes and pipes, the company now known as Centravis has a rich history dating back to 1959 when a cold-drawing shop was first commissioned at the Nikopol Yuzhnotrubny Plant in Nikopol, Ukraine. This shop was one of the first to produce cold-finished tubes, and two years later a hot-extrusion shop was also added to further expand the product line.

In 2007, the company became Centravis Ltd. after undergoing a series of changes including the integration of the manufacturing, service and trading assets owned by UVIS LLC, a family company specializing in stainless steel tubes and pipes distribution. Over the next three years, Centravis concentrated on entering new markets and invested over USD \$150 million in substantial equipment upgrades such as a state-of-the-art extrusion line, modern pilger mills, a U-bending machine and a continuous finishing line for HEX tubes production.

These changes and upgrades not only improved efficiency and productivity, but also simultaneously expanded the existing product range helping to make Centravis one of the key tube manufacturers in the world. The company is one of the Ukraine's preferred employers with a team of more than 2,000 workers who cater to customers in a variety of industries such as oil & gas, chemical & petrochemical, power generation and even the automotive sector.

**Stainless Steel World Americas spoke with Centravis' Sales Director, Mr. Viacheslav Erkes, and General Manager of Centravis Sales America, Ms. Olga Elman, about the impressive product portfolio offered to the American market and the company's plans to gain an even stronger presence in North America.**

By Candace Allison

"Centravis entered the US market in 2002, and in 2005 the company opened its representative office in Houston, the energy capital of the world. In only nine years it has transformed itself into a force to be reckoned with. In 2014 we are already well on our way to once again doubling our presence in the North American Free Trade Agreement (NAFTA) market," said Ms. Elman.

There are several factors contributing to Centravis' strong status in the NAFTA market such as the company's presence on the Approved Manufacturers List (AML) for all major American petrochemical companies, outstanding on time-performance for all heater projects and years of experience dealing with "H" grades and higher nickel alloys. In Europe, Centravis is already the recognized and accepted brand of choice for stainless steel tubes and pipes, so company efforts are now being focused on achieving the same status in North America.

### Catering to the US market

Mr. Erkes explained that, "...in 2013 we revised our strategy. We have been present in the US market for over 10 years, but until recently it was more like spot sales. Last year we decided that over the next three to five years the American market would become a key market. In Europe we sell about 70 percent through

### Key Facts about Centravis

- Number one in supplying stainless steel tube (SST) to nuclear industry in the Commonwealth of Independent States (CIS)
- Second biggest producer of instrumentation tubes in the world
- Sixth biggest SST producer in the world
- 40k tons/annum production capacity, over 20k tons supplied in 2013
- Five worldwide branches
- Supplies to more than 70 countries all over the world
- \$150 million invested in new equipment and technology over the last five years
- Total market share around four percent



Commonwealth of Independent States (CIS)	44
North American Free Trade Agreement (NAFTA)	4
Middle East, Asia, Africa & Brazil (MEAAB)	5
European Union (EU)	47



major distributors such as ThyssenKrupp and STAPPERT so we know how to build relationships. We want to do the same in America so we are actively communicating with local distributors in 2014. Centravis is known for exceptional customer service due to global sales network and the single-minded customer centric mentality of the family company. We are bringing all of this to the American market by developing solid relationships with distributors."

Another way the company is gaining a larger presence in North America is by implementing changes that will help the Ukraine mill and the Houston location work together more efficiently despite the significant geographical and time differences. At beginning of the year, Centravis formed Team America at the Nikopol mill to provide North American sellers and customers additional support in real time. The team is made up of managers, such as technical, planning, marketing, logistics and documentation personnel, who immediately answer questions and provide support in the customer's local time. Over the next two years, this special group will also make it a priority to increase Centravis' presence on end-user AMLs. The company is already certified by major market players such as ExxonMobil and Shell among many others.

Team America is also an excellent example of how Centravis is able to think "outside the box" to come up with practical solutions on how to best serve their North American customers' needs. Ms. Elman maintained that the team has been crucial in coming up with branding ideas, developing marketing and technical tools, and perhaps most importantly, successfully delivering products for the American market within tight timelines. She explained that with Ukraine having its own port on the Black Sea, along with access to many other European ports, it allows the company many different shipping options. The average transit time from Nikopol to Houston is approximately four to five weeks, but if a project is particularly time sensitive the material can even be conveniently shipped via airfreight.

### Newly available products

Implementing a new customer strategy for the US market also includes offering customers products only previously available in Europe and Russia. Just some of these new offerings include duplex steel tubes and pipes, thin-walled hot-extruded tubes and pipes and long length furnace tubes available in a variety of specialty steels such as nickel-based alloy 800H. For a complete listing of Centravis' products please see the sidebar *Overview of Centravis' products*.

Centravis offers North American customers the flagship products the company is well known for such as furnace tubes. As a result of the equipment upgrades in 2009, a new extrusion press was installed and American clients can now choose from the entire range of furnace tubes including ones with a maximum length of up to 15 meters. Regardless of size, all the tubes are manufactured with the highest quality standards and are delivered within eight to 10 weeks from the order placement date. The fast delivery times and wide size selection have quickly cemented the furnace tubes as Centravis' flagship product in the states.

General Tubes and Pipes (GTP) segment in hot extruded pipes is of great importance to US market as well. All of the products offered in this section are manufactured on the new press and made of the highest quality steel. Even here, Centravis shines with its capability to manufacture thin walls in a Hot Finished process. Up to 6" Sch 10 can be manufactured on the new press.

### A multitude of metals

In addition to a wide selection of products available to American customers, Centravis

### Overview of Centravis' products

#### Seamless stainless steel tubes and pipes

Size range: OD 1/4" to OD 8,625"

#### Product segments

General tubes/pipes	ASTM A 312
Boiler tubes	ASTM A 213
Heater tubes/pipes	ASTM A 312, A 213, B 407
Heat exchanger tubes	ASTM A 213, A 268, A 789
Instrumentation tubing	ASTM A 213, A269
Hollow bars	DIN 17458



## products and dependable service

also offers a variety of materials depending on final application. This variety is crucial since the company's clients work in a wide range of industries such as oil & gas, chemical & petrochemical, water & wastewater and power generation.

Mr. Erkes explained, "Products made of nickel alloys are often used in chemical engineering due to high corrosion resistance in diverse corrosive environments. Many of Centravis alloys are heat resistant. For example, nickel chromium tungsten alloys are resistant to corrosive oxidizing environment and chromium-free Ni-Cu and Ni-Mo-Fe alloys are resistant to corrosive non-oxidizing environments. The tubes and pipes made out of nickel are regularly used in components exposed to seawater and/or high mechanical stresses like oil & gas extraction and refining, where there can be a high content of hydrogen sulfide and elemental sulfur at temperatures above 302°F (150°C). Nickel alloys are also commonly used for flare stacks on offshore oil rigs."

### A demand for duplex

Along with nickel alloys, another metal that is becoming increasingly more popular is duplex. Mr. Erkes detailed that Centravis has duplex billet stock and is able to provide high quality heat treatment. Last year, the company was NORSOK M-650 qualified. Centravis is now approved for North Sea shelf development because it is confirmed as

being competent and experienced with the relevant material grades.

The increased use of duplex is due to the material's attractive combination of mechanical strength, corrosion resistance and good welding ability. It also has excellent resistance to pitting and stress corrosion, especially compared to austenitic steels, so it is often used in applications where there is a concentration of chlorides. The higher tensile property of duplex compared to conventional stainless steel allows the final product to have both a light and more compact design. Centravis offers hot or cold finished duplex and superduplex tubes and pipes in S 31803, S 32205, S 32750, S 32760 all in accordance with the American Society for Testing and Materials (ASTM) standards and 1.4410 and 1.4462 Acc. European standards.

"Our R&D has developed and implemented a specific heat treatment technology for duplex and superduplex grades," described Mr. Erkes. "This provides optimal structural stability in terms of the austenitic to ferritic phase ratio, significantly improved mechanical and technological properties, which means a longer service life, and guarantees corrosion resistance because our product quality far exceeds the requirements of the standard ASTM, ASME and DIN specifications."

### Real customer value

Regardless of which Centravis products are purchased, whether it's nickel-based



alloy heat exchanger tubes or superduplex pipes, the same dependable customer service can be expected. "We have a very good motto," said Mr. Erkes. 'We are small enough to care and large enough to deliver,' meaning we care about our customers, but are big enough to fulfill any obligations and requests they may have. Our strategy is customer centric and the key to our success is our quality service. Also, we are always very flexible in delivery terms and we are ready to offer the shortest term, especially for urgent projects. This is a real value for our customers."

He further explained that along with the great service, the company is also able to offer competitive prices, especially after purchasing some of the best equipment that is available on the market today. Investing in the new extrusion press has allowed Centravis to operate with very reasonable production costs, which translates into great prices for clients.

### Future goals

Both Ms. Elman and Mr. Erkes agreed that there has been a sharp increase in the demand for heater tubes and seamless stainless steel pipes resulting from the many petrochemical and LNG terminals that are currently being built or expanded in the United States. This current rise in the oil & gas and petrochemical industries has influenced the strategy of increasing the company's presence in the American market over the next three years.

"This year, we want to double our growth in the US market and expect even bigger perspectives from 2015 to 2017. These

targets are rather ambitious, but taking into account that our company already has a presence in America, we intend to start with large-scale growth. It is also about building up our distribution process through establishing relationships with the key US master distributors and having our products in their warehouses and



distribution channels. That is our primary target this year and with over 10 percent growth we experienced last year along with our high quality and dependable products, we believe this is more than possible."

All photos: Centravis



### Centravis at a glance

<b>Company Name:</b>	Centravis
<b>CEO:</b>	Yuriy Atanasov
<b>Number of employees:</b>	Over 2000
<b>American headquarters:</b>	3730 Kirby Drive, Suite 1200, Houston, Texas 77098, USA
<b>Distribution:</b>	Europe, CIS, North America and Asia
<b>Products:</b>	General tubes/pipes, boiler tubes, heater tubes/pipes, heat exchanger tubes, instrumentation tubing and hollow bars
<b>Industry markets:</b>	Oil & gas, chemical & petrochemical, water & wastewater, power generation, nuclear and automotive
<b>Website:</b>	www.centravis.com