

## MRC Global's expertise in stainless and alloy

At its core, MRC Global is a supply-chain solutions company. It connects the world's best pipe, valve and fittings (PVF) manufacturers with some of the world's largest energy and industrial companies. It builds strong, long-term relationships that allow its customers to extend their supply chains worldwide.

Recently, *Stainless Steel World Americas* sat down with FT Graff, VP Supply Chain Management – Fittings, Flanges, Alloys & Oilfield Supply, Rory Isaac, Senior VP – Business Development, Robert Stein, VP Business Development – Downstream, and Stuart Spears, VP Business Development – Projects, to learn more about the global distributor and its stainless and alloy PVF offering.

By Candace Allison

### Humble beginnings, serious success

What began humbly as a small, family-owned business in Charleston, West Virginia (WV), is now the leading PVF distributor in the world and a Fortune 500 company. MRC Global will celebrate its 95<sup>th</sup> year in business in February 2016. A rich history helped the company develop a reputation for supply chain expertise and excellent customer service.

"Throughout our history, we have become experts at navigating the global, PVF supply chain," Chairman, President & CEO Andrew Lane recently told *Valve World Magazine*. "By allowing us to concentrate on our core focus of simplifying their supply chain, our customers are able to focus on what they do best—bringing energy to the world."

The company takes its role in the energy supply chain seriously. It is constantly looking for ways to drive redundancies out of the entire supply chain, allowing it to operate more efficiently and safely. This strategy delivers consistent reliability and significant cost savings to its core customer base.

"Managing the supply chain is our core business, and we are constantly optimizing and improving our product offering and service models," Robert Stein, VP Business Development – Downstream, explained. "It's what we do every day. Our service models stretch across the upstream, midstream and downstream sectors. Our products are often tailored to customer-specific requirements, and our systems can seamlessly integrate with our customers' systems."

To achieve this level of service, the company has built a global organization to support its customers on maintenance, repair and operations (MRO), turnaround and project activities. The company's supply network consists of more than 400 global service locations, 34 valve automation centers and more than 4,400 knowledgeable employees. MRC Global leverages this infrastructure and its long-term relationships with a global manufacturing base to provide quality products to end users at a competitive price.

"Instead of working with countless manufacturers to purchase and transport the hundreds of thousands of individual products it takes to build and maintain their well sites, pipelines and processing plants, our customers work exclusively with MRC Global and rely on us to keep their supply chain running smoothly and on schedule," Mr. Lane told *Valve World Magazine*.

MRC Global continues to grow its industry-leading capabilities and geographic footprint. In the last two years, the company acquired Flangefitt Stainless Limited in the UK and Stream AS in Norway, which enhanced the MRC Global portfolio with offshore and capital projects expertise. These significant acquisitions were followed closely by the purchase of Hyptek AS, a leading instrumentation provider in the North Sea, and MSD Engineering in Singapore. When MRC MSD Engineering's offering is combined with MRC Transmark's existing valve and valve automation capabilities in Singapore, the strength of these two companies makes MRC Global the leading valve distributor in Southeast Asia.



These acquisitions have continued to position MRC Global with an expanded global stainless steel and alloy product offering. The company now offers stainless and alloy valves from 1/4" through 24" 600# in a wide variety of combinations. MRC Global also stocks instrumentation tubing, pipe, fittings and flanges from 1/4" through 24" in varying alloys including 300 series stainless, duplex, super duplex, 6 percent moly, titanium and nickel alloys.

To complement the traditional "topside" oil and gas projects, MRC Flangefitt has served the subsea sector for the past 20 years. The group has a wealth of experience supporting global projects with high yield (CRA Clad) flanges, fittings, pipe and 3D/5D bends in addition to the entire MRC Global product portfolio. All of MRC Flangefitt's stock is from NORSOK M650 approved manufacturers and undergo G48 corrosion, microstructure and Charpy impact tests. The team also relies on in-house testing facilities for PMI, ferrite testing, dye penetrant and ultrasonic testing.

"We are often thought of as a general PVF supplier," Mr. Isaac said. "While that is true, people don't realize that we have been furnishing stainless and alloy products to the industry for many, many years. Our most recent acquisitions have expanded our

capabilities even further for the chemical and offshore industries. That commitment and expertise adds a tremendous amount of value for our customers."

### Focused on stainless & higher alloys

The company stocks more than \$60,000,000 in stainless and higher alloy pipe, fitting and flange (PFF) material globally. When you add that to a practically limitless offering through their world-class suppliers, the company's strength in this area begins to shine through.

MRC Global began selling stainless and alloy piping products to an emerging US downstream chemical market in the 1930's. The company's growth strategy focused on the process piping needs of companies like Union Carbide, DuPont, Monsanto, FMC, P&G and others.

"Today, we continue to support our customers' tough piping system requirements with materials that withstand low and high temperatures, high pressure and very corrosive conditions," FT Graff, VP – Supply Chain Management said. "MRC Global offers austenitic, martensitic, super austenitic, duplex/superduplex and nickel alloys to support our customers' needs on



## loy delivers solutions for their customers



four continents with over \$60,000,000 in inventory. We continue to grow and pursue energy, refining, chemical, ag chem, deep water production, LNG and fabrication."

Through the acquisitions of SPF, OneSteel Piping Systems, Flangefitt and Energy Piping, MRC Global gained a technical staff with engineering and metallurgical backgrounds, which offer a very keen understanding of material, piping systems and manufacturing processes. MRC Global sees growth opportunities in the Gulf of Mexico by leveraging its new knowledge of upstream offshore activities on the Norwegian Continental Shelf and North Sea. "These technical capabilities enable us to qualify manufacturers to Norsok and best manage our vendor base to ensure the products we provide meet our customers' stringent requirements," Mr. Graff said.

MRC Global represents the finest manufacturers in world, focusing on both service and quality products. The company is able to provide a broad basket of stainless and alloy materials with support of manufacturing in Europe and North America but also from approved sources in Asia to bring value and meet the needs of its customers. "Like our customers," said Mr. Graff, "we view our vendors as partners in our supply chain."

"So much of the stainless market depends on commodity pricing, but we are experts at knowing what manufacturers' sweet spots are," Stuart Spears, VP – Business Development – Projects, said. "In environments that are highly corrosive or low temperature, it is critical that the products supplied meet our customers' specifications.

MRC Global relies on an in depth supplier qualification process to ensure the quality of the products they provide consistently meet the specifications requested in the purchase order.

In some areas, especially in the North Sea, strict regulations (NORSOK M-650) require a specific qualification process for each manufacturer to be approved and vendor listed. MRC Global is working with its customers to verify the manufacturing processes and issue these 'license to produce' certificates. The company's in-house metallurgists and engineers in Norway have filled this role since the mid 1990's and have established unique supplier relationships as a result. These Norsok M-650 qualifications are historically performed by MRC Energy Piping and have been acknowledged by major oil companies and other end users.



By taking the time to identify a manufacturer's sweet spots and understand their production process from beginning to end, MRC Global is able to supply products that are both the "best value" and consistently meet their customers' specifications.

### Really, really good people

While the company has many strengths, such as its supplier registration process and global footprint, the key to their success, according to Rory Isaac, Senior VP – Business Development, is the company's people.

"We rely on really good processes, really good systems and really, really good people," Mr. Isaac said. "At the heart of our company, are people who have proven over time that we are the best in the world at what we do. No matter where you are, you will find dedicated, talented individuals who care deeply about serving our customers."

When asked about the future of their company, all three gentlemen agreed that to succeed their company just has to focus on what they do best—serving their customers. The rest will follow.

"It's been working for us for almost 95 years," Mr. Isaac said. "Why stop now?"



### MRC Global at a glance

<b>Company Name:</b>	MRC Global Inc.
<b>Years in business:</b>	95 years (as of February 2016)
<b>Global headquarters:</b>	909 Fannin Street, Suite 3100, Houston, Texas 77010
<b>Products*:</b>	<p><i>Stainless and Alloy Valves</i></p> <ul style="list-style-type: none"> <li>• From 1/4" - 24" 600#</li> <li>• Wide variety of combinations</li> </ul> <p><i>Pipe, Fittings and Instrumentation Tubing</i></p> <ul style="list-style-type: none"> <li>• From 1/4" - 24"</li> <li>• Varying alloys from 300 series stainless, duplex, super duplex, 6% moly and nickel alloys</li> </ul>
<b>Materials:</b>	Austenitic, martensitic, super austenitic, duplex/superduplex, titanium and nickel alloys
<b>Website:</b>	<a href="http://www.mrcglobal.com">www.mrcglobal.com</a>

\*MRC Global, a Fortune 500 company, is the largest global distributor, based on sales, of pipe, valves, and fittings (PVF) and related products and services to the energy industry and supplies these products and services across each of the upstream, midstream and downstream sectors. More information about MRC Global and a full PVF product offering can be found online at [mrcglobal.com](http://mrcglobal.com).