

# Jacquet Industries

offers stainless steel, nickel based alloys and vitamins

By Miel Bingen and Esther Martensen

**"We are a healthy, strong and fast-growing company. You could say we have a lot of vitamins." To Mr. Eric Jacquet, President of Jacquet Industries, it is plain and simple why his organization is so successful. Stainless Steel World visited the company's headquarters in Lyon, France and met with Mr. Jacquet, Managing Director Mr. Philippe Goczol and Operating Director Mr. Joël Schneeweis.**

As a large stockist and distributor of stainless steels and nickel based alloys, the Jacquet Industries Group offers a wide range of products in 35 different grades via an extensive network of subsidiaries throughout Europe. The company specializes in made-to-measure cut pieces and bars, made from thick Quarto plates. 80 machines (plasma cutting, saws, water-jet, laser) can be used to cut the plates according to customer specifications. In addition, over 8000 tons of Quarto stainless steel plates, decoiled stainless steel plates and nickel based alloy plates in 1 to 150mm thickness are available from stock. These products are used in, for example, heat exchanger elements, compressors, turbines,



steam generators, bellow expansion joints, distillation towers, desulfurization reactors, propulsion turbines, waste incinerators and water processing plants. Another branch of the company, 3F, specializes in the pressing and cold forming of dished ends from Quarto plates in large dimensions, in stainless steels, nickel based alloys and special alloys, including titanium and zirconium. These are intended for the pressure vessel industry. 3F also offers additional services pertaining to these products, such as polishing, cutting holes and heat treatment.

All products comply with ASTM, ASME, AFNOR and DIN standards and they are used by over 6000 customers in

45 countries. Industries to which Jacquet supplies its product range include the chemical industry, the food and beverage industry, the power industry, water treatment, agricultural processing, and the pulp and paper industry. Key geographical markets are Italy, Germany, France and the Benelux but the company is always actively looking for expansion possibilities in Europe and beyond. According to company estimates, Jacquet Industries and its subsidiaries represent approximately two-thirds of the French market and about 25% of the French market for the distribution of stainless steel Quarto plates.

**ACTIVE EXPANSION STRATEGY**

Jacquet Industries aims to expand this market position even further and is constantly looking for opportunities to set up



**8200 mm diameter heads**

new subsidiaries, in order to be close to its customers. Mr. Goczol: "It is an essential part of how we do business. We are always looking to expand into areas where the action is. This way, we can deliver the products our customers need on the shortest possible notice." As a result of this philosophy, Jacquet Industries has spent the past few years setting up facilities across Europe, including Central and Eastern European countries, and now plans to look even further a field. Mr. Schneeweis: "We are currently in the process of establishing a big hub in China in which we are investing USD 5 million. It will house our entire product range of stainless steels and nickel based alloys dedicated to customers in the region, including countries like Taiwan, South Korea, Japan, the Philippines, Malaysia, Singapore, Indonesia, and of course China itself, the biggest market for stainless steels and nickel based alloys in the world." Mr. Jacquet: "Our visit to the country in 2003 was refreshing. When you are an entrepreneur and you want to develop and expand your company, it is exciting to visit a place where you feel anything is possible."

In addition to its ambitious plans for South East Asia, Jacquet is also seriously investigating possibilities to set up a plant in America, in the Great Lakes area to be more specific. Mr. Jacquet is very positive about these developments: "I won't be surprised at all if we will be ready to accomplish this within a year, or even less. The US may well be a diffi-

cult market right now but if you offer good products and services and if you are flexible, you can still be successful, as Jacquet is proving time and again."

The new facilities in China and the USA may currently be a hot topic but in the European market Jacquet has not stopped developing new, successful initiatives either. Over the past few years, Jacquet has opened new production sites and sales offices throughout Europe. A good example of this is in Scandinavia. Mr. Schneeweis: "Three years ago we did nothing in Scandinavia, and this year total sales there will amount to about EUR 15 million. We have created a production company in Finland, acquired an existing one in Sweden, and in Denmark we recently opened a company as well." Mr. Goczol adds: "We also have plans for a new plant in Holland, in Drachten, in the north of the country. We



**Plates stock**

are establishing a facility there with our Dutch partners, a company that specializes in laser cutting."

**FORMULA FOR SUCCESS**

When asked if there is a secret formula to the company's successful expansion strategy, Mr. Jacquet is adamant that there are really no secrets at all. "On the contrary, we have been a listed company since 1997, which means we have to be transparent and publish our results and plans for the future every quarter."

He feels there are different factors that contribute to the company's success, even in difficult times. An important element, he says, is the high level of service and flexibility Jacquet maintains, which enables it to satisfy almost any demand a client may have, at very short notice. Mr. Schneeweis has an excellent example: "At the moment, we are discussing an order of 720 tons of cut pieces with a client, to be delivered in three or four weeks. This is quite a large and complicated order and we believe there is no other company that can accomplish this like we can. You have to have the stock, you have to cut everything and you only have a limited amount of time. But when we have 80 machines, like we do, it is possible."

The company structure also contributes to the fast growth of the Jacquet Industries Group. This structure is simple and straightforward, with one area manager per country and



Group headquarters in Lyon Saint-Priest, France



### Boosting nickel based alloys

Nickel based alloys definitely represent a major strategic issue for Jacquet Industries. Mr. Goczol: "Jacquet is the leading European distributor of nickel alloy flat products and has a strong partnership with the German leading producer of nickel based alloys, ThyssenKrupp VDM". The range on offer is much appreciated by the customers because it is the widest range available in Europe, with flat products and bars available from the 400-tonne stock, and the possibility to purchase either in standard sizes or in cut pieces, which is rather unusual in the nickel based alloys' market. Mr. Jacquet: "The combined product range on offer in stainless as well as nickel based alloys is quite rare on the market, and it enables us to facilitate the lives of our customers". A team of specialists is available for technical support, and can provide packages in any shape or grade. Jacquet Industries continues to further develop its nickel based alloys business.

the Jacquet Industries management team to oversee everything. Mr. Jacquet: "It is easy to continue expanding this concept, adding as many countries as we want this way. At the moment, we are present in 17 countries and we would like to see our presence grow in other areas. There are still a lot of countries left that we would like to cover. Also, because of the way the company is structured, all major decisions essential to the company's future can be made by the three of us here, today. So, when we see an opportunity arise, we can act swiftly without having to spend a long time discussing and convincing a large group of decision makers." This strategy makes for a highly pro-active style of management, as Mr. Goczol explains: "When we went to

China last year, for example, one trip was enough to decide that we were going to open a facility there."

Another contributing factor to the company's success, Mr. Goczol explains, is the fact that all expansion plans are carried out by means of setting up local subsidiaries, ran by local managers with a thorough understanding of the local market and how to conduct business in that particular market. Because these managers are involved in both the local community and in Jacquet, they will seek solutions that will benefit both parties. These local subsidiaries can supply the entire product range of the Group and use all company resources, for example the computer system Jacquet developed especially for this purpose. At the same time, they have



a lot of autonomy, for example in doing their price negotiations. Mr. Jacquet: "You could say that Jacquet Industries is not one company but really a group of small businesses working together to achieve the best possible result".

#### SUPPLIER AND PURCHASER

Yet another reason why Jacquet Industries manages to do so well is the fact that, in addition to being a large supplier, Jacquet is also a large purchaser of stainless steel and nickel based alloys. According to Mr. Schneeweis, Jacquet is in fact the leading European consumer of stainless steel Quarto plates, the base material from which the products are cut, with an annual total of 28,000 tons. "The quantity in which we procure our materials means we can negotiate good deals with our suppliers, which will in turn benefit our clients". All sales are negotiated centrally by the Lyon Head Office. The company obtains its stock from steel mills such as Arcelor, Outokumpu Stainless, Acroni, Acerinox, Daekyung and ThyssenKrupp VDM. Mr. Goczol explains: "As we are an independent company we can offer a very complete product range. In fact, the number of grades we can offer the market is probably one of the most extensive in the world and we keep on adding new grades year in year out."

Mr. Jacquet concludes: "All these factors mean that we can supply our clients with the best products available on the market, at the best possible conditions and with good service. This has made us a very successful company but, looking back at what we have accomplished so far, we will not now sit back and rest on our laurels. On the contrary, we will continue to grow and expand, adding even more vitamins to the company. That is how we plan on running our business for a long time to come."

#### INOX party

Mr. Jacquet concluded our meeting with an interesting bit of news for all those who are interested in the company or want to learn more about the Jacquet Industries Group. "We would like to use this opportunity to invite our clients and other interested parties to a party that we have called 'INOX party'. This special celebration will take place on the 5th of June 2004 at our main office and plant in Lyon Saint-Priest, France. We want to show the world what we can do and how we do it, and we are looking forward to meeting all interested parties here. We are expecting 1000 people."

#### Facts and Figures

The Jacquet Industries Group has two brands:  for cut pieces and  for heads.

Jacquet Industries, established in 1962, specializes in the distribution of made-to-measure cut pieces, sheets and round bars and plates in stainless steels and nickel based alloys. With 15 plants, over a dozen sales offices, a large stock and efficient logistics, over 350 employees are able to guarantee worldwide deliveries within a few days. Since 1988 and more recently under the name 3F, the company also manufactures and distributes pressed and cold formed heads, such as torispherical heads, elliptical heads, hemispheres, flanked cones, spherical caps and flat flanged heads with a maximum diameter of 8200 millimeters. These heads can be supplied in stainless steels, including austenitic, duplex, super duplex, nickel based alloys and special alloys, including titanium and zirconium. Customers of the Jacquet Industries Group include ABB, Alstom Power, Aventis, Siemens, Areva, Eiffel, Rolls Royce and Veolia.

Because of its size as the leading European consumer of Quarto plates, the company has access to an inventory unparalleled in Europe. With a consumption in 2004 of 28,000 tons of Quarto stainless steel plates, 5,000 tons of stainless steel decoiled material and 800 tons of nickel based alloys, Jacquet is also ranked as the number 1 European buyer. The turnover for Jacquet Industries expected for 2004 is EUR 120 million.

Certifications for the Jacquet Group include:

- ISO 9002
- VDTÜV AD-HP
- EU 97/23/EC

More information can be found on the company website: [www.myjacquet.com](http://www.myjacquet.com)