



Giuli: committed to satisfying your requirements

Following up on our last visit to Giuli in 2006, Stainless Steel World recently came back for another tour of the facilities, a couple of hours drive west of Shanghai. We have been told that tremendous changes have taken place over the past two years with respect to products and services provided by this stainless steel pipe and tube mill in Huzhou, Zhejiang Province, China. We had high expectations to see for ourselves what Giuli achieved during this period of time. Mr. Denny Lee, Director and the Deputy General Manager of the Company personally took us through the plant area and workshops. We were not disappointed.

By Sjeff Roymans and his team



Billet ready for extruding.

Hot extrusion press.



Welded pipe.

Expanded Program - More Capacity

Entering the seamless pipe and tube workshops, there was the immediate and overwhelming impression of being in a modern, state of the art, highly specialized industrial production facility. There are several spacious, virtually new workshops perfectly arranged, well equipped and buzzing with activity. Simply put: "a text book show piece".

In the raw material area, besides the usual 300 series Stainless Steel Grades, we noticed forged round bars of Duplex, Super Duplex, and Nickel Alloys (600, 800H, 825, etc), available in stock for extrusion. Mr. Lee explained to us: "Jiuli has worked hard on product development, using High Performance Alloys for some time now and thousands of tons of such pipes and tubes have been delivered to our clients. They all are highly satisfied with the quality and performance of our Nickel Alloy product line, including super critical power plant applications.". *Stainless Steel World* also became aware of the fact, that Jiuli has started processing Grade 625, which is one of the more challenging materials. It is expected to be on the market by next year.

Walking past the raw material stock and adjoining billet preparation area, we arrived in time to see the hot extrusion facility in full swing. This technically demanding production process was extruding stainless steel pipes, just when we visited, for a major order, awarded by Saudi Aramco, with individual lengths of around 12 metres each. Down stream of the hot processing area, we passed through the cold finishing lines of pilger mills and entered the Quality Control area. Not surprisingly we could observe the latest inspection technology being used besides eddy current and ultrasonic NDT, examining with an endoscope the inside surface of a bundle of 14x2x18,500 mm tubes. Packing and shipping takes up a surprisingly small area, as Jiuli produces only to order and avoids tying up money in inventory on the shop floor.

Next we visited a further brand new 40,000m² workshop dedicated to cold finishing seamless pipes and tubes, only a hundred metres further down Main Street of the production complex. The new pilger equipment was in the final stages of installation and nearing operational testing. A new bright



Boiler tube.

Endoscope testing.



annealing furnace, has started trial production runs already. The schedule for this new workshop is set to be in full production by the end of 2008, providing a substantial increase of capacity, matching the press out put of mother tubes. As a consequence lead times will become more flexible and closer to just in time, to better service customers. Jiuli, rather casually explained at this point, that this investment gives them the added capability making 32 metre long tubes, critically important for U tube type heat exchanger applications.

Sales through Project Business

Jiuli distinguishes two sales channels for their products: distribution and project business. Due to the high domestic demand, an expanding product range, excellent lead times and enhanced sales efforts, the company got increasingly involved in project business with remarkable results. Long term partnerships were established with outstanding Chinese companies like Sinopec, CNPC, CNOOC, leading on to international companies and projects with Basf, Bayer, Alstom, Babcock and Petrobras to name a few. Jiuli has been qualified as a supplier by many companies, including Saudi Aramco, ConocoPhillips, Repsol, Sasol, Dow Chemical, Foster Wheeler and others. Approval and qualification by these companies provides a better platform for Jiuli to part take in projects.

Denny Lee emphasizes: "Jiuli welcomes all potential clients for a visit, to see the facilities and outline their respective qualification requirements. We believe the qualification pro-

cess helps both parties to build confidence. I have a good example: Saudi Aramco kicked off qualification of Jiuli in 2007 and awarded approval to us. Shortly there after we received an order for some 20,000 metres of pipe and that was "just" meant to be an industrial size trial order." Meanwhile Jiuli claims good business relations with many of the leading EPC companies like Fluor, Aker Solutions and Toyo, and entered into strategic cooperation agreements with many others.

Great progress, it is reported to us, has been made in the refining, petrochemical, chemical, shipbuilding and pulp & paper sectors, having received qualification by operators and owners. For the next stage, Jiuli is actively planning to develop in the market segments of up stream oil and gas, LNG, nuclear power generation and sea water desalination. It was mentioned, that Jiuli has just been awarded a 5 million Dollar order for welded pipe, with wall thicknesses of up to 50 mm, for a North America LNG project. Jiuli has accumulated extensive experience with domestic LNG projects, including three LNG Terminals and two gas liquefaction plants. In the nuclear power industry, the company has supplied seamless and welded stainless steel pipes for 5 domestic nuclear power plants, and U-type feed water heater tubes to Korea. Stainless Steel World has been informed during the visit, that a welding line for Titanium tube has been commissioned and started up for trial runs. This product rounds off the tubular program of Jiuli, used in flue gas condensers and sea water desalination plants.

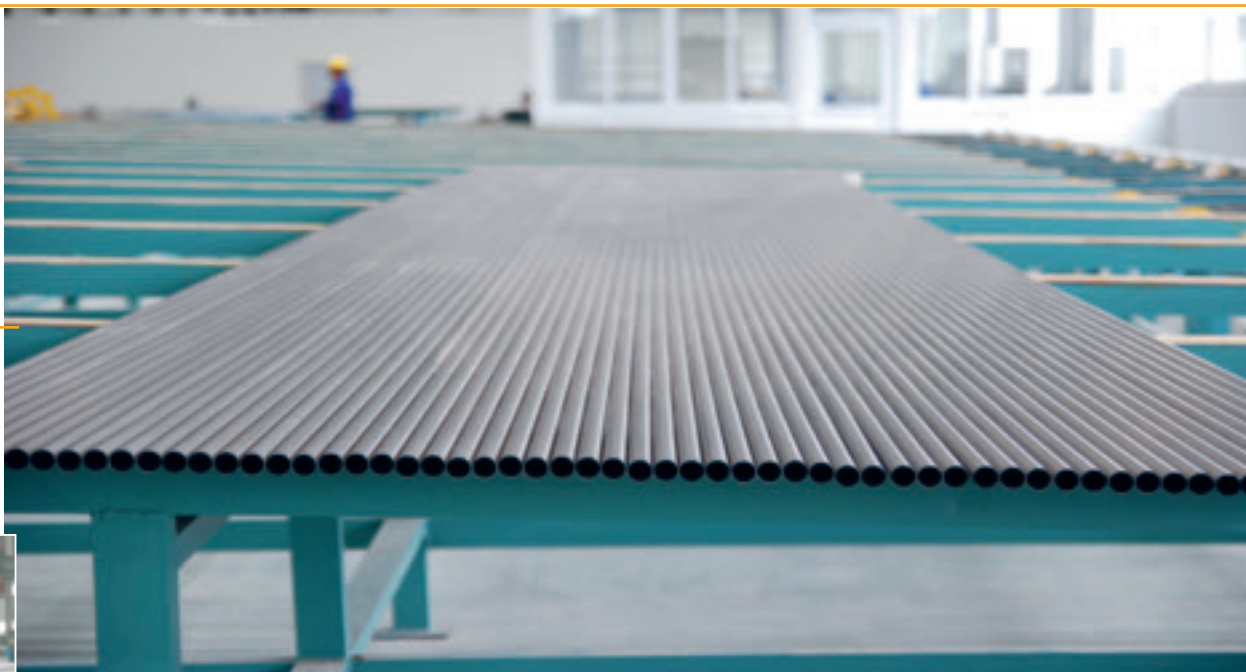
"Jiuli provides such a wide range of goods and services for so many different clients, do you recall any particular events, which impressed you the most?" we asked. Mr. Lee answered without hesitation: "Lots of them were impressive, but I would like to bring up two of them:

"In 2006, MGM was on a stateside project and in urgent need of very specific stainless pipes, no where to be found at distributors and asking for a delivery time like "tomorrow". MGM approached Jiuli, consulted with McKinsey on

PRODUCTS, DELIVERY AND AFTER SALES SERVICE

Jiuli offers a wide range of product sizes and specifications: in seamless OD 6-323.8 mm x WT up to 32 mm and in welded OD 9.53- 2,540 mm x WT up to 50 mm. Materials include austenitic, duplex, super duplex, nickel alloys and titanium. In addition fittings can be supplied by our sister company Huzhou Jiuli Pipe Fittings Co. Ltd. High priority is given to short lead times and flexibility of deliveries within 2 or 3 months are not unusual. For projects, after supplying the bulk of material we do accommodate small, urgent add on orders to take care of last minute changes, frequently encountered during implementation.

Titanium welded tube



contractual issues, negotiated non stop with us and finally signed a contract. Our people managed to get hold of the raw material and seven days later, 17 tons of pipe were delivered by air across the Pacific. The client was highly satisfied.”

“Another case, with Sinopec, comes to my mind. Earlier this year, they required around 2,000tons seamless heat exchanger tubes (19x2x13000-17000mm) for a critical project. We had our shop fully loaded and offered to supply 800–1000 tons only within the time acceptable to them. They convinced us to commit to 1,500 tons – and, we managed to get the order delivered in time. One thing is for sure: going the extra mile for a customer will be remembered by all the parties involved”.

Health-Safety-Environment

There are two big ponds located to the East and the West of Jiuli’s Balidian seamless pipe plant property, cultivating fresh water fish and pearls. Both are in top condition because Jiuli

invested 4.5 million Dollars on eliminating what they refer to as the Three Big Wastes or contaminants: waste vapors, waste fluids and waste residues. The result is virtually Zero emission and total recycling of residues. The cooperation and support by Shell, BP and others encouraged Jiuli to achieve better HSE management. The company is qualified to ISO 14001 and OHSAS18001, continuously monitoring and improving performance. The aim is to make sure the environment is protected and employees work in safe and healthy conditions while the business grows.

Summing up an interesting Day

Energetically promoting name recognition, Jiuli insists on being synonymous to, and standing for, a highly qualified company, with substantial production capacity, total quality management and a reputation for reliability and competitiveness. They are determined to assure customer satisfaction. Focusing on best practice and a continuous improvement program Jiuli believes that their philosophy will not only help their own performance, but in the first place benefit their customers. After all, they should know best: they have been in this business for over 20 years. ■

Seamless Plant in Balidian.

