



Rolled Alloys new Red Bud Coil Line in its Temperance, Michigan plant in 2008 is capable of handling 3/8" (9.5 mm) x 72" (1829 mm) material.

Global expansion through local markets drives Rolled Alloys forward

For 55 years Rolled Alloys has supplied high quality specialty alloys. While the company has grown to service many industries, its focus remains on establishing a global presence through local markets. People remain the most important link in this company, which employs cutting edge technology to provide the best possible service, products and knowledge for its expanding customer base. *Stainless Steel World* spoke to Company President Dr Thomas Nichol and Executive Vice President Ken Reinke to find out more about the Rolled Alloys success story.

By John Butterfield and Joanne McIntyre

While Rolled Alloys continues to expand its global locations, products, value adding equipment and electronic services, specialty metals remain its core business. Acquisitions have played a key part in its growth, starting with the 1993 purchase of Atek Metals Centre (US). This was followed by the acquisition of Texas based Weaver Steel in 1998 and Castle Metals UK in 2002. In the past two years, Rolled Alloys has aggressively used

acquisitions and investments in new plants to expand both its product range and geographical coverage. "Four important acquisitions were made in the past two years" explains Dr Nichol. "Super Alloys in Milton Keynes (UK) was purchased due to its primary focus on the aerospace market; its main product lines are titanium and nickel products, both of which fit with the core competencies of Rolled Alloys. Super Alloys also gave us additional processing

capacity and a wide customer base, resulting in tremendous synergy. The second was SMS France in Lyon, which had been a distributor for Special Metals Corp. We were looking for a location in France, one of the major European markets, and with SMS's major market being aerospace materials it was the logical choice. We've invested in new equipment for both companies; adding a laser processing centre at Super Alloys, and shearing and water jet cutting



capabilities at SMS."

In acquiring Clama Trade in 2008, Rolled Alloys secured a plant in Italy, another important European market. However, the 2008 purchase of RA® Materials (formerly Weir Materials and Foundry) in Manchester, UK was motivated by its main product, ZERON® 100. This trade marked, top of the line super duplex, is used primarily in desalination, oil and gas, the FGD market and other industries where superior performance is required. "It's simply the best super duplex stainless steel available today. ZERON 100 has high strength, good toughness and is corrosion resistant in many aggressive environments. Furthermore it has the best product form availability of any of the super duplex stainless steels" says Dr Nichol.

Investing in excellence

The company has also expanded by investing both in new plants and the latest equipment for existing facilities. "In order to enter the US stainless steel bar market, we chose Chicago, Illinois as the ideal location for a new plant focusing on the Midwest" explains Dr Nichol. "Then in December we opened a new plate processing centre in Tulsa, Oklahoma, again to focus on the oil and gas and chemical processing markets. A plasma machine has been installed to increase capacity and provide bevelling for certain plate fabrication requirements. The Tulsa plant will also inventory long products such as pipe to support the local market. The third new plant was constructed in Montreal, Quebec. This is a multi-product processing centre with a focus on plate products. All of these greenfield sites are

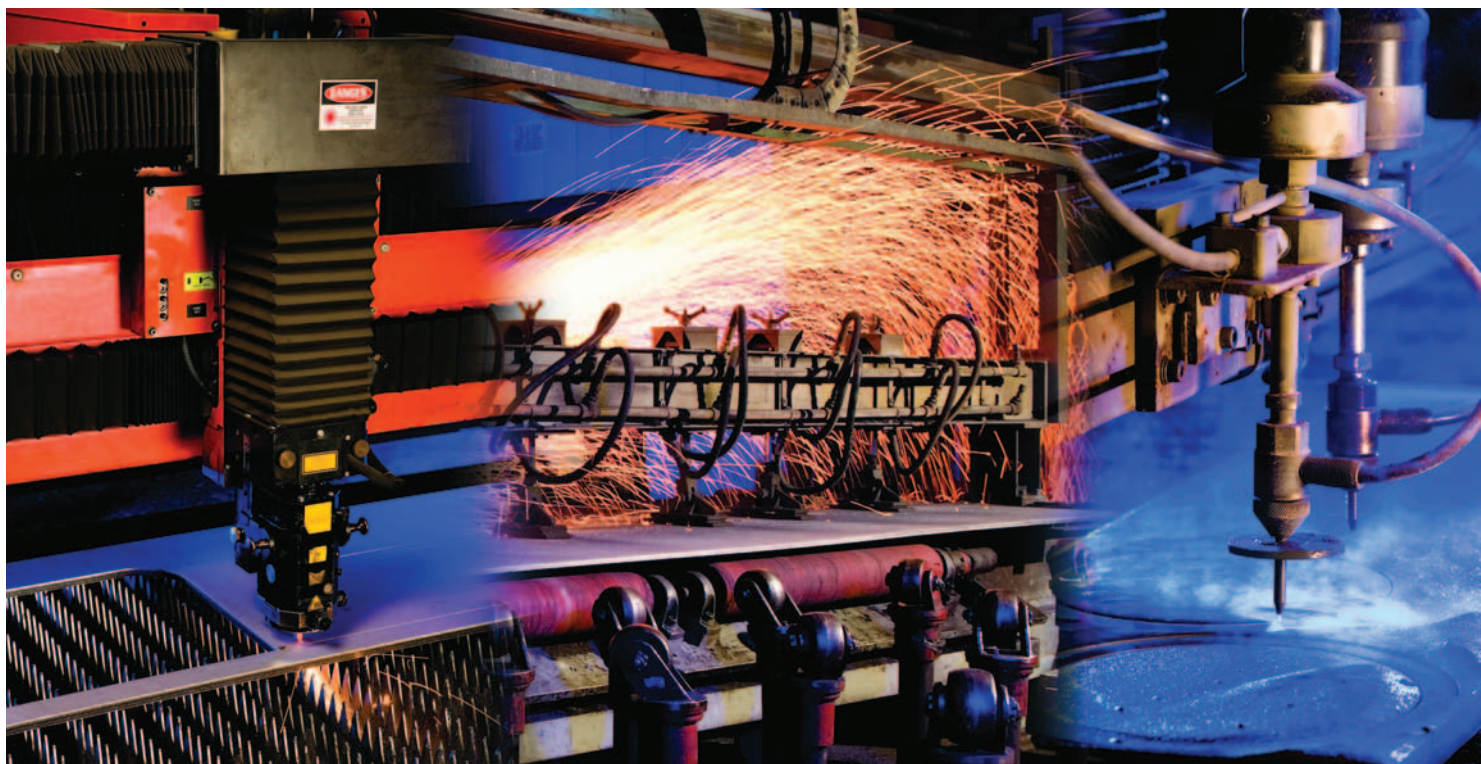
primarily focused on increasing local facilities in what we view as major markets in North America. While our focus remains on expanding our global presence, we are doing that in local markets."

The Rolled Alloys Temperance (US) plant benefited from the addition of a multi-million dollar Red Bud Coil Line in 2008 capable of handling 3/8" (9.5mm) x 72" (1829 mm). A gaur and an additional waterjet were also added.

"To match the globalization we see in our business, we're attempting to grow equally in Asia, North America and Europe. In the short term, our home base has been North America, but ultimately our European market will match the size of this market. Our presence in Asia will eventually be equal in size. Wherever we go we have the same approach; we employ local people who understand the language and customers very well."

Global products, global contracts

Rollad Alloys' acquisitions have increased its global offerings of duplex alloys. "The most significant growth has been in duplex and titanium alloys" explains Mr Reinke. "In particular being able to supply ZERON 100 was critical to our strategy. Its addition to our product line allows us to inventory every type of duplex available. We can provide everything from welding wire to pipe and fittings all the way through to castings, plate, bar and sheet." The main applications for duplex and super duplex are areas where corrosion is an issue such as the chemical and petrochemical industries, and



Value-added processing capabilities answer increased customer demand for delivery of near final shape products.

Extensive stock of plate and sheet.



Stainless steel round bar.



Broad stock of coil at Temperance, Michigan facility.



Stock of stainless pipe.

desalination. "Many of the duplex and high nickel alloys such as AL-6XN® are being used in the desalination market, and together with ZERON 100, we have a great breadth of product offering, particularly in growth areas such as the Middle East. Power generation units requiring scrubbers provided a large boost to our business as they use large amounts of nickel alloys. The RA series such as RA330® is primarily used in the thermal process industry and anywhere you have high temperature, such as the automotive industry, refineries, petrochemical and other industries." One of Rolled Alloys' key strengths is the ability to undertake global contracts. "Increasingly, major companies desire a global contract with one vendor to supply products at various locations around the world. The driving force for this is stability of pricing and assurance of supply. In our business we go through periods of high demand, long lead times and large spikes in pricing. Global contracts provide stability independent of what is happening in the overall market. We can fulfil these contracts because we have locations worldwide, plus the electronic and computer capability to take input from around the world, digest it and supply various facilities with exactly what they need, when they need it" continues Mr Reinke. "We can deliver small orders the day

after receiving them, or we can supply large turn key projects. Our broad product base and value added processing allows us to focus on our customers' changing needs."

Superior service

The Rolled Alloys goal is to provide customers with superior services plus product and processing expertise. Dr Nichol: "Our outstanding team of people is instrumental in achieving this. We aim to identify the best possible products for each customer's needs in different markets and applications. Once we've selected the products we then make sure we have the ability to add value by processing the materials, for example through laser or water jet cutting or sheet coil levelling. Increasingly customers are demanding that we deliver near final shape products. They're removing material processing equipment from their facilities to focus on these core competencies, and we're replacing that with our integration in terms of both materials and systems, such as managing inventory." Always ready to embrace technology, the Rolled Alloys team considers it a high priority to reduce customer costs by facilitating less costly business transactions and reducing customer's inventory. "We believe our electronic

services, of which we have a wide range, are key to achieving this. These include accessing technical data and pricing from our website, sending email notifications of deliveries, electronic invoices, integration of our customers production schedules to better anticipate their needs, and making paperwork such as certification and bills of lading available through our website. These services significantly reduce the time needed to communicate with us, as all data is available electronically. We have now moved to the next generation of electronic services by integrating accounts from long term customers into our system. We've given them hand-held electronic devices that scan and read the inventory through bar-coding and automatically generate orders based on preset minimum/maximum levels. They can take a scanner, scan their inventory, and, depending on specific parameters, the program will automatically trigger an order to be filled and shipped from our warehouses. The system means we are effectively and rapidly available 24 hours a day, able to offer superior performance." A special electronic integration team within the company streamlines paper flow and makes doing business easier. Rolled Alloys also offers a unique resource to its customers: an on-line literature database backed up by

technical staff. Dr Nichol explains: "Early in my career in the 1980's most of the technical literature about alloys and applications came from the large companies. After the 1980's recession, there were fewer technical people left with this knowledge. We've strengthened our role in the industry by adding metallurgical people to our team and creating our on-line technical database. It's a wealth of practical knowledge about what materials work in specific environments, and it's available to our customers."

Offering careers, not jobs

"From the moment Rolled Alloys was founded in 1953 we have always believed that people are the most important part of our business" smiles Dr Nichol. "Anybody can add buildings and machines, but it's the career professionals who work for you who differentiate your company. We have trained professionals in all disciplines and maintain a strong team approach and commitment to total customer service. In addition we have exceptional continuity of management; although we are 55 years old I'm only the 4th Company President. This means we are a very stable company. We're proud of the fact that our employees are so loyal; one employee in Temperance has been with us for 52 years, while the plant manager has been with us for 40 years. As we've made acquisitions and constructed new facilities, we've strengthened our commitment to our employees by investing in training programs, and having our long term staff travel to the new plants to explain that we want career people oriented to long term employment with us. We don't offer jobs; we offer careers." "We've focused on promoting from within and giving people opportunities and longevity in their careers. In conjunction with adding new facilities we've also brought in people from suppliers, customers, or other areas of distribution to invigorate us with new ideas and perspectives. We're fortunate to have had the opportunity to add



Rolled Alloys has acquired ZERON® 100, a top-of-the-line super duplex, used in desalination, oil & gas, FGD and other industries where superior performance is required.

some of the best people in the industry to our team."

Looking to the future

Despite the past two years of rapid growth the Rolled Alloys team is not looking to slow the pace down. "We will take the basic things that have made us successful and continue to enhance them in both existing markets and new markets" says Dr Nichol. "Around the world there is growing demand for our products and by definition that brings increased demand for electronic services and advanced supply chain systems. A

priority will be ensuring that our dedicated career professionals are very knowledgeable about what's going on globally."

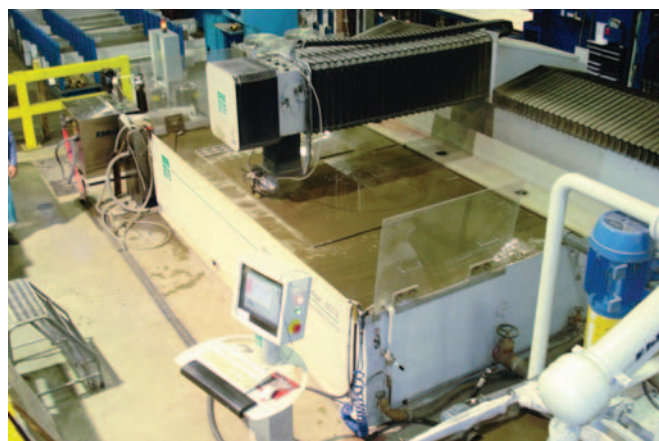
"In the coming years we will continue to look to our customers to see what products they would like to see added to our inventories. We'll continue to look for new acquisitions to better service our customers around the world, including in the expanding markets of India and the Middle East. We're already investing in people to investigate those markets for us" concludes Dr Nichol.

Facts and Figures

Name:	Rolled Alloys
Founded:	1953
Key markets:	Aerospace, Thermal Process, Power Generation, Chemical/Petrochemical, Desalination
Products:	High Temperature Nickel Alloys, Nickel Base Superalloys, Cobalt Base Superalloys, Duplex Stainless Steels, Titanium Alloys, Stainless Steels
Specialty products:	RA330®, RA333®, ZERON®100, AL-6XN® Alloy, RA 253 MA®, RA 602 CA®
Global Locations:	North America: Michigan, Ohio, Connecticut, California, Illinois, Oklahoma, Texas, Quebec, Ontario, Alberta Europe: England, France, Germany, Italy, Czech Republic, The Netherlands, Scotland, Spain Asia: China, Singapore



Metallurgical lab and technical staff provide a wealth of practical knowledge to Rolled Alloy customers.



Flow 87K waterjet is among the many additions to Rolled Alloys' Temperance, Michigan facility.