

Salzgitter Mannesmann Stainless Tubes: experts in high specification materials for the oil & gas industry

Track record in challenging subsea applications

Salzgitter Mannesmann Stainless Tubes (SMST-Tubes) has been an established quality supplier of seamless pipes and tubes to the oil and gas industry for over two decades. The company was actively involved in the development of these products in duplex and super duplex grades, which have subsequently become key materials for the oil and gas industry, particularly in challenging offshore territories, including deepwater environments. The company is specialized in providing highly specified seamless products for applications throughout the upstream production chain. From the reservoir through to sub surface environment and finally topside, SMST-Tubes has successfully supplied seamless pipes and tubes to most major projects for NOCs and IOCs (national and international oil companies) worldwide for many years. SMST-Tubes' refusal to compromise on quality has enhanced its reputation as a leading supplier to the oil and gas industry.

By John Butterfield & Joanne Macintyre

"Our expertise in this sector dates back to the early 1980s and has steadily strengthened over the years as the industry has technologically advanced," explains Vice President of Sales Mr. Christophe Le Rigoleur. "When we initially began making duplex and super duplex, it was mainly destined for the North Sea. Today we have developed the materials further and are a supplier of choice to the deep water fields of West Africa and the Gulf of Mexico."

In today's challenging oil and gas market, the company benefits from its long experience in developing these grades and its ability to manufacture seamless pipes and tubing to meet increasingly demanding specifications. "The technical requirements have become both more stringent and more numerous in view of deep water applications. SMST-Tubes has withstood the challenges of time, and today we are a key supplier to the industry," says Mr. Le Rigoleur. "We can supply everything for the upstream oil and gas, OCTG and LNG-GTL industries."

Niche market focus on subsea applications

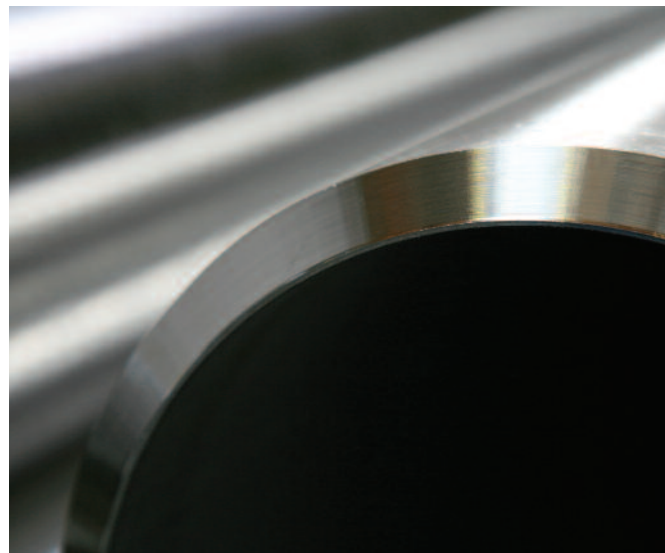
SMST-Tubes' strategy is to focus on niche markets, manufacturing pipes & tubes to comprehensive and demanding specifications and delivering them with top quality service. Mrs. Joëlle Greenwood, Key Account Manager Oil & Gas - Engineering explains: "with an extensive track record in supplying to the project industry, our teams are accustomed to embracing the challenges of achieving the most demanding requirements without compromising our commitment to on time delivery and documentation in full. With a large selection of grades combined with an extensive range of dimensional feasibility, SMST-Tubes is an ideal partner to supply all areas of the oil & gas market both offshore and onshore whether in exploration and production or process. Over the years, operators and contractors alike have expected SMST-Tubes to develop their manufacturing and service skills to keep pace with the increasing requirements which are mandatory on their projects. These



Mrs. Joëlle Greenwood,
Key Account Manager
Oil & Gas - Engineering



Mr. Christophe Le
Rigoleur, Vice President
of Sales



Leading SURF supplier

SMST-Tubes has earned this ranking and is today considered as one of the world's leading suppliers of tubular products to SURF (subsea, umbilicals, risers and flow lines) applications, having established an impressive track record in supplying duplex, super duplex and nickel alloys for SURF applications worldwide. "We have experience in dealing directly with operators and / or EPC system suppliers or via OEMs but in every case we combine our knowledge, acquired over a series of contracts, with a tailored approach which our customers expect from a professional supplier. We enjoy contact with the owners and engineering contractors because it brings us closer to the necessary understanding of the industry and contributes to improving our expertise whilst driving us to perform to higher standards every time." Whilst respectful of the supply chain chosen by end clients, SMST-Tubes believes that having a first hand illustration of operators and contractors priorities and concerns on any given project is highly critical in order to best address those aspects during the execution of the contract. This is also why SMST-Tubes attaches such importance to having opportunities for bid clarification meetings and subsequently conducting an order specific pre production meeting in order to ensure that all aspects of supply from product to data record books are clearly defined and agreed.

"We have built up a reputation in the market of being able to achieve the most demanding and stringent specifications in the most difficult sizes. Our status as a reliable supplier is vital in the oil and gas industry because subsea projects are associated with high budget, high risk and strict – sometimes also short – project calendars," continues Mrs. Greenwood. "Our customers know that right from the start and throughout, we are very thorough in our technical evaluation. Our philosophy is not to simply take a commercial approach; we insist on studying the complete set of requirements at an early stage. When dealing with requisitions for an oil and gas project, there is so much more involved than simply the content of a bill of materials. For example, in situations where we are supplying via sales and distribution networks, we always request details of the final use of every product in order to avoid missing some essential elements of the requirements which need to be taken into consideration when making our proposal and ultimately supplying. We are consistent in terms of product and technical know-how, and we trust that this expertise is respected and highly appreciated by the clients to whom we sell our products," underlines Mrs. Greenwood. "This approach is observed throughout our sales network and these principles are applied with all of our contacts, regardless

may relate to the product itself (special chemistry, tight dimensional tolerances, special non-destructive testing, high mechanical properties, special markings etc..) often specified not only to suit service conditions but also taking into account special requirements linked with post delivery activities such as coating and reeling. This is always combined with a robust commitment to communicate detailed and reliable information and documentation regularly during the life of the contract. We consider that only when these aspects of supply are well understood and well managed that supply to the most critical areas of the offshore industry can be successfully handled."



of their role or location. And we are selective about our business partners: we would never knowingly put our good name at stake by dealing with somebody who is not serious or does not plan a future in the industry. To maintain our performance and high standing in this business we resist the temptation of simplifying our approach because the industry and the applications are becoming increasingly complex." SMST-Tubes Group of Companies' strategy is focused on the energy sector, in which the oil & gas industry represents a major part. The level and duration of its commitment to this industry is obvious for all to see and is not that of an opportunist but more clearly as a solid partner which is here to stay.

Tailor made approach

The company refuses to adopt a 'one size fits all' philosophy, instead it takes each project individually and is respectful of the project specifics while at the same time endeavouring to keep in mind the owner's generic philosophy. "We never lose sight of the end application of the product, and this results in each product being treated in a slightly different way, as appropriate to the application it is ultimately destined to. With subsea applications, our philosophy is very much tailored to match that of the operators and the EPCs, where full technical compliance, respect of quality rules and safety regulations paired with on time completion are paramount."

For SMST-Tubes, SURF applications mean any of the following products:

- Base pipes and connectors for sandscreens - tubing or piping in TP316L, duplex, super duplex or nickel alloys
- Base pipes for manifolds, spools, jumpers, flow loops - typically in duplex or super duplex
- Flowlines - in nickel alloys or duplex or super duplex
- Hydraulic lines / drilling risers - tubing or piping in TP316L or duplex or super duplex
- Umbilicals tubing - in super duplex

In such applications, the company has captured a large part of the market share, especially for duplex and super duplex grades.

"We are also able to supply the full range of materials for surface applications and already for several years, we have been a major supplier of seamless pipes to the FPSO and drillship industry. Whether for the hull or the topside modules, our seamless pipes and tubes in standard sizes or non standard heavy wall dimensions can be found on a number of vessels operating in the North Sea, South East Asia,



Major SMST-Tubes grades for usage in the Oil & Gas industry

Stainless Steels (Corrosion)

• Austenitic Steels

TP 304 / L – TP 316 / L –
TP 321 – TP 347...

• Super Austenitic Steels

UNS N08904 = DMV 904
UNS N08926 = DMV 926
UNS S31254 = DMV 954

• Austeno Ferritic (Duplex & Super Duplex)

UNS S31803 / UNS S32205 = DMV 22.5
UNS S31260 = DMV 25.7
UNS S32550 = DMV 25.7 Cu
UNS S32760 = DMV 25.7 N

(Corrosion and High Temperature)

• Austenitic Nickel Alloys

UNS N08020 = DMV 920
UNS N08028 = DMV 928
UNS N08825 = DMV 825
UNS N06975 = DMV G 2
UNS N06985 = DMV G 3
UNS N06950 = DMV G 50
UNS N06625 Gr1 = DMV 625

Stainless Steels (High Temperature)

TP 304 H – TP 316 H – TP 321 –
TP 347 H – 800 H ...for refineries

West of Africa, off Brazil or in the GOM," Mrs. Greenwood adds.

Wealth of knowledge

SMST-Tubes keeps a close watch on the development of standards in the oil and gas industry. "We are very vigilant about following the evolution of operator generated specifications, and in fact we find these developments much of interest because the more challenging a specification is, the more it will orient us towards improvements in our manufacturing processes, R&D and ultimately the ability to be a better supplier! Our capabilities to address these challenging requirements by producing superior products really differentiates us in the industry."

The company makes best use of its wealth of in-house knowledge and experience by having organized industry-specific groups of experts accomplished in in depth, informed discussion of specifications or able to assist clients in making material selections. The benefits are clear: dedicated personnel are available to meet with operators and contractors to assess the feasibility of emerging operator requirements.

Mr. Le Rigoleur explains: "When an operator is faced with developing a block in a challenging environment, whether that may be very deep, high pressure/high temperature or sour, they will start thinking about the service conditions and how to test the materials involved in the infrastructure. They will need to select materials and decide on a particular size range and this is where we are available to assist them. Our staff will help to validate the feasibility of the size ranges and also evaluate together with the operator or contractor the likelihood that the mechanical properties are achievable in combination with the size range. As a company, we welcome these initial discussions with operators and engineering



contractors. In these situations the commercial aspect of a contract only becomes relevant much later on because for any project to get off the ground it must first be technically feasible."

"We don't consider any item to be 'standard'. Even for what could be termed 'commodity piping' such as that used on the topsides, regardless of the size and grade required the supply is far from standard. Due to the volume, documentation and logistical requirements of getting this piping on site, it becomes a product with a very specialized service which we are perfectly capable of delivering," says Mr. Le Rigoleur.

Growth areas

Over the past two years Salzgitter Mannesmann Stainless Tubes has steadily sharpened its focus on subsea activities and the company plans to continue to do so. "Subsea activities from exploration to production are at the high specification end of the market which is where we are specialized," explains Mr. Le Rigoleur.

"Another growing area for us in the gas industry is the LNG-GTL, which, although it may seem like a relatively straight forward application, includes some peripheral requirements which are quite demanding so you need to have a very stringent customer service ability and philosophy to be able to provide a satisfactory performance. These projects can require anything from 500 to 1500 tons of product over a series of call offs staggered over several years, so we adopt an on-going commitment in commercial policy and have a team of experts at mills managing the production of sizeable volumes of pipes with special marking, packing and documentation. This clearly demands an outstanding service with regard to project management skills.

Following the evolution of our market share in the project business, in the last five years, we have intensified our competence and ability within our customer service



department to address the market expectations for service associated with both long term, high volume projects and fast track smaller but complex projects," says Mrs. Greenwood.

"We are at the forefront of providing correct documentation. By insisting from the outset that we know what every item will be used for, we can quote for a product that is comprehensively covered in terms of testing regimes, inspection etc. To be honest, our thoroughness and refusal to cut corners may occasionally be detrimental to us as regards securing orders because we always make provision for what will be required of each product. However, we believe that this is what operators and engineering contractors expect from a manufacturer and it's very much a part of our philosophy. Our message is that we are fully committed to this approach and we are not prepared to relax that."

Looking ahead, Mr. Le Rigoleur sees a busy time ahead for SMST-Tubes. "Although the oil and gas industry is currently subject to a calm period due to economic slow down and low crude prices, there are plans to develop production in increasingly challenging territories such as ultra deep and ultra cold conditions, and we are ready for this. We already have dedicated product managers in place to serve these sectors; we have the necessary technical and commercial structure ready for these applications because we are very much committed to serving this industry as a specialist for many, many years to come," he concludes.

Facts & Figures

Name:	Salzgitter Mannesmann Stainless Tubes (formerly Mannesmann DMV Stainless)
Founded:	1994, dating back to the Mannesmann brothers in the 1890s
Headquarters:	Muelheim an der Ruhr, Germany
Products:	Seamless stainless steel and nickel-based alloy tubes, pipes and hollow bars Outer diameters 6 - 250 mm (0.24 - 9.84") Wall thicknesses 0.5 - 50 mm (0.02 - 1.97") Lengths up to 25 m (82 feet) and longer for U-tubes
Key markets:	Oil and Gas applications, OCTG, Chemical and petrochemical industry, Power generation (conventional and nuclear), Environmental technology and waste incineration, Mechanical and plant engineering and construction, Automotive industry.
Employees:	1,100 worldwide
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