

This year JIULI Hi-Tech Metals celebrates 30 years of doing business as one of the world's leading material manufacturers. Within this time JIULI has earned a strong reputation with its exceptional sales, extensive product range, top-notch technologies and a comprehensive sales and services team. In the two years since our last report on JIULI Hi-Tech Metals there have been numerous significant changes to the market which have brought a new round of harsh selections in businesses. In the face of serious environmental changes, how did the business cope? As a pioneer business in the industry, what changes in strategy did JIULI make? With these questions in mind, the editorial team of Stainless Steel World once again visited the company in Huzhou, China. We interviewed Managing Director Mr. Li Zhengzhou (Denny Lee), Sales Director Mr. Shen Xiaogang and International Business Director Mr. Wang Fangwei (Robin) to discuss the topics of researching and developing of intelligence manufacturing, supply chain, and future planning.





JIULI Hi-Tech Metals was founded in China in 1987 and today has manufacturing, sales and service networks in over 60 countries. IIULI provides an extensive range of products including seamless/welded piping/ tubing, CRA OCTG, CRA line pipe, clad & lined pipe, butt-welding fittings and flanges with material grades of stainless steel, duplex and super duplex, corrosion resistant alloys, high/ low temperature resistant alloys and titanium for various industries. The company supplies various industries including oil & gas, LNG, petrochemical, chemical, nuclear power, electric generation (thermal/hydro), shipbuilding, pulp and paper, auto, instrumentation, etc.



Mr. Wang is quick to emphasize that "our reputation and trust are based on the successful execution of projects carried out by our expert employees, whose value can't be overestimated."

The company's ability to provide engineering and cost-effective solutions to its customers has seen it enjoy 30 years of solid growth. During that time all relevant qualifications and approvals have been gained. Yet possibly even more importantly to prospective business partners such as users, EPCs, fabricators and distributors, JIULI has accumulated a vast experience in numerous and varied projects. This track record is an important strength and something that all employees are extremely proud of, says JIULI's managing director, Mr. Denny Lee. Based on the professional knowledge and ability obtained in the past 30 years, JIULI is able to win orders for pipes, tubes, fittings and flanges in critical applications. Looking back on recent success stories, Mr. Robin Wang is very proud of how his colleagues leave a positive, lasting impression on clients. "The main international market for us is Asia. Successful execution of the PDO 281kms of duplex linepipe project in 2011 was a milestone for JIULI. We could not have imagined that our first duplex linepipe project would be this mega project, to which we contributed a lot to meet the requirements from the client. After gaining that experience, we maintained our good relationships with clients and executed many other projects with total duplex linepipe for more than 700kms. The PDO project provided us with the skills to later run the Russia Yamal LNG project which was done by Technip. This proves that we have the capability to handle mega projects."

Robin told us the continuous service JIULI provides to clients includes helping them to keep costs down and quick delivery on mega projects. With the experiences gained from one

project after another, JIULI has obtained the ability to serve pipes to the most criterial service.

"Since 2011, JIULI has been one of the largest producers of duplex pipes and tubes in the world. We supplied to Yamal project, the largest LNG project in the world with the high requirement and challenges of large PO volume. The project required the shipment of mostly large size pipes to various sites. All of the documentation was required in English and Russian and the JIULI staff has the professional language ability to conquer communication obstacles with clients. Their quick reactions and cooperative attitude led to great success with this project. All in all, our reputation and trust are based on the successful execution of projects carried out by our expert employees, whose value can't be over-estimated." Following the Yamal project, Technip is very satisfied with JIULI's performance, and appreciates JIULI's professional capabilities, precise organization of the production schedule and cooperative attitude. JIULI has, without doubt, set an impressive benchmark for both product quality and timely deliveries. "Thanks to our comprehensive technical and commercial response we were awarded the contract for tens of thousands of welded pipes," noted Mr. Robin Wang.

Capacity and capability

Based on the continuous increase of project amount, manufacturing capacity and improvements in quality control, JIULI has obtained recognition from more and more clients. Robin Wang reveals: "In the global market, it was in 2008 that we obtained the very first qualification from a leading oil & gas company—Saudi Aramco. Today JIULI has qualifications from most of the

[COVER STORY]



JIULI provides stainless & nickel alloy seamless/welded pipe, heat exchanger tube, furnace tube to CNOOC Huizhou 20MTPA refinery and petrochemical complex.

major oil & gas companies, such as Shell, ExxonMobil, BP, TOTAL, etc. In recent years, we have achieved sound performance in the global nuclear market. Key players, such as AREVA, have approved JIULI as a qualified nuclear product supplier. This provides JIULI the opportunity to participate in international nuclear projects." The company's production capacity currently stands at an impressive 100,000 tons. "We are now focused on how the future will look in 20 years and what we need to develop the whole supply chains of relevant industries," stated Mr. Lee. "We will increase investments in the supply chain for the nuclear power related business. We already contribute to all the tubular products used in the nuclear industry, with around 40 varieties of tubular products supplied to the field of nuclear industry. We are further developing the products used on fourth and fifth generation nuclear power stations together with clients. There are lots industries that need to use stainless steel tubular products such as the chemical, nuclear power, desalination, wind power and other new, clean energies. Despite the low oil price, the market still requires high-end products so we are also focusing a lot of R&D efforts there." "We are also taking steps to develop and expand the international market and are still growing our exports. Five years ago we already reached an export level of 40%. This reflected around 20 years' dedicated work; our customers' satisfaction not only proved our ability to operate mega projects, it also affirmed our service ability, including our ability to respond quickly." When asked the question what is the JIULI's core value Mr. Wang answered: "Recognition from our clients, which is priceless. Our reputation and the support of our clients are the key values JIULI have developed over the past thirty years."

Intelligent manufacturing

A driving force in JIULI's success story has been their high-quality product guarantee. "When it comes to quality, I am a perfectionist," says Mr. Denny Lee, "so it's natural to expect the same of my employees. This means that quality comes first every day."

Jiuli revealed that they plan invest in increasing the level of mechanical automation in the coming two to three

during the manufacturing process. As such JIULI uses nothing but the best hardware and software to create advanced, comprehensive production systems with production control systems and other sophisticated processes. In addition to the high-performance and high-quality standards of its products, clients value the company's skill in meeting their demands for superior technology. Company staff look for ways in which they can refine their technological prowess, strengthen production processes, and generally strive to meet challenges for the future. Mr. Denny Lee added: "We recognize the value of data accumulation and have invested in a SAP system to consolidate JIULI's management systems and improve quality control (QC). Now we are developing MES manufacturing system." He continues: "In addition automatic manufacture scheduling we aim to create new customer satisfaction records whilst improving our project performance and quality systems. When these objectives are achieved we will embrace the chance to become a leading status in the world." The company's JCO forming and welding plant for large diameter welded pipe with heavy walls has operated since 2013. This plant dramatically increased JIULI's capability for large diameter welded pipe and improved its competitiveness in the global market in terms of both capacity and quality. The company has also operated a 28" cold pilgering machine for seamless pipe since 2014 which is specialized for furnace tube production. The clad and lined pipe plant has helped them expand into the upstream oil & gas industry.

years to reduce the human influence

The company's new highly-automated heat exchanger tube plant, which

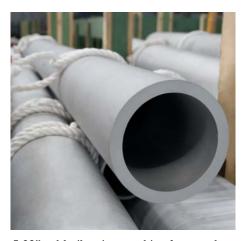


Jiuli's highly-automated heat exchanger tube plant offers ultra-long length tube of up to 110 m.

opened in September 2015, offers ultra-long length tube of up to 110m to meet customer requirements. We have also learned that IIULI has invested in a tooling company which will internally supply high quality tools and dies to its production line. The company has been continuously improving its capability for CRA OCTG, nuclear products, instrumentation tube, etc. Mr. Lee explained: "These new investments represent our leading position in the stainless steel industry, high degree of automation and stable product quality. Meanwhile the decision making behind these investments is also driven by the pursuance of environment protection and higher energy efficiency. Maintaining its philosophy 'To supply the global industrial with safe & reliable stainless steel pipes', JIULI's people are endeavoring to build the company into a key supplier of stainless steel pipe worldwide. For example the clean, automated workshop concept [IULI came up with 5 years ago embodies the concept of "Intelligent Manufacturing."

Opening doors for cooperation

What will the future bring? "We are still dedicated to getting end-user approvals for the severest application castings



A 28" cold pilgering machine for seamless pipe is specialized for furnace tube production including clad and lined pipe plant.

from our marketing and sales team," says Mr. Shen Xiaogang, "which will naturally further expand our business. We will also make efforts to increase our market share for orders for largescale projects, especially in the fields of oil & gas and the offshore industry," continues Mr. Shen. "Moreover, with the completion of our various production



Located in Huzhou City, JIULI is one of the largest producers of duplex pipes and tubes in the world.

locations in China we are ready to take on such work both in terms of quality and delivery-time capabilities. It goes without saying that we will have more commercial advantage in the global market."

At present JIULI products are being shipped to Europe, the USA, and the Middle East, but as Mr.Shen Xiaogang explains: "Our products are to be found anywhere in the world where high quality is appreciated. We are also particularly looking to the Asia market to expand our business through our branch office there. Add to this JIULI's expanding tie-ups in the global market place and it is easy to see how demand for our products is continues to grow." says Mr. Shen Xiaogang.

For Chinese companies who mainly service overseas markets, customer service can be a challenge. Jiuli has found the solution: growing together with business partners, suppliers, and end users. "We did a lot of joint R&D with users on applications with high temperature, high pressure, corrosion and cryogenic. We are on the way to lead the industry into a higher level."

Mr. Shen Xiaogang says that JIULI is a company that is sincere towards its business partners and with whom suppliers like to do business. "We love to establish strategic partnerships with suppliers so we do not bargain for just a low price. Our focus is to improve the quality of our products and requirements. We choose to compete by offering high value-added products rather than joining the price competition. The future for IIULI is to cooperate with suppliers to achieve

energy efficiency for the whole industry and create a cleaner ecosystem for the all of society."

"In conclusion, JIULI as a company is ready to meet all the material needs of any environment or field," says Mr. Robin Wang. JIULI brand is rapidly expanding throughout the world. Our work always adheres to our principle of 'Client first with more intelligent manufacturing."

Given the company's array of accomplishments including their flexibility, innovative product development and use of technology, they seem assured of a very bright future indeed.

Facts & Figures

Name: Zhejiang JIULI Hi-Tech Metals

Co. Ltd

Founded:

Headquarters: Huzhou City,

Main products: Stainless, Duplex, Nickel

alloys. Titanium pipes/ CRA OCT / tubes/ CRA linepipes/

Key markets: Oil & Gas exploration, LNG,

> Civil nuclear power, electric power, offshore engineering, refineries, chemical &

Employees:

Website: