



MRC Global, a stainless steel market update

MRC Global has been in business for over a century, and for good reason. Having recently celebrated its 100th anniversary, MRC Global is one of the most successful pipe, valve, and fitting (PVF) distributors in its sector, a position that has been shaped – in large part – by its people. Stainless Steel World had the pleasure of speaking with MRC Global’s Jack McCarthy, Senior Vice President of Supply Chain, and Robert Nunn, Executive Director of Stainless Steel & Alloys, to learn more about how MRC Global continues to provide excellent value to its customers, and what is yet to come.

By Sara Mathov, Stainless Steel World Americas editor

Background and history

In the early 1920s, humanity was recovering from a global pandemic that is estimated to have infected one-third of the world’s population. The recovery was driven, in part, by a growing new source of energy: oil and gas. In this time of uncertainty, Jerry McJunkin set out to build something that mattered. He and his brothers-in-law were certain that if they could solve a problem for the oil and gas industry by supplying pipe, valve, and

fitting (PVF) and other infrastructure products and maintain high levels of integrity and service, they could provide for their families and positively impact their communities. Out of this idea, they formed McJunkin Supply Company in 1921. Numerous acquisitions and leadership changes occurred over the decades, bringing the company to the front of the supplier market. In 2007, McJunkin merged with Red Man Pipe & Supply to form the supplier powerhouse, McJunkin Red Man, and in 2009, McJunkin Red Man became a global player through its acquisition of Transmark FCX. In 2012, McJunkin Red Man became the MRC Global we know today as it completed its initial public offering on the New York Stock Exchange. Over the last decade, companies from Australia to Singapore and Norway became part of the MRC Global family, growing stainless steel, high alloy, valve, valve automation and specialty value-driven offerings for customers.

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- Jack McCarthy

The specialized capabilities of MRC Global’s expanding international operations, in addition to the company’s strong, long-term relationships in North America, ultimately resulted in global valve contracts with several integrated oil companies. McJunkin Supply Company may have been the first branch in the family tree, but over the next 100 plus years, heritage companies around the world would be established and grow into what is now known as MRC Global. With Rob Saltiel serving as President and CEO since 2021, MRC Global is set to continue to expand and maintain its strong presence. Today, MRC Global not only supplies the oil and gas industry, but also gas utilities, midstream pipelines, petrochemical plants, the chemical industry, and burgeoning energy transition projects.

Large product and material offering

“Stainless steel and alloy products are very important to us. They are an

integral part of our industrial PVF offering to our broad end-user base,” explained McCarthy. “MRC Global offers a full range of stainless steel PVF, with sizes from ½” through 24”, from commodity grades to high alloys,” said Nunn. “We carry a variety of grades such as Duplex 2205, 317L, 321H, 347H stainless grades that are all produced per our AML (approved manufacturers list).” For customers with much higher corrosive environments, MRC Global has no shortage of materials to choose from, including Alloy 20, Hastelloy C276 and Alloy 400. “A large percentage of our customer base is involved in petrochemical and chemical production, so having materials for corrosion and high-temperature situations is essential,” said Nunn. The most common grades of stainless are 304L and 316L, according to Nunn. “Starting with the stainless grades, we do see a natural progression towards Alloy 20 and Duplex 2205 along with the higher temperature and corrosion grades.”

Customer satisfaction and guaranteed quality

“MRC Global has a dedicated approach when it comes to stainless steel and alloy products. We have a team of subject matter experts, or SMEs, led by Mike Denman, Senior Manager Stainless Steel & Alloys, along with an extensive inventory offering. Whatever the customer requirements, our team of SMEs can provide solutions,” explained Nunn. Carrying an extensive stainless-steel pipe and fitting inventory complements MRC Global’s broad product offering of stainless-steel valves and carbon steel PVF. “MRC Global can provide products per customer specifications, as well as numerous alternative solutions. Anything above and beyond the standard specifications that is required can be sourced by our knowledgeable team. Quality manufactured products are a given when it comes to our extensive list of manufacturers. For vendors to be accepted onto MRC Global’s approved manufacturer list, or AML, they must pass a rigorous audit performed by our own internal Quality Team. Quite often, our end-users consult us when a problem arises with a manufacturer because



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they know we perform comprehensive assessments. We offer many additional third-party services for our stainless products, such as internal positive material identification, or PMI. Along with MRC Global's extensive inspection process, we also pride ourselves on numerous health and safety initiatives," explained Nunn.

Pushing through challenges – staying ahead of the market

MRC Global has maintained a strong position and reputation despite the global challenges from all sectors. The most recent COVID-19 issue that restricted the Shanghai Port operations continues to create difficulties within the global supply chain. "Substantial transportation delays are creating capacity challenges and pricing instability, affecting most PVF product costs and lead times. Labor and commodity shortages also top the list of obstacles that industries face. While we cannot control the uncertainty in the market, we can communicate and educate

our customers so they can be better prepared," said Nunn. Along with offering top-quality services and products, MRC Global performs frequent and extensive market reviews and provides periodic updates to its customers. These market updates help educate the customers on material pricing and lead times.

"Many plants continue to 'Alloy Up' with the higher grades of stainless steel to decrease issues and downtime."

- Robert Nunn

By maintaining this transparency, customers can stay informed on supply chain disruptions, especially those caused by the ongoing raw material shortages. "At MRC Global, we recognize that our role in the supply chain is critical

to our customers, and we are working diligently to meet these challenges. MRC Global's supply chain teams are constantly monitoring the market and making strategic buying decisions to help our customers mitigate against this fluid situation. During these challenging times, we take care of our customers by making forward buys and educating customers on the obstacles that we are facing. This helps all of us remain successful," said Nunn. "We also continue our commitment to maintaining sufficient inventory levels."

Looking ahead

"As our customers continue to invest in energy transition, we are dedicated to supporting their green energy and decarbonization initiatives. This commitment is evidenced in the volume of stainless steel and alloy products that we inventory and our investment in subject matter experts who support those industries," said McCarthy. "These projects require a wide range of alloys, starting with stainless steel and chrome, working all



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the way up to nickel alloys. We were part of this effort before the pandemic, and we will continue to be during and after," explained Nunn.

"That is who we are, and what we do. We made adjustments just like everyone else, and we like to think that we have come out on the other side with a much stronger and more focused approach to a business that we have been sustaining for 100 years and counting."

Nunn speaks about the diversity of the alloys that are currently being used in the renewable sector. "The corrosiveness of the application



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determines what alloys need to be used. Many of these projects require multiple types of materials, many of which may be used in the conversion of 'Cracker Units' or simply in the storage systems required. The multiple alloys being utilized makes this an enjoyable sector to be currently serving." Nunn continues, "Another interesting area of focus going forward will be refineries working with carbon capture. Many plants continue to 'Alloy Up' with the higher grades of stainless steel to decrease issues and downtime, also aiding in carbon capture. I think

we will see this more as we move forward with the green initiatives, the continual update of piping systems." The two main criteria that help to determine the alloy requirements are temperature and corrosiveness. "The higher the plant increases temperature and corrosion, the higher the alloy to be specified for use," offered Nunn. Nunn is enthusiastic about the future of MRC Global. "There are so many exciting opportunities ahead, and we are at the center of it all, supporting our customers with a wide range of products and a deep knowledge of the business."

Facts & Figures

Name:	MRC Global
Founded:	1921
Headquarters:	Houston, Texas, USA
Products:	Stainless steel pipes, fittings & flanges; valves, automation, measurement & instrumentation
Sectors:	Upstream production (oilfield PVF, speciality products etc.); Downstream, industrial & energy transition (carbon and stainless steel PVF automation products), Midstream and Gas Utilities sectors
Employees:	2,600
Website:	mrcglobal.com