

# Energy flows through MRC Global



MRC Global, a Fortune 500 company, is the largest global distributor of pipe, valves, and fittings (PVF) and related products and services to the energy industry, based on sales, and supplies these products and services across each of the upstream, midstream and downstream sectors. Valve World spoke with Chairman, President and CEO, Andrew Lane, Senior VP – Business Development, Rory Isaac, and VP – Valves, John Carte, about the company's future and their focus on valve and valve automation capabilities around the world.



Mr. Andrew Lane, Chairman, President and CEO.

"Looking back on our 93 year history, we have built a thriving and innovative global distribution company on a solid foundation of customer service, quality products and companywide dependability developed by our founders," Chairman, President and CEO, Andrew Lane said. "What a powerful legacy and exciting future."

MRC Global bridges the gap between 19,000 suppliers and the largest energy providers and chemical manufacturers in the world by efficiently purchasing and distributing critical products when and where these users need them most. "Energy demand is on the rise and our customers are some of the largest producers of energy in the world," says Mr. Lane. "As they work to meet that demand, we are growing right along with them to provide the PVF products that are needed in their oil and gas production and refining operations. And the abundance of energy resources is creating a resurgence of chemical production that focuses on natural gas as a raw material."

The company has created a global infrastructure to service its customers and support its suppliers. Its extensive supply network is made up of more than 400 global service locations, 35 valve automation centers and nearly 5,000 knowledgeable employees. MRC Global leverages this infrastructure and its long-term relationships with a global manufacturing base to provide quality products to end users with sales to more than 90 countries in 2013.

## Investing in Valves and Valve Automation

Even though MRC Global is the leader in its industry, it continues to grow its capabilities and geographic footprint. In the last five years, the company has developed a particularly unique offering for global valve and valve automation distribution.

"Our valve and valve automation capabilities have evolved from very simple operations at branch facilities assembling basic valve and automation components to now having automation centers throughout the world that specialize in engineering complex valve automation systems to support the process and safety requirements of our energy and petrochemical customer base," Mr. Isaac said.

The combination of MRC Global's international strength and its local, technical service simplifies its customers' valve automation supply chain and allows the company to serve as a single point of contact for all of its valve automation needs around the world. According to Messrs. Lane and Isaac, no other distribution company can match it, especially when it comes to valve and valve automation capabilities.

In 2013 and 2014, the company acquired Stream AS and Hylteck AS in Norway and MSD Engineering in Singapore as part of a company-wide focus on valves and valve automation. These acquisitions brought offshore and additional capital projects experience to MRC Global's portfolio that nicely complimented its current footprint and MRC Transmark business, which has long been regarded as a world-class valve and automation distributor.

"Our recent acquisitions have been excellent additions to our valve and valve automation capabilities because they give







Mr. Rory Isaac, Senior VP – Business Development.

us the ability to serve the offshore market better than ever before," Mr. Isaac said. "In the Norwegian Continental Shelf, between MRC Teamtrade's instrumentation offering, MRC Solberg & Andersen's valve, valve automation and control valves and MRC Hyptek's pressure, gauges, temperature and level sensors and flow meters, we can meet all of the valve, valve automation and monitoring needs required on an offshore platform".

"These products are vital in the offshore environment," Mr. Isaac stressed. "If something goes wrong on a platform that isn't manned 24/7, customers have to wait for a helicopter crew to come out and check on it."

In North America, the company is adding to its valve and valve automation footprint both by acquisition and organic growth. Odessa, Texas- based automation experts, Flow Control Products became part of McJunkin Red Man Corporation in June of 2013. The company was a leading provider of pneumatic, electric and electro-hydraulic automation packages and related field support to the booming Permian Basin region. Then in May 2014, MRC Global announced the completion of the expansion of its Nisku, Alberta regional distribution center (RDC), which includes a valve automation center.

### A Full Service Valve Automation Integrator

"We are doing so much more than the traditional distributor ever did," John Carte, VP – Valves, said. "It truly is beyond pure distribution."

The key to MRC Global's success lies in its ability to simplify the ordering process for valve automation packages for its customers by providing an integrated solution.

"Our access to hundreds of millions of dollars of manual valves from the premier manufacturers in the world, coupled with tens of millions of dollars of the best automation technology, actuators and accessories allows us to meet a customer's requirement quickly and on one purchase order," Mr. Carte said. "We are much more nimble than a manufacturer can be when it comes to project shorts or last minute order changes."

Due to the complex nature of valve actuation, an end user may need to work with as many as 6-10 different companies

to receive the same service that MRC Global provides with one phone call, according to Mr. Carte.

"We have the ability to integrate leading edge automation technologies from multiple product-specific valve and automation manufacturers to meet our customers' complex process requirements," Mr. Carte said. "We also specialize in offering all of the value added services that most manufacturers do not want to perform. These include customer-specific control and drawing schematic's, a robust quality assurance program to perform the necessary inspections, and then taking advantage of our project management capabilities and global

footprint to stage and deliver the package on time, near the customer's operations." Two additional strengths the global automation integrator brings to the table are standardization and serialization. Often, end users must engage multiple manufacturers or smaller distributors depending on what region of the world they are servicing. This leads to multiple sets of approved automation packages to perform the same job. With MRC Global's extensive footprint and standardized processes, a customer can create and approve one package to be used in all of its operations. Whether the package is needed in California or Singapore, the same products can be provided.

The company's serialization service further simplifies the purchasing and maintenance process for the end user.

"Every single actuation package that leaves our facilities has a single serial number associated with it," Mr. Carte explained. "This number is connected to the specific bill of materials for that package. An actuation package and its components can be made up of 15-20 items; if one item needs to be replaced, we tie all of the information to one number instead of the customer having to sort through multiple serial numbers to find the right part. It's a small thing but we believe that working to improve the small things often makes the biggest impact for our customers."



Mr. John Carte, VP – Valves.



### Building Upon a Legacy of Success

After nearly a century in business, MRC Global has grown beyond what its founders could have ever hoped. Yet the company remains grounded on its core values.

"Our company still operates based on the values of our founders – integrity, customer service and hard work – and we have the best people in the industry on our team" says Lane. "If we stay true to our values and continue to serve our customers with excellence as we grow, we know that MRC Global has a bright future."

To learn more about MRC Global, visit [mrcglobal.com](http://mrcglobal.com) or visit them at the Valve World Expo & Conference in Dusseldorf, Germany in December 2014.

