

## MRC Global: The Valve

It is no secret that MRC Global is the largest pipe, valve and fitting (PVF) distributor in the world based on sales. The company has a rich history of excellent customer service that dates back to 1921, but, in the last decade, the company has been focusing on a very specific portion of their business model – valves and valve automation. In fact, MRC Global has quietly become the largest valve supplier in the world.

*Valve World Americas* sat down with John Bowhay, Senior VP – Valves, Fittings & Flanges, Alloys, Gas Products and Oilfield Supplies, Stuart Spears, VP – Valves, Automation & Instrumentation, Ralph Chaney, Executive Director – Downstream Valves, Greg Peterson, Executive Director – Midstream/Upstream Valves, and Lance Lorange, Executive Director, Supply Chain Management – Valves and Automation, to discuss the company's focus on engineered products and solutions. Altogether, the gentlemen sitting around the conference room table represented 157 years of valve and valve actuation experience.

By Sarah Bradley

### Engineered Solutions Experts

On February 15, 2016, MRC Global will celebrate its 95th year in business. The company, previously known as McJunkin Red Man Corporation in the US, is well known as a reliable one stop shop for all things PVF. What has gone unnoticed by many was the company's steady focus on creating a world-class valve and valve automation offering.

"We are a valve company," Mr. Bowhay said. "We offer total valve management to our customers. We can supply manual and actuated valves and control systems, do the design, manage projects, turnarounds and store stocking – the whole thing. Valves and valve actuation are engineered products and we specialize in engineering the right solutions for our customers."

The company employs more than 200 engineers worldwide, and has a 32 strong global network of valve automation centers, with 14 in North America.

"One benefit of being the largest in the industry is that we work with more end users in more applications than anyone else," Mr. Peterson explained. "That means that we are always working on the latest industry trends when it comes to valves and valve automation. We are on the cutting edge of valve technology, and we have the technical expertise to work with them to find the right solution."

The group points to this technical expertise and depth and breadth of valve and valve automation products as keys to their ability to create total valve solutions for their customers.

"We offer engineered solutions that solve our customers' issues," Mr. Bowhay said. "Our brand offering is multi-layered and not restricted to one type of valve or control solution; so, therefore, we can mix and match from a wide range of products to create the best package for the application."

### Depth and Breadth of Product Offering

In 2014, the company stocked \$209 million in valve and valve automation products in North America, and \$315 million globally, including sizes from 1/4" to 36" and pressure classes from 150# to 3,000-6,000# in carbon steel, stainless steel, chrome, bronze, ductile iron, cast iron and exotic materials like duplex, monel, hastalloy, etc. When you add to that a practically limitless offering through their world-class suppliers, the company's strength in valves and valve automation begins to shine through.

"We have valves from as simple as a 1/2 inch, carbon steel gate or globe valve to as complex as a C12 coker isolation or FCCU isolation valves in stock," Mr. Chaney said. "HF Alkylation, emergency shut-off situations, high cycle, high pressure – whatever the specific application calls for, we have



the technical expertise and inventory to help find the right solution."

While the depth and breadth of available inventory is impressive, perhaps even more impressive is the company's ability to keep its product offering in line with the ever changing needs of the marketplace.

"We tailor our inventory to match the market," explained Mr. Peterson. "So as the market moves from dry gas to oil then to liquids, our inventory evolves to meet the demands of our customers across all three streams."

A trusted manufacturing base is another key to MRC Global's success. The team repeatedly credited the company's ability to design the solution with the best value for

an application to their long-standing relationships with world-class suppliers.

"Not all manufacturers are experts at producing every type, style, pressure class, or material of valve," Mr. Bowhay said. "We utilize our expertise and knowledge of each manufacturer to maximize their strengths on specific products. This provides the customer with the product they require, provided by the best available manufacturer."

"We take a lot of pride in the quality of the products we offer," Mr. Lorange added. "We are committed to selling products that will work for the long haul. A lot of our end users are the owners and the operators, so we want to sell them equipment that is going to last."



## and Actuation Experts



MRC Global's commitment to quality products is no surprise. Their supplier registration process is well respected throughout the industry. Product testing, supplier registration and multiple on-site manufacturer inspections are some requirements a supplier must meet in order to be included on MRC Global's Approved Manufacturers List. By taking the time to identify a manufacturer's sweet spot and understand their production process from beginning to end, MRC Global is able to supply products that are both the "best value" and consistently meet their customers' specifications.

### Turnaround and Project Management Expertise

MRC Global is especially well-suited to support capital project or turnaround activity, almost anywhere in the world.

"What makes us unique is our ability to support the global nature of projects," Mr. Spears said. "A project may be located in the US, but the engineering is being done in Europe, the modules are being built in Asia, and the construction is on-site. We are a valve and valve automation distribution company who has the global capabilities to support a project through pre-FEED, FEED, execution and start up. That, when combined with our technical expertise, really sets us apart from our competition."

With more than 400 service locations globally, including 32 valve automation centers, the company's geographic footprint is strategically located near their customers' operations. This close proximity allows for quicker delivery times.



"If we can get involved early in the planning process for turnarounds specifically, we can create some real value for our customers," downstream expert, Mr. Chaney, said. "Not only can we help them choose the right valve or automation package for their application, we can help them avoid misapplication of a product, which can be equally as important."

In the midstream sector, Mr. Peterson says using the right product in the right application is especially important.

"Our customers are bringing the newfound production in North America to market, which requires the pipeline infrastructure, which still doesn't exist in many of the shale plays," said Mr. Peterson. "So, they continue to build the pipelines to bring the gas, oil and liquids to market. Our inventory position and our relationship with quality, traditional manufacturers make us the ideal valve supplier for them. We have relationships with those manufacturers and inventory their products heavily in locations near our customers' operations."

This is especially true in the busy North American gas utilities sector. According to Mr. Peterson, these customers often have an even higher expectations for the products they use in the many pipelines that connect communities and neighborhoods. These customers regularly rely on MRC Global's expertise and quality process to find the right valve and valve automation solution for their needs.

This year, MRC Global was invited by a customer to go to the engineering firm of an FPSO project and help select the specifications for the valve and valve automation products that would be used on the project.

Getting MRC Global experts involved early in the process helped the project to move ahead on schedule, with the right products in the right applications for the best value.

The team proved their worth yet again when they stepped in and helped select and source all of the cryogenic valves, large diameter stainless steel trunnion ball valves and cryogenic trunnion ball valves for a cryogenic gas plant in the US on behalf of their customer. By assuming that role, the design process of the project moved along much quicker than if the end user had engaged a traditional engineering firm.

### PVF & Automation

While well known for their service levels, geographic footprint and supplier qualification process, MRC Global is already a key player on the world valve and valve automation stage. Valves and valve automation are the largest project commodity for the company, representing 32% of their revenues as of September 30, 2015.

"We have the expertise to design the right solution for our customers' problems," said Mr. Bowhay. "Valves, actuation and controls are a specialty, no doubt about it, and we have the people who are experts at it. We have such a strong heritage for pipe and other products with our company that some people don't often see us as that specialty valve and valve actuation company, but we are more than they think we are."

As we enter 2016, when creating value will be more important than ever, it is that specialized expertise that will continue to serve the company, and its customers, well.

Find out more about MRC Global on [mrcglobal.com](http://mrcglobal.com).



### MRC GLOBAL AT A GLANCE

<b>Company Name:</b>	MRC Global Inc.
<b>Chairman, President &amp; CEO:</b>	Andrew Lane
<b>Number of Employees:</b>	4,300+
<b>Number of Engineers on Staff:</b>	400+
<b>Locations:</b>	Over 410 service locations (220 branches, 32 Valve Automation Centers, 17 Distribution Centers)
<b>Products &amp; Services:</b>	Pipe, Valve, Fittings & Automation
<b>Industry Markets:</b>	Energy and Industrial markets
<b>Website:</b>	<a href="http://www.mrcglobal.com">www.mrcglobal.com</a>

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