

MRC Global Celebrates 100 Years in Busin

One hundred years ago, humanity was recovering from a global pandemic that is estimated to have infected one-third of the world's population. 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 their customers and maintain high levels of integrity and service, they could provide for their families and positively impact their communities.

By Sarah Bradley

McJunkin Supply Company may have been the first branch in the family tree but over the next 100 years, heritage companies around the world would be established and grow into what is now known as MRC Global.

"Being the best is what every leader wants for their company," MRC Global President & CEO, Andrew Lane said. "We have that. That position is the direct result of a foundation that was formed and strengthened by so many families and individuals over the last century."

Since becoming a publicly traded company in 2012, MRC Global has provided approximately USD \$12.8 billion of valve, valve automation, measurement & instrumentation (VAMI) products and services to its customers. The company has continued to invest in the most complete valve and automation offering in the industry, even during downturns.

"Our customers know they can depend on us," John Bowhay, Senior Vice President – International Operations & Global VAMI, said. "Over time, we have become the best valve solution provider in the world through a lot of hard work, years of experience and lasting relationships with our customers and suppliers. Our volume of valve supply throughout our history is testament to our success."

A Foundation of Service

In Charleston, West Virginia, one soldier, Jerry McJunkin, returned home after being injured in World War I to a nation head over heels in love with the automobile. The number of registered motor vehicles in the U.S. had ballooned from 1.8 million in 1914, to 9.2 million in 1920. Jerry, an oilman before serving in the military, recognized the opportunity to build a new future supporting the nation's seemingly insatiable desire for gasoline.

On February 15, 1921, Jerry joined forces with Bernard Wehrle to form McJunk-

in Supply Company in Charleston, West Virginia.

Within a year of opening the McJunkin Supply Company, the two bachelors made a trip to the Herscher family homestead courting two sisters, who they eventually married. They also met George Herscher, a successful salesman and brother to the new brides. And so, in 1924, McJunkin Supply Company officially became a family affair when George agreed to join the company.

Soon, McJunkin delivery trucks with their bright red fenders became a common and welcome sight in the oilfields of the thriving Appalachian region. Together, the decedents of these three men would help guide the company through the booms and busts typical of the energy industry for the next 85 years, when they would join forces with Red Man Pipe & Supply to form the first North American PVF distributor.

Red Man was the realization of a dream of Lew and Betty Ketchum. In March of 1977, they officially opened Red Man Pipe and Supply. From an 8'x12' office with two desks, a steel filing cabinet and two phones; Lew, Betty and their first employee, Dennis Niver, set about the business of building the pipe, valve and fitting "Supplier of Choice." Betty and Dennis claimed the two desks and promptly informed Lew that he shouldn't be in the office anyway because he should be out selling.

"Lew was the best salesman I've ever seen," Dennis said. "He was comfortable talking in a board room, talking to the guy installing a valve in a refinery or the guy out on the drilling platform. They were all comfortable talking with Lew. It didn't matter who or where you were, he was one of you."

Before long, the dream that was Red Man Pipe & Supply proved to have staying power. Every goal from their three-year plan was accomplished in the first



six months. The company opened their first store in Ardmore, Oklahoma and brought in sales of eight million dollars in the first eight months. This accomplishment was made possible, in part, thanks to Lone Star Steel and U.S. Steel naming Red Man as a distributor. The coveted status gave the fledgling company the legs to pursue business with major oil companies who were looking for reliable, minority-owned businesses to provide PVF products.

The company's minority supplier status may have opened some doors, but performance kept them open.

Red Man expanded rapidly, and the successes kept stacking up. By 1980, Red Man opened its eighth location. In 1981, the National Minority Supplier Development Council presented Lew with the Supplier of the Year Award.

One of the reasons for this "overnight" success was the leadership's ability to recognize and empower talented employees. The family worked to create a corporate culture centered around its employees and their development.

"It felt like you were part of the family when you became part of Red Man," Kim Murphy, who joined Red Man in 2001 and currently serves as MRC Glob-

al's Senior Director of Supply Chain Services, said. "It was not uncommon for us to walk down the hall and see one of the Ketchums in someone's office just talking and investing in them as people. That meant a lot. It made it easy to put your heart and soul into the company."

By the 1990s, Red Man had built a reputation for upstream and midstream strength and an impressive valve automation offering. McJunkin's primary stronghold was the downstream and industrial sectors, but both companies were actively pursuing opportunities to grow. Then, On December 7, 2006, McJunkin announced that Goldman Sachs Capital Partners had made a "substantial" investment in the company. If that announcement sent waves through the industry, the July 2007 "merger of equals" between McJunkin and Red Man was a tsunami.

In the end, McJunkin Red Man became the undisputed North American PVF powerhouse. And the company's new CEO, Andrew Lane, put a long-term strategy in place that focused on retaining large, global contract customers and growing with them internationally and increasing valve and valve automation capabilities.

A period of rapid-fire growth began with a bang – the addition of Transmark FCX. Practically overnight, on May 30, 2012, McJunkin Red Man was officially the Global Supplier of Choice.

In the coming decade, companies from Australia to Singapore and Norway consistently added stainless steel, high alloy, valve, valve automation and specialty value-driven offerings for customers. The specialized capabilities of MRC Global's growing international operations, when added to the strong, long-term relationships in North America, ultimately resulted in global valve contracts with Shell (2012), and later Chevron (2017) and ExxonMobil (2017).

MRC Global retains all three contracts today.

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MRC Global in 2021

Today, MRC Global is the largest valve distributor in the world to the energy industry. The company offers complete valve and automation solutions and connects world-class suppliers with the leading producers in today's energy and industrial sectors.

"We are leading the industry in more than just sales volume," Mr. Bowhay said. "No one else in the world can offer such a complete valve, automation and technical product portfolio."

While the company offers an array of integrated services, integrated supply capabilities, and reliable technical product support, MRC Global's Supplier Qualification Process is widely considered to be the benchmark for the industry.

"With our quality process, we focus on identifying global manufacturers who can be trusted to produce a consistently high-quality product that matches our customers' specifications," Jack McCarthy, MRC Global Senior Vice President – Supply Chain Management, said. "Then, we invest in the relationship with regular site visits, audits and long-term planning. So, when an emergency request comes in, we have an established base of reputable sources who we know very well and can rely on."

The company credits its proactive quality process, versus relying solely on after-the-fact product inspections, as the reason they are able to consistently provide high quality options to their customers and offer solutions for urgent needs or highly technical applications.

"MRC Global's lasting success is built on our people, ethics and dedication to our customers," Rance Long, MRC Global's Senior Vice President – Business Development, said. "We are proactive. We learn and evolve so that we can take really good care of our customers. That's what really sets us apart, and our valve and automation capabilities are a big part of what will continue our legacy."



"MRC Global played an integral role in a recent success story related to the construction of new Butamer and Penex production process units within an existing refinery, which required an aggressive delivery schedule for specialty automated valves," Charles Metrailler, Executive Director – Downstream Valves & Automation, said. "We pride ourselves in understanding several licensor production processes, and by having this understanding the high end, specialty valves were readily available within our network of distribution centers, resulting in lead-time reduction of 12 weeks. This allowed our customer to stay on schedule with their project requirements."

"Between the broad scope of our capabilities and the true, technical experts we have on our team, we are in the best position to offer our customers solutions," Greg Peterson, Vice President – VAMI, North America, said. "Upstream, midstream pipeline, gas utilities, downstream and industrial – we have the best talent and knowledge on our team and can help our customers identify the best product for their unique applications across multiple manufacturer options and usually with a much shorter lead time."

In the heart of the U.S. Gulf Coast, the company has built a world-class operations facility – and more than half of the capacity is dedicated to valve and valve automation products.

The Houston Operations Complex at La Porte, TX includes a 127,000 ft² Valve Engineering and Modification Center

where MRC Global offers a full range of automation capabilities, valve modifications and transitions, valve testing, coating and packing all on-site within steps of the 415,000 ft² Regional Distribution Center, which includes a 40,000 ft² Valve & Engineering Center.

From here, MRC Global built out its FastTrack Valve Automation Program, a suite of midstream and downstream automation packages that can be quoted and shipped within 24-36 hours.

"It is exciting to represent a company that has demonstrated it can withstand the test of time," Matt Hartfiel, Executive Director – Downstream Valves & Automation, said. "Our proven longevity allows us to focus on truly innovative solutions and a long term, strategic approach in providing the best value for our customers."

One of those solutions includes ValidTorque® Certification, which is exclusively offered by MRC Global. ValidTorque provides a precise set of measurements that confirms the performance and applied safety factors of critical actuated valves. This allows operators to understand how changes in cycle times impact future performance and effectively plan preventative maintenance.

After 100 years in business, it is clear that the people at MRC Global have a strong legacy and promising future ahead of them. Visit www.mrcglobal.com/100years to learn more about the moments that mattered to the people who built a single, unified future at MRC Global.

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