

A Wide Range of Wide-Flange

BY MAX POWELL

Readily available inventories make service centers an important link in the steel supply chain.

WE'VE PROBABLY ALL had the experience of visiting a large home improvement center, walking up and down the aisles, looking for those items we need for a particular home project.

As a homeowner, whenever I have a project around the house, I make a list of the materials I need and then pay a visit to one of these establishments.

I'm often amazed at the variety and quantity they stock. Nevertheless, I only buy what I need and in the sizes that come closest to my final dimensions. The less I waste, the less it costs me.

It's the same for steel fabricators. When they get a project to fabricate, they also make a list of the materials they need, then place the order. As an alternative to ordering directly from the mill, fabricators can make a call to their version of Home Depot: the steel service center. The salesperson at the service center prices the material on that list and, if asked, notes the availability of each item. The completed list is returned to the fabricator who can then order the items needed. The fabricator purchases only the items required for each project, in the exact quantities required and to the closest dimensions possible. Again, less waste is less cost.

There are several advantages of ordering steel from a service center, but it's their inventory that creates the most value for fabricators and manufacturers. Service centers generally have three to four months of inventory on hand at any given time so that larger-than-normal orders can be met from current inventory. A heavy carbon service center like ours, for example, stocks a wide range of steel products, from wide-flange beams to hollow structural sections to plate and sheet to HR bar, flats, channel, and rebar. It's important to note that this material isn't available in just one size or length; it is generally available in many sizes and many different lengths to help end users find the best size and hold down waste.

In order to maintain the three-month level of inventory at any given time, a service center orders from a variety of steel mills many months in advance to take advantage of the best pricing opportunities

available and to ensure that temporary problems at a producing mill do not prevent the service center from meeting its customers' needs.

Trucking Too

Most steel users aren't equipped to handle material wider than 8 ft or longer than 40 ft; picking up material that exceeds these dimensions requires trucking, which often puts the customer at the mercy of a third party's schedule—the trucker's—and increases his costs. However, some service centers, such as ours, have their own fleet of trucks and trailers that are equipped to handle large steel loads, and because the service center controls the delivery, they can usually schedule a customer's delivery within a day at little or no additional cost. Unlike a common carrier, the service center will generally deliver truck-load quantities and smaller quantities on the same basis. Adding to the value, service centers with in-house delivery capacity can do a very good job of sequentially shipping items or performing just-in-time delivery—especially when the project requires a large amount of steel.

Custom Cutting

Different service centers do different types of material processing based on their customers' needs. Fabricator customers are most interested in saw cutting to length and shearing or burning plate into gussets and base plates. In addition to these basic services, our service centers use software that can match up the exact cut lengths that a customer needs to the standard lengths that are actually in inventory. This "nesting" process produces a list of cut lengths that should come from each standard length so that the minimum amount of waste is produced. We can either deliver the nesting information along with the standard lengths needed to cut the finished lengths or we can cut the standard lengths and deliver the finished lengths needed. Just one more advantage of ordering steel from your friendly, neighborhood service center.

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Max Powell is the Structural Products Marketing Manager of PDM Steel Service Centers, Inc. in Lehi, Utah, and can be reached at mpowell@pdmsteel.com.

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