



Case Study

ERIKS and Steel & Alloy OnSite

ERIKS

Let's make industry work better



Paul Whitehouse has been Managing Director at Steel & Alloy for two years having previously been the Finance Director for ten years, and the company's relationship with ERIKS spans nearly two decades.

Throughout this extensive history Steel & Alloy has undergone three or four significant evolutions in their service contract renewals with ERIKS. It's a relationship that has consistently adapted to the evolving dynamics of the industry, demonstrating remarkable resilience and a commitment to success.

With its own unique challenges and bespoke adaptations to the OnSite service ERIKS and Steel & Alloy have continued to adapt to make their relationship work weathering changes both within the companies themselves and the industry at large.

ERIKS services three of the company's processing sites, assisting them to supply strip steel and aluminium products into several different industries including Automotive, and Construction with processing capabilities including, press blanking, slitting, multistrand

blanking, coating, de-coiling and shearing as well as distribution facilities storing and handling coils, blanks and tubular products.

Supplying most automotive companies in the UK alongside large general industry customers is no small task and Steel & Alloy ensure their relationship with ERIKS supports this to the best of its ability with a tight relationship between themselves and the OnSite team and quarterly meetings with ERIKS senior leaders.

With a turnover of £280 million but a net profit of less than 3%, the small margins mean watching costs is key for Steel & Alloy. To assist with CAPEX and cash flow many production consumables are held on a consigned basis. The Paragon Stores Management software used by ERIKS gives Steel & Alloy a constant overview of their current engineering spares stock and enables inventory control.



Improved efficiency

Outsourcing management of their stores allows Steel & Alloy's to save time as well as improving general efficiency. Paul comments "Logistically, the service is incredibly helpful. If you call in items from the ERIKS' hub, the Fulfilment Centre of Expertise in Oldbury in the Midlands, it is much quicker and far more efficient than if you're sourcing items individually."

This, alongside the specialist support from ERIKS has enabled the relationship to continue well into its second decade. "It is a very specialist resource." says Paul, emphasising the rewards of improved efficiency the service provides, "Instead of having lots of people looking into different areas, ERIKS provides access to a variety of specialisms from the same source, and we can call on them at any point."



Specialist support

Expanding on the point about additional specialist support Steel & Alloy has recently used ERIKS to conduct a compressed air survey. Following the survey, the manufacturer purchased equipment to improve the system's performance and are noticing a difference in site performance and energy savings. They are keen to carry out more in the future regarding motor performance and the hydraulic systems. Paul says, "The good thing about these surveys is that they really help us to control and optimise internal operations."

Steel & Alloy keep a close eye on its relationship with ERIKS, constantly reviewing how they can maximise the rewards with a monthly service review that focuses on areas such as safety, monthly spend, savings and inventory. Value-added services and technical benefits opportunities are also discussed at these meetings.

It is not unusual for changes to be made following each of these meetings to ensure performance is always moving forward. The three critical KPIs that ERIKS are measured on are:

- There must be three people on site at all times – including holiday periods
- All Non-Conformance Reports are to be reviewed and agreed within 14-days
- Management team formal service review meeting each month – Senior management strategic interaction at least once a quarter



Understanding the business deeply

This dynamic and constantly shifting relationship is supported by a strong bond between ERIKS employees and Steel & Alloy whose “family-owned” culture has allowed ERIKS employees to become firmly integrated into the business. Paul comments “The relationship needs to be strong, and it is. We feel as though the OnSite team are essentially just Steel & Alloy employees under another name.”

Instrumental in this relationship is Kieran Howard who leads the OnSite relationship and who last year, was mentioned in Steel & Alloy’s ABCD awards following his response to the breakdown of a key piece of equipment, the Fagor blanking press, during the holiday period. Following its breakdown ERIKS had to import multiple spares to get this equipment back up and running. “In this case the time period was critical...” said Paul “...and Kieron went above and beyond to ensure its speedy repair.”



Strategic development

In addition to a strong relationship with the OnSite team Steel & Alloy also benefit from quarterly meetings with ERIKS senior management in which the service is discussed at a higher, more strategic level. “Something that adds value to the service is the ideas that arise in these meetings which we may not have thought of ourselves, it’s a truly collaborative effort.” says Paul.

With the constantly changing face of industry ERIKS endeavours to assist companies in achieving their current goals and aid them in selecting future ones. For Steel & Alloy the most recent outcomes of this are the proposed installation and upkeep of a brand-new solar integration at their Pope’s Lane site costing around £500k and a similarly valued thermal heat exchange systems at the Bridge Street site.

Although not always a simple relationship ERIKS and Steel & Alloy are constantly moving forward, achieving and resetting goals together “We can be quite a demanding customer.” says Paul, “Given that the business itself is unique, we’re spread across four sites and some of the critical machinery is old requiring quick reaction times from ERIKS when there is a problem, it’s definitely not straightforward.”

The pairing’s unwavering commitment to constant progress throughout their years together is a testament to the lasting strength of the collaboration. “At the end of the day we’re all in it together” concludes Paul.

Contact

ERIKS Industrial Services Ltd.

UK & Ireland Head Office:
Seven Stars Road,
Oldbury,
West Midlands,
B69 4JR

eriks.co.uk

ERIKS

Let's make industry work better