

PRESS RELEASE

Allied Steelrode: stretching steel, customer service and product quality to new levels of excellence

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Since the merger of Steelrode and Allied Chemical and Steel in 2014 which created Allied Steelrode, the business has fast earned its leadership position in the South African steel industry. Today it is the largest procurer of product from South Africa's primary steel processor; and is also a major importer of steel from abroad.

"There have been two keys that have unlocked our success – customer service and product excellence, underpinned by our unwavering investment and dedication to both," explains Rippon. Since inception, customer service has been the company's main objective and foundation.

"Our fundamental ethos is an all-consuming dedication to quality in everything we do, as that is the cornerstone upon which customer service and product excellence is built. An unwavering dedication to customer service and quality is in fact the reason that Allied Steelrode has flourished in what is actually a very challenging market," Rippon continues.

"It has been our driving imperative over the years to not only sustain customer service and product excellence but to continuously improve on these key aspects of our operation," continues Rippon, adding that he and his partner, CEO Arun Chadha, are of one mind when it comes to these two major differentiators.

However a further imperative in the business is to employ excellent people, the current Allied Steelrode people having been selected by Rippon and Chadha personally.

"As we ensure we employ a team which shares our values and goals, our approach is to work *with* people – empowering, developing but never micro-managing them - as both the company and our people realise maximum benefit from this approach," Rippon asserts.

This excellent relationship has been evident during previous 'strike seasons' in the steel industry, where Allied Steelrode's staff worked with management to ensure that business continued uninterrupted. A particular strength also resides in the company's second tier management members, who display strong leadership qualities.

“Our people are very much the foundation for all these other good things – such as quality, innovation, consistency of supply and highly effective logistics for example. If you do not have the right people, you cannot get those other things right,” he adds.

Rippon likens customer service and product excellence to steel roof trusses; while quality, innovation, consistency of supply and highly effective logistics serve as the supporting pillars. “However, the real ‘steel’ foundation is our people,” he emphasises.

As with technology and operations, continuous improvement and people go hand-in-hand. Allied Steelrode people are constantly encouraged to improve and empower themselves through training and development.

“Anyone visiting Allied Steelrode will notice the refreshing difference in the quality of our people, exemplified in how they approach our customers and suppliers: from the gate security and reception, to all our other people,” he adds.

Overwhelming evidence of the alignment of the company’s people is that in the 25 years since the founding of Steelrode and the merger which created Allied Steelrode, there has been extremely good staff retention.

“In Allied Steelrode, we have had the tagline ‘*we have evolved*’, and more recently ‘*on a mission*’ - which applies not only to the company as a whole; but also indicates the trajectory and importance of our people’s growth and development - which are crucial drivers of customer service and product excellence.

The company is managed with an ‘open door’ policy and staff members are encouraged to share their ideas, which results in much innovation emanating from the shop floor. “In this open and enabling environment, our people are encouraged to take ownership and responsibility,” continues Rippon.

Rippon has some 25 years’ experience in the steel industry, as does CEO Arun Chadha. He makes the important point that a further differentiator is that Allied Steelrode is an owner operated-and-run business.

“In today’s fierce market, steel businesses which are owner driven do tend to be in leading positions,” explains Chadha.

“In Allied Steelrode’s case, it means that there is an open door policy and easy access to executive management, which fosters agile thinking and decision-making. Being owner-driven means the company

embraces innovation and is very responsive to market changes. Sometimes strategy needs to evolve almost daily, which is important, Chadha explains, as the steel industry is, by its nature, very dynamic.

“Adaptability is vital as this is part of business agility and being forward-looking,” he emphasises.

Both customer service and product excellence are also closely linked to major capital investments that Allied Steelrode has made in advanced technology. The two major examples of such investments are the dedicated stretcher leveller and the Adige LT20 tube laser – with another stretcher leveller to follow in 2018.

“It was really our customers who indicated to us that, to remain competitive, we would have to purchase the first stretcher leveller. The fact that in less than two years, this stretcher leveller is working at almost full capacity really vindicates our decision; and proves that we did the right thing in listening to our customers. The fact that the second stretcher leveller has been ordered and will be commissioned early next year, further testifies to the soundness of Allied Steelrode’s decision,” Chadha adds.

The company has gained credibility in the eyes of many of its customers by not offering competing services. However, laser tube cutting is a new technology, which is not really known well in South Africa. In much the same way that purchasing the stretcher leveller was a key step in beneficiating South Africa steel and is a major contribution to the future of South Africa’s steel industry, the purchase of the LT20 tube laser was a similar investment with the same strategy in mind.

“The purchase of the LT 20 is opening up new markets, geographically and in terms of capability. In turn, the LT 20 is opening new markets for our customers who would like to use this capability,” says Rippon, adding that Allied Steelrode has also recently completed a comprehensive software update roll-out of all their cut-to-length lines.

“This software upgrade has greatly enhanced the efficiency and inter-operability of all our lines, ultimately improving turnaround times and customer service accordingly,” he points out.

“All these major investments have been a leap of faith for us, which will take time to mature into full profitability,” he continues.

“South Africa’s recently slow economic growth looks set to improve; and when this upturn happens, Allied Steelrode will be poised and ready - with the right elements in place - to offer our valued customers even faster and better quality customer service in conjunction with ever-improving product excellence,” he concludes.

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(1098 words)

Note to Editors

About Allied Steelrode

Allied Steelrode was founded through a merger of Allied Chemical and Steel Pty Ltd and Steelrode Pty in 2011. The company has grown to be a leading independent steel supplier and processor, which supplies high-volume merchants and end-users with bulk coils, slit strip, flat steel, steel pressings, standard sheets and the entire structural steel portfolio of products.

To differentiate the company while adding value to customer processes and maintaining consistent growth, Allied Steelrode has systematically invested in the most advanced steel processing equipment such as a tube laser and a dedicated stretcher leveller facility for upgrading steel sheet.

Quality improvement, consistency and reliability of supply and customer service excellence are key drivers for this Alrode-based company. Hand-in-hand with this is a dedication to the highest levels of efficiency.

Allied Steelrode is ISO 9001:2015 certified.

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