### Press release:

Allied Steelrode: Stretching steel, capacity and competitiveness with second stretcher leveller

## 8 November 2018

Local steel major Allied Steelrode made history in 2015 with the purchase and commissioning of South Africa's very first dedicated stretcher leveller. This machine was ordered from Red Bud Industries, the leading original equipment manufacturer (OEM) in the United States. The stretcher leveller, which has a length of 120 metres, is capable of processing material up to 12 mm thick, 2 metres wide and up to 15 metres in length, fed from coils weighing up to 33 tons.

With this innovative machine in place at their stretcher leveller facility in Midvaal, Allied Steelrode was able to far more effectively produce stretched and flattened steel. Coil steel tends to retain various inherent stresses and latent memory as a result of the hot rolling manufacturing process. In this state, when subjected to subsequent processes such as laser cutting, water jetting, turret punching, welding and bending, these latent stresses cause the steel to distort and lift. This, in turn, raises the cost of fabrication as considerable re-work is involved to correct these variances.

"The speed and tight tolerances of modern fibre laser steel processors leave no allowance for metal lifting or distorting while it is being cut. De-stressed flat steel is therefore critically important in avoiding laser head crashes," explains the Executive Director of Allied Steelrode, Warne Rippon.

While there have been other methods of de-stressing and flattening raw steel in use in South Africa, these are not as effective as Allied Steelrode's stretcher leveller. "The effectiveness our stretcher leveller process has been evidenced by the ever-increasing demand for our iconic trademarked brand, Allied Steelrode Stretcher Material (ASSM); which, since 2015, has been growing rapidly," comments Rippon.

As ASSM has had the stresses eliminated and is perfectly flat, this allows fabricators and manufacturers - in a wide variety of industries - to produce superior products far more efficiently, at a lower cost. Part of this lowered cost includes a significantly reduced scrap rate. However, the stretcher levelling process does not change the mechanical properties of ASSM sheets, which comply with the standard of 0 to 1 International Units of Flatness.

"As the demand for our ASSM grew exponentially, we soon saw the need for a second, even more powerful stretcher leveller, which we also procured from Red Bud Industries. This became fully operational in July 2018," explains Rippon's partner in Allied Steelrode, CEO Arun Chadha.

"This second stretcher leveller - together with the first one - is a boon to the downstream steel sector as, in these constrained economic times, companies are managing their inventory on a much stricter 'just-in-time' basis with little or no stockholding.

The installation of the second stretcher leveller will allow for greater operational efficiencies, resulting in shorter lead times to delivery. This, in turn, allows our customers to improve their service offering and become more competitive - something which is hugely important in these challenging times. It also demonstrates a key aspect of Allied Steelrode's own operational ethos - absolute dedication to customer service, thereby allowing them to service their own customers more effectively in turn," emphasises Chadha.

The two stretcher levellers have varying capabilities which also represent a noteworthy value-add to customers. The first stretcher leveller is able to process steel gauges from 1.2 mm to 12 mm; while the second processes gauges from 3 mm to 12 mm. Having two operational stretcher levellers allows Allied Steelrode to be a more flexible supplier and also more responsive to the market, as the respective levellers can simultaneously be dedicated to processing different types of materials for more extended periods.

"What this means for us is that we have been able to drastically reduce the time lost in setting up when changing from one type of material to another," explains Rippon.

For example, one stretcher leveller can be used to process steel which still has mill residue adhering to it; while the other processes stainless steel, which, in contrast, requires the line to be scrupulously clean.

In the light of Allied Steelrode's unwavering focus on customer service excellence, having a second stretcher leveller will also facilitate internal maintenance procedures and avoid any unscheduled downtime as far as possible.

"At the same time, we also work closely with the OEM and adhere closely to a rigorous maintenance programme in order to ensure optimal uptime and maximise productivity," Rippon advises.

"To physically stretch steel requires immense forces to be applied, which in turn requires a machine of some considerable scale," comments Chadha. The new stretcher leveller weighs in at some 250 tons, and to accommodate this machine, the Midvaal facility needed to be expanded to a total of 15,000 m<sup>2</sup> under roof.

This facility is furthermore a greenfields project, and its establishment meant that more than 70 permanent jobs were created in an area where employment opportunities are typically very sparse. In addition, 23 learners have been sourced from the Midvaal area and are currently studying towards their

National Certificate of Manufacturing Engineering. This is an annual programme, and an investment in our development of people in the local community, for potential employment either at our facility, or at other manufacturing facilities in the area," Chadha points out.

"The acquisition of these two stretcher levellers exemplifies Allied Steelrode's bold, forward-looking stance and our technology investment roadmap and vision," Rippon continues. Apart from the two stretcher levellers, Allied Steelrode has invested in other advanced steel processing technology such as an Adige LT 20 tube laser - among other major capital equipment items - as well as upgrading of the software on key cutting lines, he explains.

"The provision of professionally stretcher-levelled ASSM steel provides a substantial benefit to South Africa's manufacturing and fabrication sector, which at this point in time is certainly in definite need of a boost to its competitiveness.

It will furthermore contribute to the upturn in the demand for steel, which we expect will come once the larger infrastructure projects get underway as a result of the government's recently announced economic stimulus package. This will also provide a springboard to improving the quality of our locally produced steel and steel products - which will ultimately allow the country to be more competitive in the global manufacturing arena," concludes Rippon.

#### **Ends**

(1044 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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