

Red Point Alloys: subsea to mining

Quality valves that are built to last



The casual visitor arriving at Red Point's premises in Zoetermeer, the Netherlands, probably won't notice any changes. The yellow-brick and smoked-glass building continues to exude an air of modernity, stability and quality. Take a walk inside, however, and you'll see quite an obvious difference - both the office and factory areas have almost doubled in size in recent years. Make no mistake, Red Point is a company that has enjoyed a period of sustained growth and is geared up for further expansion. High time therefore for Valve World to request an interview with Managing Director Mr Luc Daverveldt.

By David Sear

"Oh yes, we have recently doubled the size of our operations, both in terms of manufacturing and sales," confirms Mr Daverveldt. "That was absolutely necessary in order to keep pace with increasing orders for valves. We had two of our best years ever in 2007 and 2008. Like all manufacturers we have experienced a slow-down during the early months of 2009. However, there are clear signs of recovery in many of our markets and we have recently seen the order intake picking up again." An obvious question, of course, is how Red Point went about securing those extra orders. Typically, Mr Daverveldt is not afraid to give a direct answer: "Some of the extra growth has come from our traditional markets, such as chemicals and petrochemicals. However, we have become increasingly successful in other areas too. Areas like subsea and mining. Clients in these markets also appreciate our core values: innovation and flexibility in valve manufacture. And of course our fast-track production ability is one of our strengths."

Developing sales in new markets is of course no mean feat. It can take months or even years of hard preparation. Red Point however has benefited from some very persuasive marketing – word of mouth. Mr Daverveldt: "over the years we have built up a very loyal network of customers. Customers for whom the Red Point name is synonymous with quality valves for demanding applications. Inevitably, these customers talk to piping engineers active in different sectors. And so our reputation spreads. It is very gratifying to receive inquiries that are based on personal recommendations from satisfied clients." Whilst it may sound paradoxical, the economic slowdown actually seems to encourage people to think outside the box, continues Mr Daverveldt. "Instead of accepting less-than-satisfactory standard valves, these new clients are asking Red Point to come up with longer-lasting solutions. We are of course delighted to work with such customers and develop new sales channels at the same time." Thanks to these types of inquiries Red



Point has gone on to supply valves to markets such as upstream, mining and power. Comments Mr Daverveldt: "it is very exciting to further develop our presence in these markets. The design and manufacturing skills we have developed over the years working for chemical, petrochemical and offshore industries can be readily transferred to these new areas as well. The key, however, is in taking the time to fully understand each client's specific process and applications. That's how we can provide quality valves that are built to last."

Wider scope

In addition to the new markets, it is also possible to identify another driver behind the growth at Red Point. Over the years the company has built up a reputation – and rightly so – as a problem solver. The ideal company for valves made from exotic materials, or valves with special requirements, or those valves which had simply been overlooked during project procurement. For a number of years,

thought, Red Point has been increasingly engaged much earlier in the project chain. Mr Daverveldt explains further: "our involvement in project work used to be at the end of the cycle – we were the company people turned to for the forgotten items. And we will of course be delighted to continue providing that fast-track service. But in addition, we are now being asked to participate much earlier, right at the specification stage, and to fulfil more of the total valve requirements. That has meant widening the scope of materials we work with. So in addition to using exotic alloys such as titanium, zirconium, duplex or nickel-based alloys, we are now also manufacturing significant quantities of valves from standard materials such as stainless and alloy steel. Such valves are typically engineered to meet specific requirements. For example, for high pressure gas applications." Without doubt, Red Point's engineering and manufacturing capabilities are second to none. Staff also have a happy knack of transferring skills learned in one market to successfully manufacture valves for other markets too. In fact, Red Point is quietly working on developing valves for probably the most demanding of all industrial sectors – nuclear power. Comments Mr Daverveldt: "I can confirm

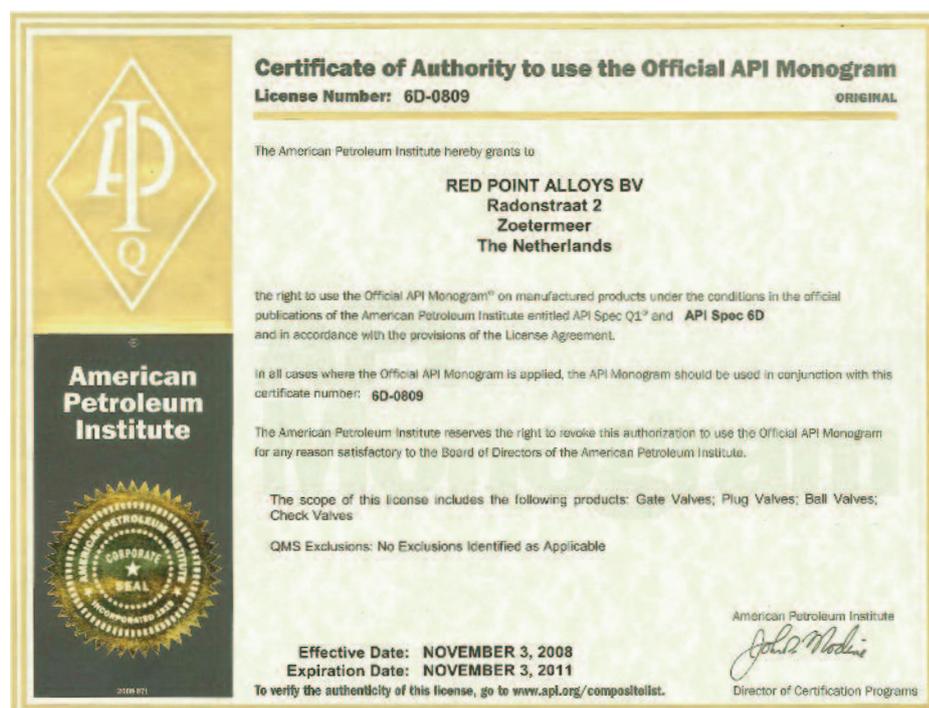


Red Point have a track record in developing tailor-made valves to meet specific requirements.

that we have started to evaluate the nuclear market. Initial valves have been made and have passed extensive testing. We have also received interest from various parties in the nuclear power business. Our aim is to be fully up to speed to support this industry as and when demand picks up."

Quality

It has always been clear to Mr Daverveldt – and indeed the entire staff at Red Point – that product quality has to be an absolute given in the served



A proud moment: Red Point has recently gained approval to use the official API (American Petroleum Institute) Monogram.

industries. There is clear evidence of this on the walls of Red Point's conference room, which are adorned with certificates from organisations such as Stoomwezen in the Netherlands and the ISO 9001 (ISO 9000 has been held ever since 1993). Further, CE/PED certification was gained in 2002 and there are also numerous fire-safe certificates as well for the entire scope of supply as well as the double block and bleed valves.

The newest certificate on the wall comes from across the Atlantic, for Red Point has recently gained approval to use the official API (American Petroleum Institute) Monogram. This covers API Spec Q1 as well as API Spec 6D manufactured products.

Comments Mr Daverveldt: "we were

From subsea to mining and everything inbetween

Working with such a diverse range of customers is what Export Manager Taco van der Wilde finds particularly rewarding in his job. "From subsea operations to high altitude nickel mines, from chemicals to coal gasification, we work with a tremendous range of clients. That is both a challenge and a source of real satisfaction. With every new client our primary goal is to first gain an appreciation of their needs, for that is a pre-requisite to meeting their expectations. That is a completely different mindset than selling products off the shelf."

Mr van der Wilde has some parting advice for end users. "If you have a challenging application, put the catalogue to one side. You cannot hope to find the optimum solution from a standard selection. Instead, simply tell Red Point your needs and together we can work out the optimum technology for you. The solution may be straightforward, such as selecting the right trim, or much more complex, such as engineering a three-way globe valve in zirconium. Whatever the challenge, Red Point can deliver. Moreover, our starting point for manufacture is always genuine, virgin alloys, be it bar stock or forgings. So you never need worry about the origins of the valve materials. If you need absolute confidence in your valves, then call Red Point."



Red Point have developed comprehensive materials knowledge, covering everything stainless and alloy steel right through to titanium, zirconium, duplex and nickel-based alloys.

delighted to receive the API certificate which is another seal of approval for our valves. The basis for quality at Red Point begins with our ERP system, whereby we can guarantee the complete traceability of base materials and components used in every individual valve. Also important to clients is our flexibility to accommodate their specific

requirements. This means we can readily implement any additional product or project based quality systems they may have."

Confident

Bringing the interview to a close, Mr Daverveldt re-emphasizes that Red Point is willing and able to service all types of



With a sophisticated ERP system, Red Point can guarantee the complete traceability of base materials and components used in every individual valve.



Customers rate Red Point's fast-track production abilities as a key strength.

industries. And make no mistake; Red Point is not afraid to go the extra mile. Take a recent order in the offshore arena, which shows clear proof of the flexible and supporting attitude of the entire Red Point team, based on their proven track record with a wide range of materials. Mr Daverveldt explains more: "we were asked to deliver a number of high pressure gate valves in duplex for use offshore. Anyway, this particular client stipulated that the valves be fitted with an ISO mounting bracket as he was going to have them actuated. He also wanted them within five weeks. Red Point is geared to fulfilling such orders so we started to get on with the job. To our surprise, however, the client

called back a few days later with an urgent request. It turned out that he wanted duplex actuators as well and was simply unable to source them elsewhere in the timeframe. Now, it is not our intention to become an actuator manufacturer, but to help the client we agreed to build the units for him. Three weeks later we had designed, built and tested both valves and actuators. I'm glad to say the actuators operated very smoothly and the client was extremely satisfied."

Finally, mention should also be made of Red Point's sincere commitment to running an ethical business. At the time of writing, for example, Red Point is on the verge of attaining an important

health, safety and environmental accreditation, in the form of OHSAS 18001. Says Mr Daverveldt: "This will further demonstrate our commitment to providing a safe working environment. Of course we already meet all local and national standards, but the OHSAS 18001 will be instantly recognizable to the multinational companies we are increasingly dealing with. On another level, we have recently undergone extensive auditing by certain end users and are now on their approved manufacturers lists too. These are all important elements to have in place before the economy really picks up. So yes, we are quietly confident about the future. We know we can be successful, long-term partners for our clients as we have the scope, the knowledge and the experience required to deliver lasting flow control solutions."

Closer relationships means better valves

Key Account Manager Piet Hofman joined Red Point early in 2009, bringing with him vast experience in the offshore industry. "One of my tasks is to foster direct relationships with our end user clients, such as the shipyards, FPSO constructors and the oil and gas companies, as well as the engineering contractors. Face to face contact between their piping engineers and our designers is the best way to develop optimum valves for specific applications."

There has never been a more important time to build relationships, Mr Hofman emphasizes. "The easy projects in shallow water are over. Now we will all increasingly have to focus on deepwater fields, where the challenges for flow control products will be much greater. Our extensive materials knowledge is already proving invaluable as we develop valves for subsea use." In parting, Mr Hofman says he aims to raise Red Point's profile even further: "Red Point is taking a more substantial role in the valve supply chain and the response from our clients has been most gratifying. My goal is to reinforce the message that Red Point is the brand name to trust!"

Facts & Figures

Name:	Red Point Alloys BV
Principal activity:	Design and manufacture of valves to meet specific demands (specifications, materials, delivery times, applications, etc)
Headquarters:	Zoetermeer, the Netherlands
Sales:	Worldwide (direct to end users / contractors and via agent network)
Markets:	Chemical, petrochemical, pharmaceutical, oil, gas, onshore, offshore, power generation, mining, nuclear
Valve types:	Ball, check, gate, globe, butterfly, tailor-made valves. Also strainer, sight glasses, etc
Materials:	Nickel alloys, titanium, zirconium, duplex, super duplex, corrosion resistant alloys, alloy steel, etc