



Saving on stainless steel costs

“This is the first time we’ve worked with a company like Vendigital and the experience has been extremely positive. Vendigital became an extension of our own procurement department and helped us to adopt a more strategic approach to the way we source our materials.”

Matthew Jewitt
Marketing Manager, Newburgh Engineering Ltd

Newburgh Engineering, a world class manufacturer of engineering components and assemblies, has made substantial savings on its procurement of Duplex Stainless Steel grades. This significant saving has been achieved in a raw material market that has been rising for the last 24 months, a trend likely to continue with the ongoing strength in demand and volatile nickel prices.

“Vendigital’s expertise has enabled us to reduce our stainless steel costs and also to protect those costs for the foreseeable future,” says Matthew Jewitt.

“It’s vital that we maintain a competitive price. One of our most important customers is Vetco Gray. We provide high specification steel valves and kits for Vetco Gray’s onshore and offshore oil and gas drilling and production equipment. By sharing the benefits of these savings with Vetco Gray, we can add further value to this relationship. Interestingly, we first met Vendigital back in 2004 when they introduced us to Vetco Gray and we won the contract.”

Vendigital undertook a detailed assessment of the Stainless Steel plate, bar and forging market. Due to limited supply options, Vendigital restructured the way Newburgh purchased its raw material and developed five different sourcing scenarios. Following an assessment of suppliers, Newburgh opted to move from a single to dual source supply.



Title: **Stainless steel purchasing**

Company: **Newburgh Engineering Ltd**

Main business: **Specialist machinists**

Value: **£850k**

Main benefit: **15% cost reduction**



▲ Newburgh Engineering HQ

▼ Matthew Jewitt
Marketing Manager, Newburgh Engineering Ltd

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VENDIGITAL[®]
dynamic procurement