


Vendigital helps Newburgh save on stainless steel costs

Swindon, UK – 4 June 2007: Newburgh Engineering Ltd, a world class manufacturer of engineering components and assemblies, has made substantial savings on its procurement of Duplex Stainless Steel grades using the sourcing and market purchasing expertise of Vendigital. This significant saving has been achieved in a raw material market that has been rising for the last 24 months, a trend which may continue with the ongoing strength in demand and volatile nickel prices.

"Vendigital's expertise has enabled us to not only reduce costs but also to protect our stainless steel costs for the foreseeable future," says Matthew Jewitt, Marketing Manager at Newburgh. "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 within Western and Eastern Europe. Due to the limited supply options available, Vendigital focused on restructuring the way Newburgh purchased its raw material and five different sourcing scenarios were presented. Following a detailed assessment of individual supplier capabilities, Newburgh opted for the best value proposition which involved moving from a single source to dual source supply.

Matthew adds, "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. They helped us to adopt a more strategic approach to the way we source our materials. And we plan to invite Vendigital's highly professional team back again when the contract comes to an end. I anticipate that this will ensure the renegotiations have an equally positive outcome." 

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About Vendigital: www.vendigital.com

As a world leading sourcing and market purchasing specialist, Vendigital connects its industrial and business customers to the global market place. The company delivers rapid business improvements and dramatic cost savings through enhanced purchasing processes and access to new supply chain options. Vendigital is a pioneer in the use of purchasing technology and its highly skilled team deliver average cost savings of 26%.

Vendigital's strategic whilst practical approach to cost reduction programmes, specialist market tenders and e-auction through to category management services consistently delivers eye-catching results - helping clients to increase profits and improve supply chains. Established in 2000, Vendigital has global reach through its offices in the UK, US and Germany.

About Newburgh Engineering Ltd

Since 1939 when Isaac Middleton founded the company in Bradwell, Derbyshire, Newburgh have continually invested in both plant and facilities to maintain its position as a premiere contract manufacturing company in the UK. The company has a long and successful track record of setting up dedicated manufacturing facilities for major customers with contracts of up to 10 years duration. Newburgh currently employs 120 people in its 100,000 sq. feet of workshop space.