

'Brother Can You Spare a Ton'

The past 12 months were among the most difficult for the steel production industry, as demonstrated in the results from the 20th installment of MCN's Rate the Mills from Jacobson & Associates.

Producing in a pandemic is no picnic, but the aftermath of the 2020 COVID-related shutdowns proved even more challenging for the North American production community, at least in terms of how their performance was graded by their customers.

The past 12 months have been marked by astronomical pricing for most steel products and a supply crunch that left customers scrambling for steel product. That combination resulted in a less satisfied customer base, an inescapable conclusion to draw from the annual survey of mill performance conducted by Jacobson & Associates.

For 29 years, Jacobson & Associates has conducted a continuous survey of more than 2,000 major steel customers in the United States and Canada, including service centers and end-users. Jacobson measures overall customer satisfaction and customer satisfaction with quality, service, price, on-time delivery, inside sales, outside sales and e-commerce. And for the last two decades, those results have been presented in the pages of *Metal Center News*.

This year's survey is most notable for what's not included. Each year, the survey asks steel consumers which mills have demonstrated the most improvement over the course of the previous 12 months. In 2021, not one mill qualified.

Rather, this year's survey can only track those segments

of the steel section by what kind of declines were experienced in customer satisfaction. On the question of price, customers' declines ranged from a low of 3.2 percent from the beam producers up to 5.9 percent for sheet makers.

The results were even worse on the question of deliveries. There, customer satisfaction levels for bar/structural producers dipped 5.6 percent, while SBQ producers saw their satisfaction rates drop a whopping 16.3 percent.

The lesson, one that probably didn't need to be told, was this: if you don't have much steel, and what you do have is jumping in price on a steady basis, it's probably not going to result in many satisfied customers.

Of course, there were still producers that managed to rank ahead of their peers. Reclaiming the top spot among sheet producers was North Star Blue Scope. Nucor Decatur had finished first a year ago.

Plate, bar/structural and SBQ also produced a change on the leaderboard. EVRAZ Portland took first in plate, Nucor Birmingham was the preferred choice in bar/structural and Alton Steel was the top-ranked SBQ producer. Nucor Longview, Nucor Jackson and SDI Engineered Bar were the top finishers in those categories last year.

Two companies repeated, though one is hardly a surprise. For the 10th straight year, Nucor Berkeley is the preferred producer among beam suppliers. Searing Industries also re-

The Leaders ...

And Customer Comments on What Makes Them Stand Out

Sheet Producer

North Star BlueScope

- North Star BlueScope is a timely supplier – they do what they say they will do. The weakness for NSB is their limited product offering.
- North Star BlueScope has good delivery. Compared to others, North Star BlueScope stands out for having the best delivery times.
- North Star is an incredible supplier. I could add very easily the fact that they are extremely approachable, that I can talk directly to a number of people within the mill that can answer specific questions. I have had instances where our customer was close to shutting down and they did everything possible to get me material in the shortest amount of time.
- North Star Bluescope is a partner - they do not overbook and they deliver on time, but they do not make a wide range of grades.
- The strengths for North Star BlueScope are communication with outside sales and inside sales. NSB has great quality and on time shipping. The weakness for NSB is that they do not roll narrow (34 to 42 inches).
- North Star is a perfect supplier - they are focused on customer service and delivery, but they only have so many tons to sell.
- Our major suppliers are Nucor Steel and North Star BlueScope. North Star BlueScope Steel is a superstar - a great mill to work with.

Plate Producer

EVRAZ Portland

- EVRAZ Portland provides reliable service. EVRAZ has been doing the best out of all of our suppliers, especially at customer service - getting back to us quickly.
- EVRAZ Portland is the best plate supplier out there. EVRAZ Portland is our go-to plate mill.

- EVRAZ Portland is competitive, but their e-comm is behind the times.
- EVRAZ Evraz Portland is a great plate mill – they are the best in business for quality plate products.
- EVRAZ Portland is a good mill with no e-commerce, they need this. EVRAZ is a good mill, loyal, working on improving.
- EVRAZ Portland is very good with personal service - they understand working with fabricators vs. distributors.

Bar/Structurals Producer

Nucor Birmingham

- Nucor Birmingham is our major supplier based on our relationship. Nucor and CMC are dependable suppliers.
- Nucor Birmingham has reliable service – they do a pretty good job all around besides their delivery which has been slow recently. Nucor has helpful people.
- Nucor Birmingham is dependable – they have room to improve their price and delivery, otherwise we get along with them great.
- Our major supplier is Nucor Birmingham – they are more economical freightwise. Nucor has very good customer service, they are overall a great company to work with.
- Nucor Birmingham is our major supplier – they are a great partner. We buy exclusively from Nucor because they do such a great job and fulfill all of our needs. Nucor is doing well for me, just suggest making consistent rolling times the top priority so they have enough to go around.

SBQ Producer

Alton Steel

- Alton Steel is our major supplier – they are a dependable partner. Alton Steel always has great products – their prices and delivery are good,

The Jacobson Survey has been measuring steel customer satisfaction for the past 29 years. He can be reached at (847) 735-7250 or via e-mail at jej@jacobsonsteel.com.

but lead times are so far out it's a long wait.

- Alton Steel is improving by leaps and bounds, but they have inferior aluminum fine grain processes.
- Our major supplier is Alton Steel – they are very consistent. Alton Steel is our 'go-to' mill; they are always consistent on service and competitive pricing.
- Alton Steel is our major supplier based on relationships and their ability to assist us. Alton is small and easy to work with, but their rolling schedule keeps getting pushed back.

Beam Producer

Nucor Berkeley Beams

- Nucor Berkeley is a good supplier - they have the best inside sales in the industry with a very limited size range.
- Nucor Berkeley Beams has good customer service – quick responses and they are handling the shortage of trucks better than most.
- Nucor is a reliable supplier. Both Nucor Yamato and Berkeley are good beam mills, they just need to shoot for competing with Gerdau on prices.
- Nucor is our major supplier due to their breadth of offerings. Nucor is the market leader. We just started using NucorNow – it's beautiful, robust and outstanding.

Tube Producer

Searing Industries

- Searing Industries has a fantastic sales team – they have the best sales team inside and outside in the business.
- Searing Industries is dependable – they are a great 'go to' for tube, good products at good pricing.
- Searing Industries is reliable – always a great partner for tube.
- Searing Industries is on time with accurate and frequent rolling schedules. It is easy to pick up at the Searing facility. Searing Industries is quick to raise prices.

Unprecedented times have brought unprecedented changes in steel customer satisfaction – especially with price and on time delivery.

The Leaders

Top suppliers for the twelve months among all customers are:

| | |
|-----------------|----------------------|
| Sheet Producer | North Star BlueScope |
| Plate Producer | EVRAZ Portland |
| Bar/Structurals | Nucor Birmingham |
| SBQ Producer | Alton Steel |
| Beams | Nucor Berkeley |
| Tube Producer | Searing Industries |

Source: Jacobson & Associates Data is for the 12 months ending Sept. 30, 2021.

peated its position atop the tube producer leaderboard.

Jacobson also polls its respondents on the subject of customer loyalty. The top finishers in each category were: North Star BlueScope among sheet producers; Nucor Jackson for bar/structural; Nucor Longview in plate; Nucor Yamato in beam; Gerdau Special – Jackson in SBQ and Welded Tube of Canada among tube makers.

The comments regarding the top finishers also demon-

strated the importance on delivery, in addition to communication and effort, this year. “This year, NSB had capacity problems – yet they delivered everything ordered,” one sheet product customer said.

And a plate customer recognized the difficult conditions faced by the production segment when it said, “EVRAZ Portland is resilient – they put in a great effort even when things are working against them.” ■

Declines In Price Customer Satisfaction

Declines in price customer satisfaction Q3 2021 vs. Q3 2020

| Sector | % Change |
|-----------------|----------|
| Sheet Producers | -5.9% |
| Plate Producers | -4.9% |
| Bar/Structurals | -3.9% |
| SBQ Producers | -4.8% |
| Beam Producers | -3.2% |
| Tube Producers | -5.2% |

Declines in delivery customer satisfaction Q3 2021 vs. Q3 2020

| Sector | % Change |
|-----------------|----------|
| Sheet Producers | -13.8% |
| Plate Producers | -7.1% |
| Bar/Structurals | -5.6% |
| SBQ Producers | -16.3% |
| Beam Producers | -6.8% |
| Tube Producers | -8.3% |

The challenges of the pandemic led to a reworking of this category, which typically recognizes the Most Improved Mills. This year, there were no mills that had higher customer satisfaction ratings in the third quarter of 2021 vs. Q3 2020.

Source: Jacobson & Associates. Data is for 12 months ending Sept. 30, 2021.

Loyalty Index Ranking

Highest Ranked Mills in Customer Loyalty by Product Category

Sheet Producers

1. North Star BlueScope
2. USS Granite City
3. The Techs
4. SDI Heartland
5. ArcelorMittal Dofasco
6. Nucor Decatur
7. SDI Columbus
8. SDI Butler
9. CSI
10. Big River Steel
11. UPI
12. Nucor Gallatin
13. Nucor Arkansas
14. AM/NS Calvert
15. Cliffs AK Steel

Beam Producers

1. Nucor Yamato
2. Nucor Berkeley

3. SDI Structurals

Plate Producers

1. Nucor Longview
2. Nucor Hertford
3. Nucor Tuscaloosa
4. SSAB Plate

SBQ Producers

1. Gerdau Special - Jackson
2. SDI Engineered Bar
3. Nucor Nebraska SBQ
4. Nucor Memphis
5. Gerdau Midlothian SBQ

Tube Producers

1. Welded Tube of Canada
2. Maruichi
3. Imports

4. Atlas Tube

5. Hanna Steel

Bar/Structurals Producers

1. Nucor Jackson
2. CMC Oklahoma
3. CMC Texas
4. CMC Florida
5. CMC Alabama
6. AltaSteel
7. CMC South Carolina
8. Vinton Steel
9. CMC New Jersey
10. Nucor Birmingham
11. Nucor Kankakee
12. Nucor Nebraska
13. Nucor Seattle
14. Cascade Steel
15. Nucor Auburn

Source: Jacobson & Associates. Data is for 12 months ending Sept. 30, 2021.

Overall Customer Satisfaction

By Product Category, End-Users and Service Centers

Top Sheet Producers

As Rated by End-Use Customers

1. Nucor Decatur
2. The Techs
3. Big River Steel
4. CSI
5. SDI Butler
6. Cliffs Cleveland
7. SDI Heartland
8. Cliffs AK Steel
9. Cliffs Indiana Harbor
10. Nucor Berkeley

Top Plate Producers

As Rated by End-Use Customers

1. EVRAZ Portland ^{1.}
2. Nucor Tuscaloosa
3. SSAB Plate

Top Beam Mills

As Rated by End-Use Customers

1. Nucor Yamato
2. SDI Structurals
3. Gerdau Virginia

Top Bar/Structurals

As Rated by End-Use Customers

1. Nucor Jackson
2. Nucor Birmingham
3. CMC Texas
4. Nucor Texas
5. Nucor Sedalia
6. Nucor South Carolina
7. CMC Arizona
8. Nucor Marion
9. CMC Oklahoma
10. CMC Alabama

Top SBQ Producers

As Rated by End-Use Customers

1. Alton Steel
2. SDI Engineered Bar
3. Timken

Top Tube Producers

As Rated by End-Use Customers

1. Wheatland Tube
2. Atlas Tube
3. Nucor Tubular

Top Sheet Producers

As Rated by Service Center Customers

1. Nucor Decatur
2. North Star BlueScope
3. The Techs
4. SDI Heartland
5. Nucor Berkeley
6. Nucor Crawfordsville
7. Nucor Arkansas
8. USS Mon Valley
9. Nucor Gallatin
10. SDI Columbus

Top Plate Producers

As Rated by Service Center Customers

1. SSAB Plate
2. EVRAZ Portland
3. Nucor Longview

Top Beam Mills

As Rated by Service Center Customers

1. Nucor Berkeley
2. Nucor Yamato
3. SDI Structurals

Top Bar/Structurals

As Rated by Service Center Customers

1. Nucor Birmingham
2. CMC Texas
3. Nucor Texas
4. CMC Alabama
5. Nucor Utah
6. CMC Arizona
7. CMC South Carolina
8. Nucor Nebraska
9. Nucor South Carolina
10. Nucor Seattle

Top SBQ Producers

As Rated by Service Center Customers

1. Nucor Memphis
2. SDI Engineered Bar
3. Gerdau Special - Monroe

Top Tube Producers

As Rated by Service Center Customers

1. Searing Industries
2. Hanna Steel
3. Atlas Tube

Source: Jacobson & Associates. Data is for 12 months ending Sept. 30, 2021.