



## Where's the Truck?

In the eyes of steel buyers, it's delivery that separates some suppliers from the rest of the pack.

# The Mills That Really Deliver

**O**f the many factors that affect customer satisfaction in a steel transaction, delivery is arguably the most important. It's the moment of truth. It's the point at which the supplier either keeps his promise and delivers a quality product on time, or he fails to keep up his end of the bargain.

Mill delivery is one of the key variables tracked by Jacobson & Associates, which conducts a continuous census survey of more than 2,000 major steel customers in the United States and Canada, including service centers and end-users. The Jacobson Survey stands as an objective third-party mea-

sure of steel customers' satisfaction with their mill suppliers. In addition to delivery, customers use a 10-point scale to indicate their level of satisfaction with supplier quality, price, service, inside sales, outside sales, e-commerce and overall satisfaction. Jacobson produces separate reports on producers of steel sheet, plate, bar and beam, as well as stainless sheet and SBQ. The accompanying charts are based on survey data for the 12 months ending June 30, 2016.

Chart 1 recognizes the steel mills that are champions in the eyes of their customers when it comes to delivery. Of the many factors that affect customer satisfaction, delivery

is relatively easy to measure. Whether the price was fair or the customer service was good are open to interpretation. But

*In the competition to satisfy customers, consistently delivering a quality product on time as promised is what separates the winners from the losers. This chart shows the top three performers in delivery satisfaction in each major product category covered by the Jacobson Survey.*

**Chart 1 - Medalists in Delivery Satisfaction**

Segment	Gold	Silver	Bronze
Carbon Sheet	North Star BlueScope	Nucor Arkansas	Nucor Crawfordsville
Plate	Nucor Tuscaloosa	SSAB Plate	Evrast Portland
Bar/Structurals	CMC Steel Texas	Nucor Texas	Nucor Jackson
Beams	Nucor Berkeley	Nucor Yamato	SDI Structurals
Stainless Sheet	AK Specialty Steels	Imports	North American Stainless
SBQ	Nucor Nebraska	Alton Steel	Gerdau SBQ

Source: Jacobson & Associates. Data is for the 12 months ending June 30, 2016

# The Leaders ...

## and Customer Comments on What Makes Them Different

### Sheet Producer

#### North Star BlueScope

■ North Star BlueScope is a complete supplier in every sense—quality, service, delivery, and competitiveness—manifested by a strong management group who takes the time to understand and communicate with customers.

■ North Star BlueScope is a great brand name backed up by a great product.

■ North Star BlueScope has quality steel, their outside sales force is always in contact with the customer, their quality and delivery are the best, and their website is a strength. Their weakness is contract pricing.

■ North Star BlueScope is reliable and flexible. They have good gauge control and great sales and quality support, but I would like the ability to get invoices online.

### Plate Producer

#### Nucor Hertford

■ Our major supplier is Nucor Hertford. They have excellent quality, competitive pricing and good communication, but they need to improve their on-time delivery

■ Nucor Hertford has a very efficient sales/production process. They have multi-geographic locations, a large product capability, and make decisions and changes quickly and easily.

■ Nucor Hertford is versatile. Their strengths are product variety and communication, while their weakness is in producing some grades of material and shipping.

■ Nucor Hertford is dependable and offers good quality, but once in a while we will have a snafu if it comes by rail.

when the date and time of a delivery comes and goes with no steel in sight, it's clear someone dropped the ball.

Compared with other factors influencing steel buyers' satisfaction levels, a delivery failure has the most direct effect on customer operations. Manufacturers need their steel to arrive in a timely manner in order to keep their production lines moving. Late delivery of raw materials can result in lost productivity. Service centers require timely deliveries to make sure they have the necessary inventory on hand when customers call. Late delivery of an out-of-stock item can result in lost sales.

Other data from the Jacobson Survey presented here in-

### Bar/Structurals Producer

#### CMC Arizona

■ CMC Arizona is something different. They take care of all of our special needs and are great with special orders.

■ CMC Arizona offers good quality and supportive customer service, but sometimes at a premium.

■ CMC Arizona is a good supplier. They are in the loop on everything, know the markets and have a good feel for them.

■ CMC Arizona seems to have very few weaknesses.

### SBQ Producer

#### SDI Engineered Bar

■ Steel Dynamics Pittsboro makes quality steel and always meets our delivery dates. They have a short lead time, which enables us to take orders with confidence.

■ Steel Dynamics Pittsboro is very responsive. Their quality, delivery and sales support are outstanding.

■ Steel Dynamics Pittsboro is an excellent supplier. They are always available to quote and reply within minutes.

■ Steel Dynamics Pittsboro is diversified and competitively priced. They offer a wide selection of sizes and grades and are logistically well-suited for low cost transportation, though they sometimes have logistics issues.

### Beam Producer

#### Nucor Berkeley Beams

■ Nucor Berkeley is always a pleasure to do business with. They have great customer service and are always willing to work with us so we can satisfy our customers' needs.

■ Nucor Berkeley has excellent inside sales, but their e-commerce is a little lacking.

■ Nucor Berkeley is consistent. They have good product, responsive inside and outside sales, and certification of material is always accessible. But they need improvement on shorter rolling cycles.

■ Nucor Berkeley is helpful with good floor stock and quick delivery, but they need to produce a larger size range.

### Stainless Sheet Producer

#### Outokumpu Coil Americas

■ Outokumpu Calvert has good customer support and competitive pricing.

■ Outokumpu Calvert is competitive, with good quality.

■ Outokumpu Calvert always keeps us informed of any problems that arise.

*John Jacobson is president of Jacobson & Associates, Greensboro, N.C. The Jacobson Survey has been measuring steel customer satisfaction for more than 20 years. For more information, call 847-735-7250 or email [jej@jacobsonsteel.com](mailto:jej@jacobsonsteel.com).*

cludes a ranking of the most improved mills (see Chart 2), the mills that have generated the most customer loyalty (see Chart 3), and those ranked highest in terms of overall customer satisfaction (see Chart 4).

Professionals involved in steel purchasing say they particularly value those mills that best meet their delivery requirements. Though not spelled out on the bill of lading, every steel delivery that arrives on time carries with it a truckload of customer satisfaction and loyalty. ■

## Chart 2 - Most Improved Mills

### Overall Customer Satisfaction by Product Category

#### Sheet Producers

1. AK Steel
2. NLMK Indiana
3. Nucor Arkansas
4. Nucor Decatur
5. The Techs
6. ArcelorMittal Burns Harbor
7. Nucor Berkeley
8. Essar Algoma
9. USS Fairfield
10. ArcelorMittal Dofasco

*The most improved mills are those with the highest percentage increase in overall customer satisfaction scores for the 12 months ending June 30, 2016, compared with their scores for the same period last year. Companies are listed in order from the highest to the lowest in percentage improvement.*

#### Bar/Structurals Producers

1. Gerdau Knoxville
2. Gerdau Charlotte
3. Gerdau Calvert City
4. Gerdau Cambridge
5. Gerdau Wilton
6. CMC Arizona
7. Gerdau Whitby
8. Nucor Marion
9. Nucor Jackson
10. Cascade Steel

#### Plate Producers

1. Essar Algoma
2. Nucor Hertford
3. SSAB Plate

#### SBQ Producers

1. Gerdau SBQ
2. Gerdau Special Steel
3. Republic Steel

#### Beam Producers

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

#### Stainless Sheet Producers

1. Outokumpu Coil Americas
2. North American Stainless

*(Source: Jacobson & Associates)*

## Chart 3 - Loyalty Index Ranking

### Highest Ranked Mills in Customer Loyalty by Product Category

#### Sheet Producers

1. ArcelorMittal Riverdale
2. NLMK PA
3. North Star BlueScope
4. SDI Butler
5. The Techs
6. USS Great Lakes
7. ArcelorMittal Dofasco
8. NLMK Indiana
9. Nucor Gallatin
10. ArcelorMittal Cleveland
11. Nucor Decatur
12. ArcelorMittal Burns Harbor
13. SDI Columbus

*Customer loyalty is one of the most important gauges of future success. In each Jacobson Survey, mill customers are asked to rate the likelihood they will be using each supplier 12 months in the future. Companies are listed in order from the highest ranked. Companies that develop the most trust and loyalty with their customers stand to fare best in the years ahead.*

#### Bar/Structurals Producers

1. Evraz Pueblo
2. AltaSteel
3. Nucor Nebraska
4. Gerdau Whitby
5. CMC Arizona
6. Gerdau Calvert City
7. Nucor Texas
8. Nucor Auburn
9. Nucor Seattle
10. Nucor Jackson
11. Gerdau Cambridge
12. Gerdau Charlotte
13. CMC Alabama

#### Plate Producers

1. Nucor Tuscaloosa
2. Nucor Hertford
3. SSAB Plate
4. Evraz Portland

#### Beam Producers

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

#### Stainless Sheet Producers

1. Outokumpu Coil Americas
2. North American Stainless
3. AK Specialty Steels

#### SBQ Producers

1. Nucor Nebraska
2. Gerdau SBQ
3. Alton Steel
4. SDI Engineered Bar

*Source: Jacobson & Associates. Data is for the 12 months ending June 30, 2016.*



## Chart 4 – Overall Customer Satisfaction

### By Product Category, End-Users and Service Centers

#### Top Sheet Mills

##### As Rated by End-User Customers

1. Nucor Decatur
2. North Star BlueScope
3. NLMK PA
4. Nucor Arkansas
5. ArcelorMittal Cleveland
6. The Techs
7. CSI
8. Nucor Berkeley
9. SDI Butler
10. Nucor Crawfordsville

#### Top Plate Mills

##### As Rated by End-User Customers

1. Nucor Hertford
2. EVRAZ Portland
3. Nucor Tuscaloosa
4. SSAB Plate

#### Top Specialty Steel Mills

##### As Rated by End-User Customers

1. AK Specialty Steels
2. North American Stainless

#### Top Beam Mills

##### As Rated by End-User Customers

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

#### Top Bar/Structurals Mills

##### As Rated by End-User Customers

1. CMC Arizona
2. Nucor Texas
3. Nucor Utah
4. CMC Alabama
5. CMC South Carolina
6. Nucor South Carolina
7. Nucor Marion
8. CMC Texas
9. Nucor Jackson

#### SBQ Producers

##### As Rated by End-User Customers

1. Nucor Nebraska
2. SDI Engineered Bar
3. Gerdau SBQ
4. Alton Steel

#### Top Sheet Mills

##### As Rated by Service-Center Customers

1. North Star BlueScope
2. Nucor Crawfordsville
3. Nucor Decatur
4. Nucor Gallatin
5. The Techs
6. Nucor Arkansas
7. SDI Butler
8. SDI Columbus
9. ArcelorMittal Riverdale
10. Nucor Berkeley

#### Top Plate Mills

##### As Rated by Service-Center Customers

1. SSAB Plate
2. Nucor Hertford
3. Nucor Tuscaloosa
4. EVRAZ Portland

#### Top Specialty Steel Mills

##### As Rated by Service-Center Customers

1. North American Stainless
2. Outokumpu Coil Americas

#### Top Beam Mills

##### As Rated by Service-Center Customers

1. Nucor Berkeley
2. Nucor Yamato
3. Gerdau Cartersville

#### Top Bar/Structurals Mills

##### As Rated by Service-Center Customers

1. Nucor Nebraska
2. CMC South Carolina
3. CMC Texas
4. Nucor Auburn
5. Nucor Jackson
6. CMC Alabama
7. SDI Roanoke
8. Nucor South Carolina
9. Cascade Steel

#### SBQ Producers

##### As Rated by Service-Center Customers

1. SDI Engineered Bar
2. Nucor Nebraska
3. Alton Steel
4. Timken

Companies rated the best in overall customer satisfaction are listed in order from the highest ranked in each product category.

Source: Jacobson & Associates. Data is for the 12 months ending June 30, 2016.