



SPECIALIST MACHINERY SALES

AUSTRALIA, NEW ZEALAND & SE ASIA



So what's the problem with the steel service committing the cheapest beamline specification on the market?

**Superior Machinery Strategies
Australia, SE Asia, New Zealand
www.smales.com.au**

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1. The steel service centre will process between 30-50% of the steel leaving the workshop as many fabricators have their own machinery that will do in house processing
2. Steel service will always sell on price and delivery but not value-adding and supporting the fabricator to increase their capacity, improve the schedule so the steel processing is self-financing from the savings from the skilled labour and installing accurate fabricated steel.
3. The steel service centre is highly motivated and committed to investing in the cheapest beamline that can provide the most basic scope of supply.
4. The challenge every steel service then encounters when investing in 1990 technology that the beamline
 - a. Has a bandsaw that is 3 times slower than what SMS offers
 - b. \$300K of labour is required on every beamline as no automation is considered.
 - c. It is redundant to have staff driving steel through a beamline or shot blasting machine when comparisons are made to the beamlines from SMS
 - d. The beamline manufacturer remains committed to supplying the cheapest specification to meet the price-sensitive steel service buyer. This provides the impression to the fabricator that this is the best beamline if the steel service centre is investing in that manufactures beamline.
 - e. The cheap beamlines can not save the fabricator 40% from the workshop bench in skilled labour
5. A fabricator should not assume that every steel service centre if they are a National company or not has the best steel processing machinery on the market. Many steel service centres may have purchased a machine from one of their clients that owed the steel service centre money before going into administration. The steel service centre can purchase the machine and provide the fabricator with the balance so the debt can be cleared to the steel service centre so the companies can trade with each other when the fabricator starts another workshop at a later date.

Yours sincerely,

Todd Dolling

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Business Owner/Founder - Metalworking Business Improvement

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