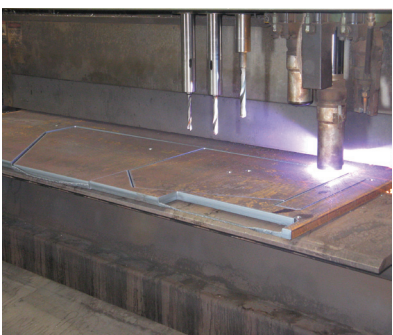


Industry: Steel Service Center
Equipment: HyPerformance® Plasma HPR260®



California Steel Service Center uses technology upgrade to bring outsourced work back in-house

- Valley Iron reaches technology upgrade goal of bringing outsourced work back in-house



Photos courtesy of Valley Iron Inc., Fresno, CA

- Cut quality has improved and secondary operations minimized
- “We used to send out the parts to a laser house or waterjet. Now we do them in-house and we can serve our customers much faster.”
- Payback timeframe on HPR260 determined to be less than 21 months

The company and products

Valley Iron Inc., located in Fresno, California is a steel service center that has processed mild steel for the structural, agricultural, food processing, energy and defense industries since 1958. They measure outcomes by tons of metal used and tons processed by hour.

The problem

The demands of Valley Iron's customers pushed production time to two shifts per day as the older Oxyfuel cutting operation was too slow and in need of an upgrade. The advanced skills of their experienced operator could not overcome the limitations of Oxyfuel cutting. Valley Iron struggled with bottlenecks in the production line that resulted in a significant portion of their work being sent out-of-house to job shops, and limited cutting capacity led to inefficient plate handling. Having to outsource all stainless steel cutting was also limiting competitive pricing and impacting their profitability. Immediate improvements in cut quality and production capability were absolutely necessary for the company's success.

The solution

Valley Iron Inc. worked with their local Hypertherm Sales Manager and authorized Hypertherm cutting table manufacturer to determine the best path for a technology upgrade, and chose a HyPerformance HPR260 plasma cutting solution. Offering more complete cutting solutions, including the ability to efficiently cut stainless steel, were important considerations in the decision making process. The versatility and capacity of the machine to enable more productivity and bring more of their work back

in-house as well as the reputation for low maintenance were significant factors in Valley Iron choosing the Hypertherm solution.

The benefits

Once the HPR260 was in production and they realized their increased productivity, Valley Iron completely changed their plate processing and targeted a whole new clientele. “We used to send out the parts to a laser house or waterjet. Now we do them in-house and we can serve our customers much faster,” says Jay Phillips.

After determining the payback timeframe of the HPR260 to be less than twenty-one months, they soon invested in a second HPR260 and are now processing 10,000 – 15,000 pounds of plate in one shift instead of the two shifts that Oxyfuel and outsourcing required to process the same amount of steel. Phillips continues, “We can now process larger and longer parts with good quality and efficiency including 2¼" thick mild steel.” Valley Iron realized two additional benefits to their new production efficiency; reduced secondary operations due to easily removed dross, and a reduction in the amount of scrap they generate.

“Hypertherm makes a good product and has great customer service!”

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