



# GREAT PLAINS

## TECHNOLOGY & MANUFACTURING CLUSTER

### AUGUST 2021 NEWSLETTER

#### Member Spotlight



#### Steel and Pipe Supply Manhattan, KS

Our member spotlight this month is Steel and Pipe Supply (SPS) in Manhattan, Kansas. The company is a Midwest distributor of carbon steel products with 2 additional locations that process steel coils into sheet and plate products.

In the 1930s, the company started out selling hide, wool and steel/metal scrap. The steel operation quickly became the focus of the business and created Steel and Pipe Supply. Today, the company's core is financing and distributing steel products, along with laser and plasma cutting to offer first stage fabrication services to meet customer's needs.

As steel supply tightened during the pandemic, SPS saw first-hand how supply chain issues impacted manufacturers. In an effort to support manufacturers through the crisis, the company stocks a broad, deep inventory of products. It sells the products on open credit terms, allowing customers to bypass the red tape involved in dealing with banks or steel mills. These measures help ensure their customers can be responsive to demands for their own products and having raw materials readily available when it's required.



SPS supports the KS Dept. of Agriculture as they develop an industry subsector cluster for Ag Equipment Manufacturers in Kansas. Co-President Clint Johns recently spoke at a virtual meeting of this group, discussing topics such as high costs and delays in steel supply, projections and possible scenarios for the future and what Ag Equipment Manufacturers can do to ensure their needs are met.



***"I enjoyed having the opportunity to share insights about the current volatile dynamics happening now and into the future related to supply and demand of the global steel industry. - Clint Johns***

The company is always looking for ways to support small businesses and to continuously improve their products and services. They are in the process of upgrading their cut-to-length coil process line in Houston with stretcher leveling capabilities to help meet the increasing demand. If you have questions, SPS would be glad to talk with any manufacturer about ideas for bringing stability to their steel supply chain. Please visit their website at <http://steelandpipe.com>.

#### Did you Know...

...that more than 2 million jobs are expected to be unfilled by 2030, costing the US economy at least \$1 trillion? The skills gap is one of the biggest problems that manufacturers face in hiring employees for their company.



Getting people, especially youth, excited and interested about manufacturing positions is key to turning this statistic around. There are many resources to connect with and trainings to access to ensure you have the skills needed to be successful. Stay connected with the Great Plains TMC to view resources and the latest workforce news.

[www.greatplainstmc.org](http://www.greatplainstmc.org)



## SW Kansas Roundtables

GPTMC is partnering with REWA, K-State TDI, and Dodge City Community College for Manufacturing and Business Skills Roundtables for companies in the Dodge City region. The purpose of the roundtables is to further engage manufacturers and businesses with regional colleges to identify both unmet technical, workforce and analytical needs. The roundtables will take place Sept 13-14 from 11:30am-1:30pm. Lunch and refreshments will be provided.

### 9/13 - Manufacturing Roundtable

- Workforce Skills
- Technology Adoption
- Innovation Needs
- Engineering

### 9/14 - Business Skills Roundtable

- Professional Development
- Market Research
- Accounting
- Data Analysis

Click on the roundtables to register!  
Contact Courtney at **785-532-1249**  
or Kyla at **620-371-3866** for questions.



## Upcoming Partner Events

- 9/13-17 - Kansas SBDC's Virtual Encountering Innovation
- 10/5 - KS Dept. of Labor's Safety and Health Conf.

## Ag Equipment Mfg Virtual Sector Success

In partnership with the KS Dept of Ag (KDA), K-State TDI, and Kansas Manufacturing Solutions (KMS), the Ag Equipment Manufacturing Virtual Sector session turned out to be a success. There were just over 60 attendees that listened to the sector trends and presentations about supply chain issues. Presenters included Chris Kuehl with Armada Intelligence and Clint Johns with Steel and Pipe Supply.

### Chris Kuehl - General Supply Chain Issues

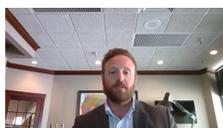


Chris Kuehl shared information to the attendees regarding the general supply chain issues that are happening will all industries. The biggest issue causing supply chain challenges is that producers were not prepared for the overwhelming high demands for parts and materials. An obvious reason for this issue is not only the pandemic with the restrictions and protocols, but also labor and transportation shortages, clogged ports, and the growth of online retailers. Producers cannot catch up with the demand, which has caused major delays in products to the US. These issues caused many trickle-down affects that greatly impact US manufacturers.

Chris recommends that companies looking to solve their supply chain challenges through short- and long-term solutions. Short Term: It is important for companies to network! There are companies in Kansas or surrounding states that can do the same processes as companies overseas. Long term: Companies should work on building their labor supply and pipeline by becoming connected with regional tech schools to solve the labor shortages and fill the skills gap.



### Clint Johns - Steel Supply and Pricing Issues



Clint Johns provided details about why steel prices have gone up, what will happen next, and what manufacturers can do to overcome the steel supply challenges. Similar to the general supply chain, there were drastic supply and inventory cuts due to COVID-19 as well as labor and logistic barriers, causing suppliers to be delayed in restoring their capacity. The demand for steel did not drop nearly as much as it was anticipated, which created a supply and demand imbalance.

With the many impacts mentioned above, steel has become extremely volatile. From January 2020 to June 2021, Hot Rolled Coil (HRC - milling process of rolling steel at high temperature) went from \$580/ton - \$1730/ton, which is about \$600 more than the World Export Market of HRC. The Ferrous Complex, which consists of HRC, Iron Ore, Busheling Scrap and Turkish Scrap futures, are considered hot commodities and have experienced the largest percentage increase. In fact, HRC has risen as much as Bitcoin! It is important to remember that some of the issues mentioned above were not predicted to happen. The high prices will slowly begin to fade, as it is predicted that steel prices will reverse between Qtr 4 2021-Qtr 2 2022.



**SAVE THE DATE** for our next virtual Ag Equipment Manufacturing Session **October 27th at 3:00pm!** More details to come!

## Developing Manufacturing Skills - Blog

Each quarter, we have a new blog series in the GPTMC membership. This quarter will be about workforce!

Most manufacturers have the same challenge...workforce. Finding the right people with the required skills that are ready and willing to work is a challenge in every industry. So, what can be done about it? What can manufacturers do to become connected with the right people that are qualified to work? There are many resources, education, and training opportunities that individuals and companies can utilize to build a stronger workforce throughout the industry.



Manufacturers that are engaged with trade schools and apprenticeships can increase their chances of finding people with the required skills needed to work at a facility. Partnering with a tech college and letting them know about the skills your company needs can be beneficial for both the company and tech college. This will help the college understand what trainings should be required and how to implement them to train successful students. Apprenticeship programs not only benefit a student with hands-on training, but also the company in knowing that their apprentice is fully trained to industry and company standards, and will be a great asset to the company.

**Login** or **sign up** for a Great Plains TMC membership to read the rest of the blog! Stay tuned for future blogs in regards to workforce and a new workforce tool coming to the Great Plains TMC soon!

## Updated Great Plains TMC Website

Have you noticed our new look? We have updated a few pages in our website! This update will provide viewers with a more user-friendly experience to discover all that the Great Plains TMC has to offer.

Some of the updates include:

- More sneak-peeks of what's inside of the membership
- How we are engaging with partners
- Updates of changes/new additions in the membership
- Previews of our newsletters, blogs and more!



Check out the latest updates at [www.greatplainstmc.org](http://www.greatplainstmc.org). If you aren't already a member or know someone who would like to be a member, please forward this newsletter on and they can sign up for the membership at <https://greatplainstmc.org/sign-up-1>

## Encountering Innovation Resource Partner

The Great Plains TMC is serving as a resource partner for the Kansas SBDC Tech Innovation Center's Encountering Innovation event Sept 13-17th. This event provides innovators with the opportunity to showcase their technology to tech scouts and the public.



The week long event will be in a virtual format again this year. Details for the event include:

- Daily main stage speakers to talk about new, current and future technologies
- Daily breakout sessions led by industry experts
- Direct contact with innovators, resource partners
- Expo hall to view technologies and resource partner booths.

A general admission ticket is \$129. If you are interested in registering, learning more, or viewing the agenda, please visit <https://www.encounteringinnovation.com/>.

## Quarter 2 Update

- 34 new members
- 167 total members
- 2 new websites developed in the Website Creation Program