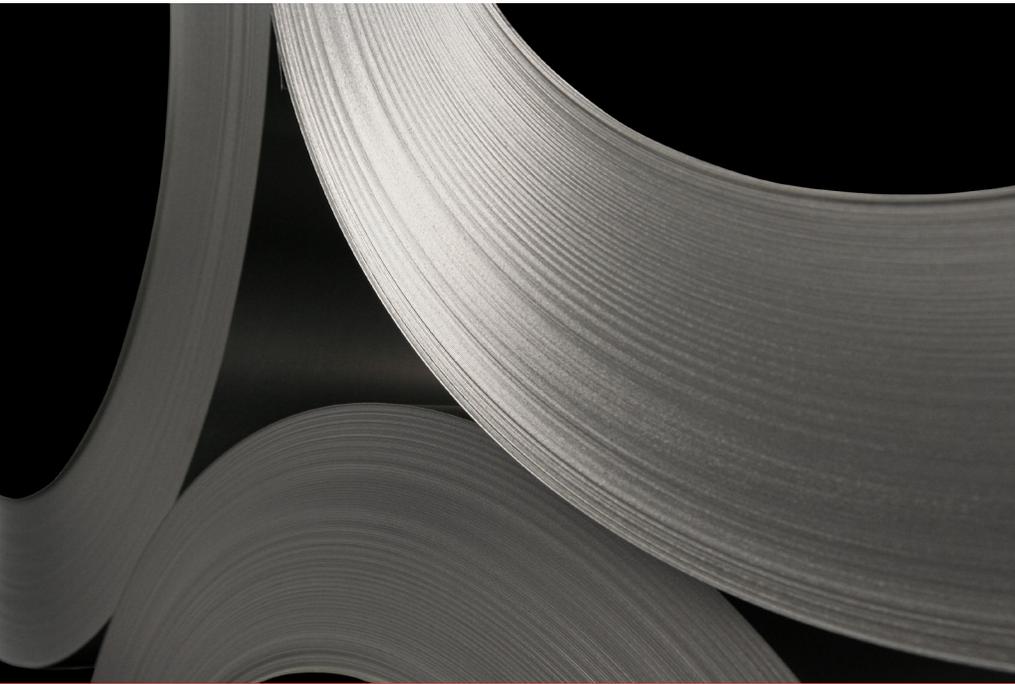


Hatch MeltShop 4.0:

Unlocked value through optimization for a leading stainless steel manufacturer



Region: North America
Sector: Metals
Industry: Iron and steel

The challenge

Stainless steelmakers strive for a higher use rate of recycled materials to produce low-cost and greener steel with reduced carbon emissions. As a global leader in this industry, our client needed to respond quickly to ever-changing market conditions for raw material availability and demand and make informed, timely decisions.

Sourcing the best and most cost-effective raw material is crucial for the client because the raw material cost is more than 80% of the production cost. It is a daunting task to source raw material based on three parameters: pricing, chemical composition, and availability.

The client wanted to improve cost efficiency and gain further insight into product's carbon footprint, and the

impact of carbon prices on their procurement and production strategies. We helped them develop intelligent analytics that led to a holistic, practical solution.

The solution

Our client implemented Hatch Meltshop 4.0 as a holistic value chain optimization solution. This helped them determine the optimal raw material purchasing costs, the raw material charging and operating conditions of each processing step and the final product portfolio.

The client was able to conduct what-if analyses and compare different optimization strategies, leading to a cost savings of USD\$3-10/ton of steel, depending on various market conditions.

With Meltshop 4.0, they gained a better understanding of the impact of raw material procurement and production

strategies concerning their carbon footprint and could make informed trade-off decisions between production cost and carbon emissions.

Specifications

Product: MeltShop 4.0

Applies to: Steel/stainless steel manufacturing

Delivery mode: SaaS

Benefits

- Reduce \$3-10/ton of steel because of optimum raw material procurement and operation conditions
- Manage handling hundreds of raw materials and tens of product grade groups
- Get the optimal solution in a matter of minutes.