

Ready for the International Market

Different standards in plant technology have been established worldwide. Choosing the correct regulations for design and manufacturing of pressure equipment can enable companies to cut costs by up to 40 percent, while still producing equally safe pressure vessels and boilers.

KNM Steel Construction Sdn. Bhd.—a Malaysian manufacturer of pressure equipment—is not concerned about sizes when it comes to size and weight. The company started out as a producer of small pressure components for the oil and gas industry in the early 1990s, but soon moved on to bigger projects—for example, the delivery of a giant component over 100 meters high and weighing 1000 metric tons.

However, size alone is not enough to develop a brand. KNM President Lee Sweet Eng says that strong quality control is one of the essential parts of ensuring customer satisfaction and high standards for modern machinery and sophisticated production engineering systems. The successful Southeast Asian industrialist has found just the right partner in TÜV Malaysia. "With the help of the TÜV experts, we will be able to achieve our goal of becoming

the kind of high-quality supplier currently in demand around the globe," the KNM president says.

The company already reached an important milestone on May 11, 2000. "That was the day when TÜV Malaysia certified us as a recognized manufacturer of pressure vessels and steam boilers according to German regulations," he says. The technical rules governing steam boilers (TMO 201) and the AD codes of practice for pressure vessels (particularly the HP-D code) served as the basis for the certification. The KNM managers deliberately decided to have their production plant certified according to these regulations. The implementation of the German regulations enables companies to produce pressure equipment in a cost-effective manner, while satisfying strict quality demands with regard to materials, production and process engineering, as well as machinery and personnel.

"In principle, many pressure vessels and steam boilers currently commissioned according to other recognized standards could be produced more cost-effectively under the German

regulations," says Ute Seitz of TÜV Malaysia. "Of course, it is first necessary to take into consideration customer needs and the particular requirements of each country." The American ASME code, for instance, has widespread use in Asia. The German regulations came into being during a time when raw materials were scarce and had to be used sparingly. As a consequence, the regulations allow plant constructors to build their vessels with thinner walls that are equally safe. "Since the vessels are lighter, material and labor costs are reduced," says Seitz. "Production times are also shorter and transport costs are lower."

Savings for plant builders opting for the German standards can amount to up to 40 percent. Adherence to these regulations also requires access to international markets. KNM is now receiving more inquiries from Malaysian customers, from neighboring countries and from the Middle East. The reason is clear. Many customers greatly value products that are designed, manufactured and tested in accordance with standards supporting high-quality workmanship and cost-effectiveness.

By having its products certified in accordance with German regulations, KNM Steel Construction Sdn. Bhd., a Malaysian manufacturer of pressure equipment, has been able to cut costs by up to 40 percent.



INFORMATION

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