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GLOBAL



SCHAFFERMAHLZEIT IN BREMEN A TRADITION GOING BACK 480 YEARS

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EDITORIAL

Growth



Dear readers,

Inorganic growth has become something of a keyword in recent years where the further development of the BUHLMANN Group is concerned, and we have now also taken a big step with the acquisition of LISEGA SE and its around 1,000 employees. Not only because the world's greatest source of expertise in the field of pipe support systems is now also part of the BUHLMANN family, but because we are thus entering the field of in-house production as well. You can read more about the company based in Zeven and the resulting synergy effects as of page 4 of this magazine.

We are also recording growth within our existing corporate network: two new warehouse locations have been opened – one in Spain and the other in the U.S. state of Utah. Furthermore, we also founded a representative office in Portugal at the end of last year. This creates stra-

tegically important hubs allowing us to serve existing markets better and to tap new ones. You can read more on this on pages 8 and 10.

Material procurement, transport, and logistics are a real challenge in times of growing geopolitical turbulence. BUHLMANN's Head of Procurement, Frank Schiffers, explains how much strategic thinking is now required for a reliable procurement system in an interview on 14 and 15.

I hope you enjoy reading!

Sincerely,

Jan-Oliver Buhlmann

WELCOME TO BUHLMANN GROUP:

The pipe support professionals from LISEGA

Jan-Oliver Buhlmann
on the acquisition of LISEGA SE

“...to create a shared culture together”

How do you unite two family companies? With a shared corporate culture, according to CEO Jan-Oliver Buhlmann.

Two companies, two areas of business and expertise, two names... For Jan-Oliver Buhlmann, it is important to emphasize that there will be no structural or organizational changes for the time being, either at LISEGA SE or in the BUHLMANN Group. “As LISEGA and BUHLMANN operate in different sectors, there will be no consequences for the two companies’ existing customer relationships. It is merely about thinking strategically together, learning from one another, and offering each other support.” Synergy effects could result from the companies’ partially overlapping customer bases, for example. “For LISEGA staff, it is perhaps important to know right now that, even when we implement objectives together, these measures will not be accompanied by job losses.”

Instead, the first item on the agenda is getting to know one another. “LISEGA employees from various departments have already visited us, and now it is our turn to pay them a visit.” Given the two different markets served, there is a lot of positive excitement and curiosity involved. “Production in particular must also be mentioned here, as BUHLMANN is breaking new ground with LISEGA in the area of in-house production,” said Jan-Oliver Buhlmann.

But now back to the similarities, which are manifold: For example, both enterprises are family-owned companies nurturing similar philosophies – an important reason, according to Jan-Oliver Buhlmann, why the previous owners affiliated with the Hardtke family decided to sell to BUHLMANN. “We want to create a shared culture together,” said Jan-Oliver Buhlmann. “So, if the word ‘integration’ is mentioned, it in no way means that the LISEGA brand is set to disappear. The independent structure of both companies will be preserved within the BUHLMANN Group.”

Alongside the classic corporate divisions also found in other companies in the BUHLMANN Group, LISEGA has Development and Design, Product Management, and Manufacturing with Production Planning, Control, and Technology.

The LISEGA subsidiaries in the world’s key regions are important hubs for sales, production, and customer service, making it possible for LISEGA to offer local services and adapt flexibly to the specific requirements of the regional markets. All seven production facilities are integrated in a certified quality network.

“We are delighted to become part of the BUHLMANN Group and look forward to shaping the future of LISEGA together with our new owner. We are certain that together we will be able to realize a great many synergies through intelligent market development and thus further consolidate the market position of LISEGA and BUHLMANN and promote growth.”

LISEGA’s sales and distribution network includes agencies in 60 different countries. These international representative offices are the key link between the company and potential clients and offer local presence and expertise in the respective national language. As such, LISEGA is in a position to address the customers’ needs effectively and maintain a high level of service at the same time.

Premium product quality is firmly established in the company’s objectives and guaranteed by various certifications in all areas. All efforts essential to ensuring top product quality are thus subject to careful procedures and processes.

The company’s innovative strength is evident not only in product development but also in its commitment to sustainable business practices. LISEGA is continuously working on integrating environmentally friendly technologies and offering resource-efficient solutions in order to minimize the ecological impact of its products and processes.

The affiliation with BUHLMANN represents a new milestone in the company’s history. Dr. Holger Krasmann is convinced of the new joint strength: “We are delighted to become part of the BUHLMANN Group and look forward to shaping the future of LISEGA together with our new owner. We are certain that together we will be able to realize a great many synergies through intelligent market development and thus further consolidate the market position of LISEGA and BUHLMANN and promote growth.”

Text: Sabine Kopaniarz, LISEGA Group



Aerial view of LISEGA headquarters in Zeven, Germany. The company, which was founded in 1964 in Hamburg, has been located here since 1971.

The LISEGA Group is based in the small German town of Zeven and specializes in complete solutions for reliable and cost-efficient pipe support in the energy production, oil and gas, petrochemical, and other industries.

Since its founding by Gerhard Liesegang in 1964, the company has grown to become an indispensable partner in plant engineering the world over. The company has now stood for quality, innovation, and customer satisfaction for six decades. With high-quality products and customer-specific solutions, LISEGA has left a lasting mark on the sector and is now the global market leader.

The LISEGA Group currently employs more than 1,000 members of staff at 20 locations around the world, including seven production facilities in Germany, France, the UK, the USA, India, and China as well as 13 sales subsidiaries. All in all, the Group serves customers in more than 80 countries worldwide. In order to meet their continuously growing requirements, the committed workforce works on innovative solutions and high-quality products.

LISEGA’s product portfolio spans a broad spectrum of pipe support systems, vibration dampers, specialized engineering services, and on-site services. These products and services not only guarantee the secure installation of pipes but also contribute to minimizing vibrations and extending the service lives of the plants. The group of companies achieved an annual turnover of almost €170 million in the 2023 business year – one of the best results in its history.

More than 520 people are employed at the headquarters in Zeven, of which 43% are white-collar workers and 57% blue-collar workers. Plus, with 28 apprentices and students, LISEGA is also providing for the workforce of the future. “Our success would not have been possible without the tremendous commitment and passion of our staff. Their efforts have contributed decisively to our being able to establish ourselves as the global market leader,” said Dr. Holger Krasmann, Chairman of the Board at LISEGA SE. “We are proud to be able to look back on such a successful and eventful history thanks to this high degree of commitment.”



Dr. Holger Krasmann, Chairman of the Executive Board at LISEGA SE

Schaffermahlzeit in Bremen



100 Captains, 100 Schaffer and 100 guests gathered in the Upper Town Hall in Bremen.

On February 9, 2024, our CEO Jan-Oliver Buhlmann had the honor of being one of the organizers of the oldest friendship dinner in the world as the third “Schaffer”: the “Schaffermahlzeit” (Workers’ Meal) annual banquet is a charity event steeped in tradition and considered one of the most important social events in the whole of Germany. This year’s guest of honor in the Upper Hall of Bremen City Hall was the President of Germany, Frank-Walter Steinmeier.

The grand event itself, which is held once a year starting in the early afternoon behind the thick Weser Renaissance walls of Bremen City Hall, is a largely private affair. Cell phones must be stored in blazer pockets or purses during the event, and the press is only allowed to visit briefly. The Schaffer and their guests are left to themselves for the most part. That said, the history, the good cause, and the details surrounding the traditional feast with origins going back almost 500 years are well known in Bremen.

Without shipping there is no trade, without trade there is no shipping: the Schaffermahlzeit is a traditional bond between the sea captains and merchants of the Hanseatic city. Representatives of these two groups joined forces to set up a foundation raising money for the surviving dependents of sailors who died at sea.

The Haus Seefahrt foundation, established by the City Council of Bremen in 1545, is considered the oldest social fund still in existence. The donations collected ever since are still employed to offer assistance to sailors and their families who find themselves in difficulties or are unable to continue working. In recent years, a share has also been invested in the support of nautical science students.

Each year, the event is attended by around 100 captains and just as many merchants as well as approximately 100 invited guests, the latter only being allowed to attend the traditional banquet once in a lifetime. One exception to this rule is President Steinmeier: he was already a guest in 2016 – albeit as German Federal Minister for Foreign Affairs at the time. A further exception is the President of the Senate and Mayor of Bremen, Andreas Bovenschulte, although he was not a guest in his political function, but rather as the Master of the City Hall. All members of the foundation who have previously helped to organize the banquet in the role of a Schaffer are permitted to attend every year.

New Schaffer are elected every year to organize the banquet in two years’ time. This year, the representatives of the merchants were Philip W. Herwig as the first Schaffer, Dr. Heidi Armbruster-



Philip W. Herwig is 1st Schaffer of 2024, Dr. Heidi Armbruster-Domeyer is the 2nd Schaffer and Jan-Oliver Buhlmann, the 3rd commercial Schaffer (from left)

Domeyer as the second Schaffer, and Jan-Oliver Buhlmann as the third Schaffer. It is a true accolade: “Being accepted as a merchant member of the foundation is one of the highest honors bestowed on women and men working in business,” said Jan-Oliver Buhlmann. You cannot apply, you have to be nominated. “I am sure that my winning Bremen Entrepreneur of the Year 2021 helped bring me to the attention of the committee and contributed to my appointment.”

Above all, the minute-by-minute protocol for the day of the event and the selection and invitation of the guest of honor and other guests required a great deal of coordination work. Everything runs to a strict schedule on the day. The food and order of courses are set, only the choice of wines is left to the Schaffer. Tradition stipulates six courses: chicken soup, stockfish, kale, roast veal, Riga flounder, Cheshire cheese and fruits. Addresses and speeches are held between courses and must also be timed precisely.

In 2022, at the 479th Schaffermahlzeit, Janina Marahrens-Hashagen became the first woman to lead the event as the 1st female Schaffer. The first woman to become a member of the Haus Seefahrt foundation, which had previously been reserved exclusively for men, was Captain Barbara Massig in 1996. The first female guest of honor was Chancellor Angela Merkel in 2007. In April 2019, the Haus Seefahrt foundation decided to open up the Schaffermahlzeit completely to women and no longer to differentiate on the basis of gender in the future.

“Everything went swimmingly”

BUHLMANN CEO Jan-Oliver Buhlmann’s assessment is clear: “Everything went swimmingly,” he said with joy and pride. The attendance of German President Frank-Walter Steinmeier was something particularly special to him. On the evening, once the banquet was over, a discussion between young people and the guest of honor was held as every year. “I had the pleasure of hosting this Q&A session with the President and enjoyed a personal chat with him. A very pleasant and down-to-earth individ-

ual.” This was one of the highlights for Jan-Oliver Buhlmann, although it should by no means detract from the other items on the day’s agenda. According to Jan-Oliver Buhlmann, it was akin to his own wedding: “After months of preparations and planning, you are determined to enjoy every moment to the fullest, but the day itself then goes very quickly.” He was quick to emphasize that it didn’t pass him by at all though. “Standing at the head of the table in front of the long rows of tables and speaking before 300 people, including the President, high-ranking German army officials, important names from business, politics, and science, and distinguished international guests, was a tremendous honor and an invigorating experience.”

The three Schaffer received very positive feedback from the guests as regards both the event itself and their speeches, which are also published on Haus Seefahrt’s website on the “Schaffermahlzeit” page as every year. Jan-Oliver Buhlmann is looking forward to attending the Schaffermahlzeit again in the years to come, although in another capacity, as one may only organize the traditional banquet once. Like the other merchants and captains, he will take a seat at the long rows of tables attentively listening to the Schaffer trio of the year.

There is still one important result to mention. The event did not fail to fulfill its purpose: it generated a healthy six-figure sum of donations for Haus Seefahrt. As such, everything went exactly as has been intended for almost 500 years.

Text: Gabriele Wiesenhavern



BUHLMANN CEO Jan-Oliver Buhlmann in front of the dining tables

Valves Hub for Southern Europe and beyond

It's not just the stock, it's also the service and the overall perspective that is expanded, says Werner de Saedeleer from BUHLMANN Spain in Vitoria-Gasteiz. With the opening of another warehouse in Reus, Tarragona, in the north-eastern Catalan region, a new BUHLMANN hub is being established with synergies reaching as far as Latin America.



José Fonseca

all, we are creating a hub for BUHLMANN Group that now enables us to offer commodity valves in carbon and stainless from our usual premium suppliers at very competitive prices complementing as such the valve program stocked at BUHLMANN Netherlands in Dordrecht. The research and market analyses we presented to the management supported this strategic decision, also in regard to our increasing activity in the projects business."

The idea is to have a hub for valves and other stock for day-to-day business as well as a perspective for frame contracts for material along with accompanying services such as machining, modifications, and inspections. "We're offering one-stop service and solutions in ASME, Carbon and stainless steel", says Perry Turiccki. And he goes on to explain the synergies with the new extended sales in Portugal.

In Lisbon, sales manager José Fonseca has been representing the BUHLMANN Group since November 2023. The new warehouse in Reus and the representation in Portugal were planned and implemented independently of each other. However, they do have a lot of common ground: "The markets in Brazil and Latin America are continuously growing and highly promising", explains de Saedeleer. Business interests in Spanish and Portuguese-speaking countries can be followed up from both locations. Also, says Perry Turuccki, the market for Hydrogen and Green fuels is growing rapidly in both Spain and Portugal. "Alternative aviation fuel such as SAF (Sustainable Aviation Fuel) is just one example for a lot of investments which are coming up." And, as it is custom with the BUHLMANN Group, personnel are preferably hired locally or with a local background. "Trading has a lot to do with language, local customs and culture" says Werner de Saedeleer, who has headed BUHLMANN Spain S.L. since day 1.

BUHLMANN Spain S.L. was founded in February 2012. Offices and warehouse are located in Vitoria-Gasteiz in the province of Alava. The location was chosen due to its proximity to the most important Spanish manufacturers of seamless tubes – Tubos Reunidos, Productos Tubulares and Tubacex. With the new warehouse in Reus and the Portugal representation, the BUHLMANN Group is now set up very well for the valves business as well as the other products and services from the BUHLMANN portfolio in Spain, Portugal, Latin America and Brazil.

Text: Gabriele Wiesenhavern

But first things first: Since the end of February, the 1185 square meter warehouse in Reus is being stocked. Valves are being hauled in, overseen by warehouse manager Salvador Guixé. The new sales office is manned by Perry Turiccki, who joined the company in September 2022 To him and BUHLMANN Spain's Director of Sales, Werner de Saedeleer, the new warehouse is in the right place at the right time: "The decision to open a new location here checks many boxes. We're a stone's throw away from the biggest chemical cluster in Southern Europe with all the big companies like BASF, Dow, Covestro, Repsol, Lyondell Basell, Messer and many others. And, maybe most important of



Managing Director Spain Ziortza Sebastian (middle), Sales Director Spain Werner de Saedeleer (left) and Sales Manager Valves Perry Turiccki

Fully automatic circular saw



Panoramic view of the new sawing system in the warehouse at the Bremen site

As can be clearly heard, the new system is now up and running: 700 pipes, an order for BUHLMANN Austria, are being individually drawn in via a preloading area, measured, and cut in a fully automated process. They are then discharged with braked momentum into a holder, ready for transport.

A milestone for the Group – that was how Head of Warehouse Michael Thölken described the new sawing center at the Bremen site, which has been in full operation since January. He cited several reasons for this: "In contrast to the previous, conventional technology, it is a circular saw. In addition, it functions fully automatically. We can use it to saw tubes in double and single random length from 10 to 150 mm outer diameter." Orders are received from all over the Group: "The system is a key pillar here in the North. In the past, the warehouse in Bremen was geared more regionally toward supplying the shipyards. The new sawing center represents an important, supraregional asset for the whole BUHLMANN Group," continued Mr. Thölken.

The impressive steel structure was custom-designed and built for BUHLMANN by the company Behringer-Eisele, based in Baden-Württemberg. Standing in front of the 35-meter-long and seven-meter-wide system, Project Manager Johanna Theisen explained: "The maximum length of the feed material is 14 meters; the shortest section length is 12 millimeters." Ms. Theisen, who previously supervised the construction of the automated tube warehouse in Duisburg, added that further processing of the sawed material is usually not required, as the system enables clean, burr-free sawing.

The sawing center in Bremen is a further building block in the BUHLMANN Group's automation and digitalization processes. Increasing speed and efficiency also means that additional staff are needed. In the past, there was a single-shift system in place at the warehouse in Bremen. The number of shifts is now being increased: the working hours are being expanded to two shifts between 6:00 a.m. and 5:45 p.m. in order to ensure optimum capacity utilization with the current order volume.

Operations and warehouse management have discussed the matter and already indicated their intention to implement further shift expansions together if necessary in order to support the success of the investment.

Text: Gabriele Wiesenhavern



From left: Project Manager Johanna Theisen, Warehouse Manager Kevin Raas, warehouse employee Claas Fischer, project engineer Hagen Lutz from the Eisele Behringer and BUHLMANN Head of Warehouse Michael Thölken

Welcome to Spanish Fork



Arrival of the first pipes in Utah; delivered at the beginning of the year from the RS Matco warehouse in South Carolina.

At the foot of mountains by a lake: Spanish Fork is a city in the U.S. state of Utah with a population of 43,000. The BUHLMANN Group opened a new warehouse location there in January 2024. The warehouse belongs to the boiler tube experts at R-S Matco, which actually has its headquarters in Oakboro, North Carolina, in the southeast of the United States. Heather Flannery, CFO of R-S Matco, explained why Spanish Fork is the ideal location for a new warehouse.



Heather Flannery

Utah, located in the Mountain State region, is home to a wide range of national parks and desert landscapes famous across and beyond the United States. The Great Salt Lake, from which Salt Lake City takes its name, Monument Valley, Bryce Canyon, and Zion National Park are just some of the sightseeing destinations representative of the Wild West.

Spanish Fork is surrounded by stunning mountains, and the location is definitely advantageous: "We chose the Salt Lake City area for its somewhat centralized location amongst the perspective customer base, and its proximity to a network of highways in

all directions. We are leasing a currently existing building that is a portion of a larger building in a newly built business park," explained Heather Flannery.

Plans for increasing our presence and market share on the West Coast have existed for a number of years already. "As far as customers, we are targeting the petrochemical, utility, and pulp and paper markets first. We have a few large utility companies in the area that we already work with and are hoping to increase that business. Another major advantage to having a warehouse in the western end of the US is to cut down on freight costs. It can easily cost 8,000 Dollars to send a truck from Oakboro, North Carolina out to California or the western part of Canada. This new warehouse will cut the freight costs and the driving time down significantly", Heather Flannery added.

The new opening also brought two new colleagues to the BUHLMANN family: "In terms of staff, I have hired Joe Haskell as warehouse manager and Ben Hale will be supporting us as warehouse worker. Another warehouse worker will be added in the coming weeks. Joe Haskell spent a week training with us in Oakboro

and some of the North Carolina staff were at the new facility in Utah in February to assist in receiving the first deliveries of goods together, which were transferred from our warehouse in North Carolina."

Approximately 3.3 million people live in the U.S. state of Utah. Compared to the European time line, the settlement of the "Wild West" by white immigrants and the transition to the industrial age happened at lightning speed. From a historical perspective, Spanish Fork and the region around the Salt Lake City metropolitan area are a perfect example of this: the Utah Valley was originally home to the Ute people, from whom it derives its name. The first permanent European settlement there was in 1850, when Enoch Reese established a ranch and raised cattle immediately west of where the modern city is located. In the following winter,

further settlers arrived from the eastern USA, many of them Mormons. Spanish Fork became an incorporated city in 1855 – not even 170 years ago.

The construction of a sawmill and flour mill saw the population flourish. By 1860, Spanish Fork was already home to 1,069 people. The first school opened in 1862. The industrial age began in 1884 with an ironworks. The city itself now has a population of around 44,000, and Utah County, of which Provo is the county seat, is home to approximately 700,000 people. By the way, Utah also has the nickname "Beehive State" in reference to the beehives that the Mormons had chosen as a symbol of industry. Now if that isn't a good omen for the new location...

Text: Gabriele Wiesenhavern

10 years BUHLMANN North America

A foothold in the American market – the decision was taken in 2014: BUHLMANN founded North America LLC, and Robert Bresser, who has since left the company, was the first BUHLMANN colleague to take on a role in Texas. In the following interview, the current President, Dr. Marcel Schneider, told us more about this decade of the US branch.

BUHLMANN now has three sites in the USA and a new warehouse in Utah...

Correct. We promoted inorganic growth in the USA with R-S Matco in North Carolina and Lockwood Partners in California in 2019 and 2023. The new warehouse in Utah is also expanding our reach in North America significantly.



Dr. Marcel Schneider

GLOBAL // Herr Dr. Scheider, when did you join the company?

Dr. Marcel Schneider // I have been working at BUHLMANN since 2018. At the time, I was already working for a different company in the USA and also acquainted with Jörg Klüver. He mentioned that Robert Bresser had left and asked whether I would be interested in a role at BUHLMANN.

What was it like back then?

The business, initially based in The Woodlands, close to Houston, Texas, focused on selling standard products from the warehouses in the Netherlands and Germany on the American market. However, delivery times of six to eight weeks by ship were simply too long for the American customers. As a result, we decided to change strategy and work directly with the material manufacturers. HDD was a huge market at the time – Horizontal Directional Drilling is a process where the drill head is driven into the substrate at an angle instead of straight down. We delivered the pipes for the drill strings. Another major business area was applications for the OCTG (oil country tubular goods) segment, especially carrier tubes for perforating guns and casing. The boiler tubes, gas, and project business sectors also offered further options. The latter was not going so well, however, so we were less active there.

To what extent are you personally involved with R-S Matco and Lockwood?

I actually visit them regularly. BUHLMANN North America has been headquartered in Katy, Texas, since 2020, but I am only here part of the week. I also spend two days at Lockwood Partners in Pasadena. I am not responsible for business decisions there, as Ricky Burns is the CEO, but I am still involved in the integration of the company into the BUHLMANN Group, advising on internal regulations, corporate structure, and corporate culture. My contribution at R-S Matco in North Carolina is more pronounced. I am involved in strategic decisions – and, of course, everything happens in close cooperation with our COO, Jörg Klüver.

What can we expect in the next 10 years?

We are currently actively expanding our business with R-S Matco and Lockwood Partners, and we are always on the lookout for new merger and acquisition opportunities. As throughout the Group, the focus is on family-run and owner-managed companies, as they are a great fit for BUHLMANN's corporate culture. The aim is to continue growing.

Questions by Gabriele Wiesenhavern

IT in changing times

Advances in digitalization have altered the world of work forever and will continue to do so. Whereas pen and paper were used in the past, stock levels are now recorded and maintained digitally. Instead of traveling right across the country for a meeting, all it takes now is the touch of a button.

More and more companies are integrating digital technologies into their processes and workflows. This trend is also evident at BUHLMANN: Marco Niebur, Director Digital Transformation since July of last year, is driving forward the constant further development of digital processes at BUHLMANN together with his team.



One important aspect linked to the digitalization progress is data security. "Today, we are seeing considerably more cyberattacks than ten years ago, which has resulted in significantly higher demands on IT security. Among other things, this is largely due to technological advances and the use of AI, which permits the targeted and automated launching of digital attacks. In addition, they are often so well executed that they are no longer immediately identified as threats," emphasized Mr. Niebur. The introduction of the SoSafe training in 2022 was an

important step in raising employee awareness. Each and every employee must repeat the training on the different IT safety topics once per year in order to keep up their CPD and stay up to date with developments. This ensures they are equipped to deal with potential attacks not only in the workplace but also in their private lives.

As its tasks increased, the IT department had to restructure itself over the years. Whereas there were three teams 13 years ago, there are now six teams taking care of their colleagues' varied concerns. The need for digital transformation in order to remain competitive has also led to the relevance of IT increasing over time. "Whereas we were just a cost center in the past, many processes and workflows would not function today without our support," emphasized Mr. Niebur. There are scarcely any projects where IT is not involved – starting from the integration of the cloud-based sales solution Salesforce via the commissioning of the automatic small parts warehouse and the automated pipe warehouse up to the Supply Chain Management project. The use of digital technologies is also increasing in supplier and customer communication.

While Bill Gates dismissed the Internet as "hype" in the early 1990s, it is now clear that the digital transformation is unstoppable. As Marco Niebur sees it, the IT department will have three major topics to focus on in the future: "We want to continue to allow safe work, to expand the use of AI and employ it sensibly, and to automate further processes."

Text: Katrin Steinkamp



Marco Niebur joined BUHLMANN as Head of IT 13 years ago. "My first large project back then was redesigning Navision," he recalled. Initially 12-strong, the team has now grown to 21 members. Its tasks have also become more complex and extensive over the years. Back then, the topic of artificial intelligence (AI) was still assigned a subordinate role. Today, the topic is more current than ever, and our IT department is now investigating different areas of application for AI. "We want to optimize processes. Our current project revolves around utilizing AI to measure pipes digitally and cut them automatically," said Mr. Niebur.

In 2001, there were just 195 IT users in the BUHLMANN Group – this number has now risen to 770. This is not only down to the fact that the workforce has grown considerably in recent years, but also because digitalization and automation have picked up speed. "Back then, the warehouse was not digitally connected, and stock levels were documented in the classic way with pen and paper. Today, our colleagues in the warehouse manage them digitally with small computers known as portable data terminals," explained Marco Niebur. Nowadays, our working hours documentation, vacation requests, food orders, and invoicing processes are all completely digitalized. Further processes such as the automation of certificate checking are set to follow. To cope with the higher utilization, the number of servers has also more than doubled from 100 to 240.

A look back at SSU's relief efforts

Jutta Speidel, coordinator of the Stiftung Solidarität Ukraine (SSU) activities, takes stock: Donations have resulted in almost 70 aid transports, a number of vehicles, and extensive financial resources for the reconstruction of the civilian infrastructure.

The invasion of Ukraine by Russian troops began two years ago, on February 24, 2022. Since then, Russia's war of aggression has continued with increasing severity and destruction. Determining the exact number of victims seems practically impossible. According to the UNHCR, approximately 6.5 million refugees from Ukraine have been registered around the world since the war broke out, and some 3.7 million people were displaced within the country at the end of 2023. It is one of the largest displacement crises in the world. More than 10,000 civilians are estimated to have died in Ukraine as a result of the war to date, and over 1.4 million in

eastern Ukraine currently have no access to running water.

Aid organizations are now urging the world to continue offering Ukraine support. Despite civilians being killed every day, the readiness to donate has declined significantly according to the humanitarian assistance agency Diakonie Katastrophenhilfe. Children's aid organizations have drawn attention to the suffering of children and young people in particular.

BUHLMANN has been continuously active since the beginning of war with the aim of alleviating some of the suffering. Stiftung Solidarität Ukraine (Solidarity Ukraine Foundation) was launched in cooperation with HANSA FLEX AG in summer 2022. To date, 69 truckloads of relief supplies such as field kitchens, furniture for children's and old people's homes, technical equipment, medical equipment, medicines, clothing, and food have been delivered to the partner city of Odesa and to Ivano-Frankivsk in collaboration with the Evangelical Church of Bremen and the Senate of Bremen. The situation on the border between Poland and Ukraine, which trucks from here must cross, is particularly intense again at present, with it taking days for the vehicles to be processed. Bureaucracy is often a major hurdle anyway.

Nevertheless, it is almost impossible to describe the people's gratitude, and each and every delivery contributes to covering the most urgent needs and improving the humanitarian situation. Despite this, the challenges are great and further assistance is still desperately required. The medical situation is bleak in rural areas in particular. Small medical procedures and dental treatments, for example, are often performed at the kitchen table, according to reports from our contact in Odesa,



Director CBD Ronald Speidel presents Artem Andriev and Vanya Pustov an ambulance converted into a mobile dental practice.

Vitaliy Mykhaylyk. He continued that hygiene is also not a priority, it is merely about finding a quick and pragmatic solution. An ambulance converted into a dental practice with state-of-the-art technology is set to provide help here soon, and a rented warehouse in Odesa will be further improving the needs-based distribution of the relief supplies in the future.

Despite the difficult situation, the people of Ukraine show impressive resilience time and again and are determined to secure a better future for themselves and their children. The hope that the war will come to an end soon spurs them on to remain optimistic even in the darkest moments and fight for a peaceful and prosperous future. "And our efforts will continue too," said Jan-Oliver Buhlmann. "We are providing help now and will also do so once the war is hopefully over one day."



A message of thanks from Nikolaev to the city of Bremen, the SSU and the Bremen Evangelical Church.

Reliable procurement strategies



✓ A waterway through the Egyptian desert: the Suez Canal connects the Mediterranean with the Red Sea and saves shipping between the North Atlantic and the Indian Ocean the route around Africa.

The consequences of the COVID-19 pandemic, Russia's war of aggression against Ukraine, then the Houthi attacks on vessels in the Red Sea – crises and wars have acute effects on supply chains and material procurement. Serving customers reliably in such trying times demands strategic thinking, as Head of Procurement Frank Schiffers explained.

GLOBAL // Hamburg, Bremerhaven, Antwerp, Rotterdam – the number of ships arriving in the North Sea region dropped by 25 percent at the beginning of the year according to the Kiel Institute for the World Economy (IfW). How can material procurement be planned reliably – in terms of timing and prices – under such circumstances?

Frank Schiffers // Geopolitical tensions generally entail considerable risks for material procurement. The problem here is that they are either only foreseeable a short time in advance or not at all. There are therefore three requirements for material procurement: foresighted risk management and, consequently, the development of risk management strategies, a very high degree

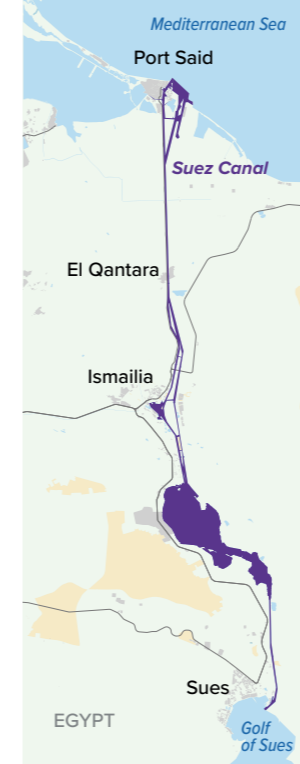
of flexibility, including the diversification of suppliers, and close communication with suppliers.

This means that we must constantly monitor alternative sources of supply in different regions and maintain excellent relationships with our strategic suppliers. In this way, issues can be identified and resolved before they become critical. Furthermore, we are continuously optimizing our stock levels in order to be able to bridge temporary supply chain disruptions.

Let's take the Houthi attacks as an example to illustrate this. Alternative shipping routes have resulted in cost increases and longer delivery times. Some suppliers have switched to FOB offerings, meaning buyers are responsible for making their own transport arrangements.*

Where are we currently procuring large quantities of goods and where no longer? Are our supply chains affected by the crisis in the Middle East?

At the present point in time, there has been no significant change in our supplier structure despite the individual crises. It is certain-



The Suez Canal was opened on November 17, 1869, and is 164 kilometers in length. According to the latest reports of shipping companies, the route from Singapore to Rotterdam through the Suez Canal is around 6,000 km shorter and takes nine days less than sailing around Africa. This translates to 44 % lower CO₂ emissions for scheduled services between Asia and Europe.



✓ Director Procurement Frank Schiffers (second from left) in a meeting

ly possible that individual deliveries may be delayed, for example because it is not possible to cross the Red Sea and vessels are forced to take other routes, but there have been no missed deliveries thus far.

It's about keeping stocks up to date on the one hand and handling drop deliveries as usual on the other. How can we assure customers that everything will be delivered on time and as agreed? Or is that impossible to guarantee?

In the past, it was not possible to offer an absolute guarantee on long transport routes even when there were no crises. Even then, deliveries failed on rare occasions as a result of imponderables. However, the measures we have implemented minimize the risk of failure.

The Handelsblatt reported: "To be able to deal with the consequences of geopolitical risks for trade and investment, companies must be flexible and develop alternative strategies. Diversification of the markets and supply chains can help to spread the risk (...)." So, how flexible is BUHLMANN?

Alternative supply chains have always played a role in our strategic procurement, and that not merely in the context of crisis prevention. We evaluate not only the risks from an economic, geopolitical, and logistics perspective, but also the potential advantages of each and every alternative source of supply. Continuously monitoring and analyzing the existing supply chain helps us to identify possible risks in good time – and then search for alternatives.

So, how are risks identified?

We take into consideration and evaluate the procurement, economic, and logistics perspectives. Here at BUHLMANN, this works all the better, as I am in charge of both procurement and logistics. This enables us to consider the entire supply chain. We identify possible risks and assess them in the scope of our risk

management activities. When doing so, we also consider the likelihood of a risk arising based on historical data, current trends, and expert opinions. This forms the basis for the assessment of the possible consequences – costs, delivery delays, quality issues – and prioritization for focusing on the most critical risks. Finally, we develop strategies for overcoming the identified risks and implement them. The overall performance of the supply chain is continuously monitored to steer effectiveness.

Do you think that we will have to deal with geopolitically triggered risks to world trade even more in the future?

Yes, unfortunately this is only to be expected. Globalization and the increasing interconnection of the world economy have led to the possibility of political events and decisions in different parts of the world directly affecting companies' supply chains and business activities. In addition, the list of potential risks is quite long: trade sanctions, political unrest, protectionism, and currency risks are but a few examples.

What consequences does this have for purchase and sales prices?

The consequences can be many and diverse. For example, the prices for raw materials can rise or trade sanctions imposed on certain countries can result in price increases for imported goods, as the availability of products is affected, which in turn increases the costs. Higher transport costs, triggered for example by greater transport distances, a shortage of logistics capacities, or the dislocation of containers, also have a direct impact.

Questions by Gabriele Wiesenhavern

*FOB stands for "free on board" and is a defined international commercial term (Incoterm). Incoterms regulate the responsibility for the transport of goods between the buyer and seller. They establish who covers which costs and at what point the goods exchange hands. (Editor's note)

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