



## General Carbide Europe Ltd.

Daventry

Manufacturer of high quality, precision tungsten carbide wear parts

## Case Study

Using Networks to help clients'  
MAS, MCCR & IIB join forces to help General Carbide Europe Ltd

### Quotes from the Directors

"We have certainly been through the mill. It takes an enormous amount of effort to position yourself to win a large order and then to win it. Having won the order, to find (in the midst of the credit crunch) that the working capital we needed to finance such a large order would be an issue, left us as very worried business owners. Peter Kroeger's calm assurance and real hard work and dedication, his ability to convince our Bankers and our largest supplier to support us, and the way he made a very complicated grant application process just happen so smoothly, is the reason our business future is now secure. We could not have done this without the expert, practical help that Peter provided. I have no hesitation in recommending Peter Kroeger as strategic thinker, successful fundraiser and most of all as a true business "friend".

**Rod Print, Director and co-owner**



**Peter Kroeger**

"We were up against it having to get into top gear very quickly. Peter kept my spirits up when obstacles seemed to be constantly appearing and helped me get on with the business. Over the last 2 years I have experienced the value he provides and highly recommend him."

**Mel Knowles, Engineering Director and co-owner.**

### Nature of the Business

GCE is a manufacturer of high quality, precision tungsten carbide wear parts for severe applications requiring corrosion free and extremely hard wearing parts for e.g. valves for oil and gas pipelines, punches, pins and dies.



### The Assignment

GCE won a £1m order for the manufacture and supply of components for very large gas pipeline valves. These valves are to be fitted into the one of the largest gas facilities in the world and careful planning has been undertaken by GCE's customer, the valve manufacturer, to install replacement valves while ensuring the minimum amount of downtime. It was obvious that GCE's working capital was insufficient to fulfill an order of this size. This assignment was to:

1. develop a Business Plan, budgets and cash flow forecasts
2. establish the working capital requirement
3. Raise the necessary funding to allow the company to deliver such a large order in less than 8 months.

Failure to attract the required funding would have been disastrous for GCE's reputation and its ability to meet critical timescales for a very large project. It would also have jeopardised the reputation of its customer and the completion of a very valuable and prestigious project.

### Making it happen

#### Approach taken to solve the issues

The initial Sales and Marketing assignment was undertaken by Peter Kroeger and involved market research (provided by IIB Associate John Cyriac from India) and sales process implementation. In addition, copy for a new website was developed by Results Corporation Ltd, a Wellingborough based marketing consultancy with whom Peter Kroeger had previously worked. This new website - see [www.generalcarbide.co.uk](http://www.generalcarbide.co.uk) - has enabled GCE to showcase itself as a premium manufacturer and has delivered new sales opportunities. **Cont'd on page 2**

### Key Achievements

- ◆ GCE is well on its way to completing a £1m order for precision ground tungsten carbide wear parts within 8 months, on time and to budget
- ◆ The company has cemented its relationship and status with one of the world's leading valve manufacturers and significant follow on business is in prospect
- ◆ The recently acquired plant and machinery is running efficiently and turning out high quality finished components
- ◆ The company is fully staffed, is running a night shift for the first time and has sufficient working capital to trade and generate increased profits

### The Chosen Solution

General Carbide engaged Peter Kroeger, Executive Associate of The Institute for Independent Business (IIB) and a member of MCCR & Associates, an accredited Centre of Expertise to the BIS Manufacturing Advisory Service.

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### Making it happen (Cont'd)

The second assignment to determine the funding needs and then to raise the funds was undertaken solely by Peter Kroeger. A package of funding totalling £500,000 was raised by way of an increase in GCE's invoice factoring facility, lease finance for the acquisition of new plant and machinery, and extended credit from GCE's major supplier in the USA.

The final assignment to complete the remaining funding element, to assist with the acquisition of plant and machinery to increase capacity and upgrade GCE's CNC capability, was provided by *emda* under a Grant for Business Investment. Peter Kroeger prepared the business plans and forecasts necessary to comply with this "tortuous" application.

### Time scale

#### How quickly did the client start to see results?

The Sales and Marketing project lasted 6 months from the end of 2007 and into

2008 and resulted in a sales increase in 2008 of £85,000. It also positioned the company to win an order in early 2009 valued at over £1m.

#### How long did it take to bring stability or drive growth?

The Business Planning and Fund raising assignment began in January 2009 and all funding was in place by the end of February 2009, just 2 months.

#### Is the relationship ongoing?

The Grant application was made in January 2009 and approved within 6 weeks. The grant claim was finally received in August 2009 once all capital had been outlaid. The assignment is now completed.

#### Period on period/ Year on year position

The additional plant and machinery was acquired and installed from March to August 2009 and the first valve components were produced in April 2009. The company is now well on its way to delivering the entire order on time and to budget.

### General Carbide Europe Ltd Company Profile

Started in 1990 General Carbide has grown into one of the most prominent and capable suppliers of tungsten carbide products in the UK.

Occupying a modern, well equipped 12,500 sq ft manufacturing plant in Daventry, we are proud of our skilled and time served team of engineers and specialists. Watching them operating a huge range of high tech machinery producing perfectly ground and polished parts for use in the Oil and Gas industry as well as for many other industries, we do feel that in many ways we've only just started. There's always something else that can be done to improve the service, make processes more efficient generally.

#### Working in partnership with General Carbide Corporation USA

We have forged a strong trading agreement with General Carbide Corporation situated in Pennsylvania, USA. They now supply us on a sole agency basis with the sintered parts while General Carbide Europe are responsible for proof grinding, finish grinding and the marketing of sintered parts and finished tools not just in the UK but internationally.

This super working relationships means that General Carbide Europe can provide virtually all of the industrial sectors requirements by way of inserts, slugs, rods, die inserts, punches and wear parts all made from tungsten carbide.

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