



Steel Processing (Midlands) Ltd.

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Press Release SPM/POSCO MOU – 22/5/2023

SPM Sign Memorandum of Understanding with Korean Steel Giant POSCO

SPM reached another business milestone last week when they signed a memorandum of Understanding with Korean steel mill POSCO. This event coincides with the 30-year anniversary of SPM and underpins what is already a strong relation between SPM and POSCO. This understanding formalises the intent to buy a significant yearly tonnage through POSCO group and POSCO international, which not only guarantees allocation, but also provides SPM the access to high quality POSCO products that are preferred by many of their customers in the UK.

This deal could mean the annual spend with POSCO will be around £20-25 million and encompassed the supply of many products including Hot Dipped Galvanised and Cold Rolled material.

POSCO are a South Korean steel producer of high quality steel and is ranked 6th largest in the world with an annual production of around 43 million tonnes. Their plants in Gwangyang and Pohang and ranked 1st and 2nd as the single biggest steel producing sites in the world, such is the scale of their operations.

SPM were privileged to welcome some senior employees from POSCO on the 22nd May 2023 including Mrs Park (Director of Cold Rolled Steel Sales Group – POSCO Mill), Miss Lee (Manager of Cold Rolled Steel Sales Group – POSCO Mill) and Mr Kim (Vice President of POSCO International). The distinguished guests were warmly greeted by office and works personnel on their arrival waving Korean flags. After a fairly quick tour of the works facility, SPM and POSCO adjourned to the Belfry Hotel & Resort in Sutton Coldfield where SPM presented their current business plans and their vision of what challenges the steel industry face in the future.

The official signing took place at the Belfry and was signed by Kevin Haynes Managing Director of SPM along with POSCO and POSCO International. This makes SPM the only Steel Service Centre in Europe with an MoU currently in place for CR and Galvanised products. As such, SPM can now boast of this partnership and the fact that they have a firm commitment from the mill to make SPM the most transparent route for POSCO products in the UK. This gives SPM an advantage above the competition in sourcing these high quality materials from a much sought after origin.

Kevin Haynes said “This really gives SPM the platform to outperform our competitors in the ability to consistently source high quality imported steel products. Whilst the world is full of conflict and protectionism, SPM sees collaboration with key supply partners such as POSCO as the only real way to offer stability in a volatile market. We are overjoyed with this agreement and would like to thank POSCO for their support in getting this MoU in place in time for our 30th company anniversary”.



