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## Benchmark for Steel Prices – Asian Market

- Cost-saving opportunities at a glance
- Benchmarking based on objective real data
- Creating greater market transparency to support decision-making

# Benchmark for Steel Prices – Asian Market

*Achieving greater market transparency and cost reduction through anonymous comparison*



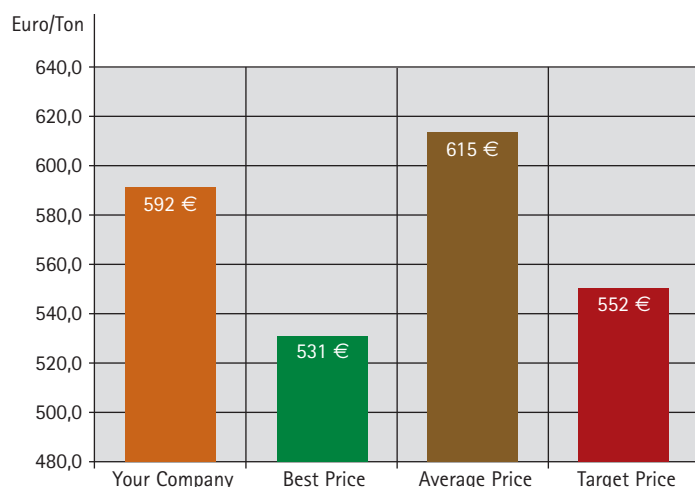
As market conditions are becoming increasingly strained, companies can no longer afford not to identify and realise cost saving potential on a permanent basis. This is particularly the case with the steel market which was hit by rapid and volatile price developments over the past few years.

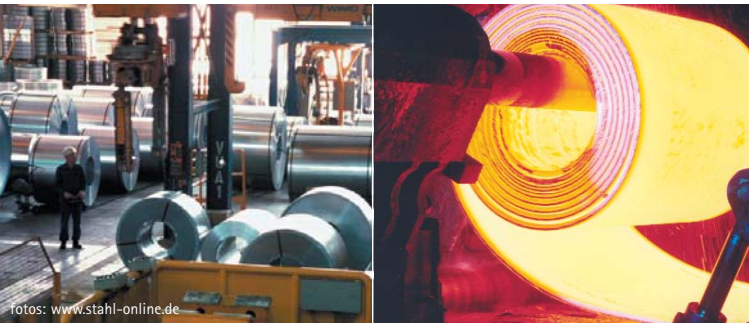
Since 2005, the German Association for Materials Management, Purchasing and Logistics (AMMPL) has been involved in identifying the benchmark for steel prices in Central Europe as well as providing quarterly updates. As the Asian steel market is now playing an ever increasing role in determining company strategies, since 2008, our service portfolio also includes a benchmark for the Asian steel market.

Benchmarking involves looking outside of your own company structures and industry sector, enabling you to identify "Best Practice" as well as cost saving potential. The German Association for Materials Management, Purchasing and Logistics acts in a neutral capacity and all information is kept strictly confidential.

## BME – Steel Prices Benchmark – Example: Central Europe

Example:  
Company „A“ (Your Company)  
Basic Price Hot Rolled Coil,  
Quality DD 11, 1st Quarter 2008  
Participants in total: 34  
Peer group: 14  
Your order: 8.200 to/year





## Benefits

- Cost-saving opportunities at a glance
- Establishing your current position based on objective real data
- Greater market transparency to support decision-making

## Project description

Benchmark for two different steel areas

### 1. Carbon steel:

cold rolled coil, hot rolled coil

### 2. Stainless steel,

grade X5CRNi18-10 (1.4301):

cold rolled coil, hot rolled coil

The effective price is split into:

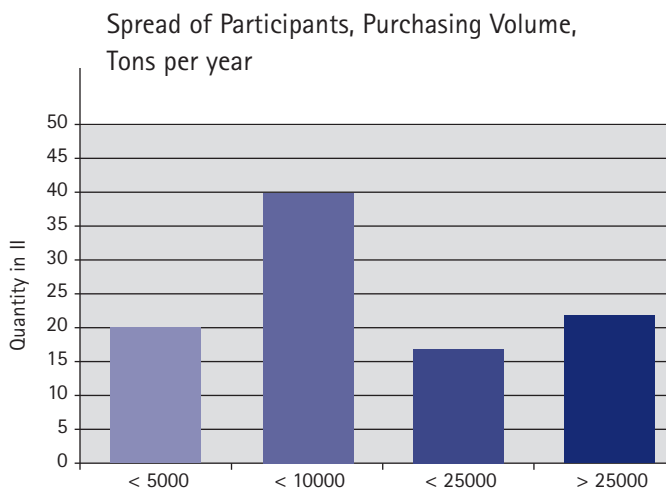
- Basic price
- Quality surcharge
- Measurement surcharge
- Other charges

The effective price is calculated by adding the surcharges and other charges to the basic price. The calculation is based on net prices rather than list prices, i.e. effective prices minus discounts or rebates.

As soon as the data (prices, quantities, surcharges) has been gathered from all participants, it is entered into a central database. The data is then subjected to a plausibility check, after which the data is evaluated and made available to the participants in an anonymous format. Together with your individual evaluation you will receive:

- the best price
- the average price of all participants
- the target price (= the best price for comparable quantities)
- the difference between your price and the best comparable price

This information is provided for the basic price as well as for the effective price. The results of the first benchmark will be based on the prices of the 4th quarter 2008.



# Benchmark for Steel Prices in Asia

## Participation requirements

- Registration includes the mutual obligation to keep all information confidential
- Data must not be submitted, disclosed or made available to third parties
- The name of the participants must not be disclosed in order to maintain the highest degree of confidentiality
- Participation fee: for each steel area for the initial analysis = 1,480.00 Euro  
for each additional update = 370.00 Euro

**Book by 31st January 2009  
and receive an early booking  
discount of 15%**

## Registration Form

Company name		Industry
Complete address		Participation fee for each steel area for the initial analysis 1,480.00 Euro
		<input type="checkbox"/> carbon steel
		<input type="checkbox"/> stainless steel
		Additional participation fee per update (optional) 370.00 Euro
Company size (number of staff)		<input type="checkbox"/> every quarter
<input type="checkbox"/> 1 - 499	<input type="checkbox"/> 5000 - 9999	<input type="checkbox"/> every 6 months
<input type="checkbox"/> 500 - 2499	<input type="checkbox"/> > 10000	<input type="checkbox"/> every year
<input type="checkbox"/> 2500 - 4999		
Annual turnover (in millions of euro)		
<input type="checkbox"/> up to 50		
<input type="checkbox"/> from 50 - 250		
<input type="checkbox"/> from 250 - 1000		
<input type="checkbox"/> > 1000		
Contact person	E-Mail	Tel. number
1.		
2.		

We would like to register for the price benchmark:  
The attached conditions of participation are legally binding and basic prerequisites for participation. We hereby acknowledge and accept the conditions of participation. We agree that all data will be stored and can be used exclusively and in an anonymous format for benchmarking projects.

Date and signature

**Please return by fax to: +49 / (0)69 / 308 38 199**

## For more information please contact:

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