



A&B Welding Case Study

A&B Welding is a Darwin-based, specialised welding company that has serviced the local oil and gas industry since it started in 1986. When Tracy and Grant Ryan bought the business in 2011, they were immediately challenged by falling oil prices, and needed to respond quickly. They not only survived but grew a successful business on the back of a commitment to accreditation and diversification. NERA spoke to Tracy Ryan, General Manager of A&B Welding, about how they did it.

Tell us about A&B Welding - how did you come to own the company?

A&B Welding is a locally owned and operated business, 100 per cent Territorian, established in 1986. My husband, Grant, and I purchased the business in 2011. Grant was working there as a welding supervisor when the owners announced that they wanted to sell the company. We talked about it and decided to buy it.

A&B Welding provides specialised welding services. We are renowned for fabricating and welding exotic materials, all types of piping systems and pipe spooling, structural components and specialised labour services including hydrostatic testing, flange management and leak testing. We also perform live welds where the gas is still running through the pipe during the welding process.

What is your role in the business?

Prior to buying A&B Welding, I was a stay-at-home mum with three young children while Grant worked on oil and gas facilities offshore. When we bought the business, I stepped into the role of General Manager. It's another full-time job which is quite challenging but very rewarding at the same time.

I've had to learn a lot about welding and fabrication. I have experience in office administration, but I was not at all familiar with the oil and gas industry. Now I know what a pipe spool is, what a flange is, and all about qualifications, accreditations and calibrations – all very important things in this industry.

What has helped A&B Welding to succeed in the competitive Darwin environment?

A&B Welding is a fully-accredited business, and this has helped us remain competitive. When we purchased the company, it was already ISO 9001 accredited, and was also the first company in Australia to gain Welding Technology Institute of Australia ISO 3834-2 accreditation. Since then we've achieved our Environment, Health & Safety, and NATA (National Association of Testing Authorities, Australia) accreditations. The NATA accreditation means that we can perform in-house hydrostatic testing, and it's something we are very proud of. Accreditation is very important to us and we think it sets us apart in the industries that we work in.

We are also fortunate in having very loyal and highly skilled employees, which has helped with our success. Our workforce has tripled over the last six months, and we have three internationally certified welding inspectors and supervisors who bring a lot of knowledge to our company and value add to our clients.

We custom-built our own premises here at East Arm in 2014, having rented prior to then. Our facility features a 2,200 square metre workshop undercover area with two 10 ton gantry cranes and a number of piping positioners. It also has yard space, a hardstand area of 5,547 square metres, office amenities, and a portion of the complex is dedicated to the infrastructure necessary for NATA accredited hydrostatic testing.

What didn't help or presented a barrier to success?

Unfortunately, shortly after we bought the business the price of oil and gas dropped significantly and there was a big downturn in the market. We had no choice but to diversify so we started exploring different avenues before winning some work in the construction and the defence industries.

To get into the construction industry we started building relationships with different clientele around town and also with government bodies, as they were doing a lot of construction work at that time.

With the defence industry, we started going to a lot of conferences and building relationships with the 'primes' (major defence contractor companies). That work is starting to come through, although it's still yet to boom.

What does the future hold for A&B Welding?

Thankfully the price of oil and gas has increased slightly and the industry appears to be thriving again. We are currently doing a lot of work in this sector, including some hook-up work on a number of new offshore facilities, along with a major onshore gas fabrication project doing pipe spooling and structural components.

We have service agreements in place with several oil and gas clients, which is fantastic now that we are very much into the maintenance stage of local projects. We aren't actively pursuing the construction industry right now, but we are still looking into defence. We are going to different conferences and keeping across the industry, so when the opportunity comes up, we will be available.

So the oil and gas industry is once again the main focus for A&B Welding. There's plenty of work around at the moment providing ongoing maintenance services for various facilities both on and offshore being serviced from our Darwin base and we are expanding our services to the North West Shelf of Western Australia.