

**API Ballot 6672  
TG OCTG**

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| <b>Work Item Number</b>   | 2452   |
| <b>Title of Work Item</b>   | Review Section 13 Definition of Manufacturer   |
| <b>Ballot Revision Level</b>  | 1  |
| <b>Type of Ballot</b><br>(Initial, Comment, Comment resolution (reference API ballot#), 1 <sup>st</sup> Re-ballot, 2 <sup>nd</sup> Re-ballot, etc.) | Initial  |
| <b>Submitter Name(s)</b>  | Gustavo López Turconi  |
| <b>API Document Modified</b>  | API 5CT  |
| <b>API Document, API Modifying Document(s) and Revision Level(s)</b>  | 11 <sup>th</sup> Edition   |
| <b>Revision Key</b>   | Current API document in black,<br><del>Deletions in red strikethrough,</del><br>Additions in red with gray highlight |

**Work Item Charge:** To clarify in 5CT Section 13 what can be outsourced by a Manufacturer and what cannot, in order to still apply the API Monogram mark on their products. Same concept may be applied to other SC5 specifications for alignment. Modify the LIF accordingly.

**Ballot Rationale:** Modern manufacturing requires outsourcing. While these processes require control from Manufacturer, outsourcing is a common practice, which potentially conflicts with Monogram Program License. Details of pipe mill, processor, and threader are addressed in Section 13. In some cases, such differentiation is not clear enough, particularly when goods are partially manufactured in different facilities of the same Company under the same QMS.

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### Ballot Text:

## 3 Terms, Definitions, Symbols, and Abbreviations

### 3.1.29

#### manufacturer

an organization, facility, or individual that performs activities on a product to establish the characteristics satisfying the requirements of this specification. Examples include ~~one or more of the following, depending on the context:~~ pipe mill; processor; threader; coupling manufacturer, pup-joint manufacturer.; ~~accessory manufacturer~~

NOTE See Clause 13 ~~for activities that may be outsourced.~~

### 3.1.30

#### outsourced

A function, activity, or process that is performed by an external supplier on behalf of the manufacturer.

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## 13 Minimum Facility Requirements for Various Categories of Manufacturer

### 13.1 Pipe Mill

A pipe mill shall operate one or more pipe-making facilities capable of ~~producing products as described in Section 5 of this standard~~ transforming billets, bars, hollow shells or coils into casing and tubing plain end, coupling stock, coupling material or accessory material.

When applicable to the product being supplied, a pipe mill shall also have equipment, access to equipment, or have established subcontractors capable to:

- a) heat treat products,
- b) thread pipes, couplings or pup joints
- c) apply couplings,
- d) test product
- e) inspect product

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Alternatively, and at the option of the pipe mill any of these activities, tests or inspections may be provided by a subcontractor and may be located offsite.

A pipe mill shall have suitable equipment and be responsible for weighing and marking products.

~~A pipe mill shall also have suitable equipment for, and be responsible for, weighing pipe and marking pipe, coupling stock, coupling material or accessory material.~~

~~A pipe mill shall also have facilities for conducting all required tests and inspections. Alternatively, and at the option of the pipe mill, any of these tests or inspections may be provided by a subcontractor and may be located off-site. In the event that a subcontractor performs any of these services, the conduct of such inspections and tests shall be controlled and monitored by the pipe mill in accordance with a documented procedure to ensure compliance with the relevant requirements of this standard.~~

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### 13.2 Processor

A processor shall operate **heat-treating** facilities capable of:

- a) **performing required activities for heat-treating** pipe, coupling stock, coupling material or accessory material **in full lengths or blanks, as applicable,**
- b) weighing product,
- c) marking product.

When applicable to the product being processed, a processor shall also have equipment, access to equipment, or have established subcontractors capable to:

- a) upset products
- b) thread products,
- c) apply couplings,
- d) test product
- e) inspect product

~~A processor shall also have suitable equipment for, and be responsible for, weighing pipe and marking pipe, coupling stock, coupling material, or accessory material.~~

~~A processor shall also have facilities for conducting all required tests and inspections. Alternatively, and at the option of the processor, any of these tests or inspections may be provided by a subcontractor and may be located off-site.~~

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### 13.34 Coupling, ~~or~~ Pup-joint, ~~or Accessory~~ Manufacturer

A coupling, ~~or~~ pup-joint, ~~or accessory~~ manufacturer shall operate equipment capable of machining and threading products in accordance with the dimensions and tolerances specified in API 5B or provided in the applicable specifications. The manufacturer shall also have access to master plug and ring gauges, as well as the required working gauges, for each size and type of thread produced on products marked by the manufacturer in accordance with Section 10

A coupling, ~~or~~ pup-joint, ~~or accessory~~ manufacturer shall have access to facilities for conducting all other aspects of the manufacturing process for the products (e.g. heat treatment). ~~In the event that subcontractors perform these services, the conduct of inspections and tests shall be controlled and monitored by the coupling, pup-joint or accessory manufacturer in accordance with documented procedures to ensure compliance with the relevant requirements of this standard.~~

Pup-joint manufacturers shall either have or have access to facilities for:

- a) hydrostatic testing, and
- b) drift-testing finished products

in accordance with the requirements of this standard.

~~In the event that a subcontractor performs any of items a) or b), such services shall be carried out in accordance with documented procedures and shall be controlled and monitored by the manufacturer to ensure compliance with the relevant requirements of this standard.~~

Coupling manufacturers shall be capable of inspecting couplings by the magnetic particle inspection or other adequate non-destructive testing method.

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### 13.35 Pipe, Coupling and Pup Joint Threading

~~A pipe threader~~ Threading shall ~~operate~~ be performed in one or more threading machines capable of threading pipe ends to the dimensions and tolerances specified in API 5B ~~or provided in the applicable specifications~~. ~~The threader~~ There shall also ~~have~~ be access to master plug and ring gauges, as well as the required working gauges, for each size and type of ~~API~~ thread.

~~A threader shall also have suitable equipment for, and be responsible for, markings.~~

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When applicable to the product, there shall also be equipment, access to equipment, or established subcontractors capable to:

- a) mark the products and threads in accordance with Clause 11,
- b) apply couplings to specified make-up,
- c) hydrostatic test the entire length to the pressure required for finished pipe,
- d) drift-test the ends after threading and coupling in accordance with specification requirements
- e) measure length

~~In the event that a subcontractor performs any of items a), b), c), or d), such services shall be carried out in accordance with documented procedures and shall be controlled and monitored by the threader to ensure compliance with the relevant requirements of this standard.~~

~~A threader (or a subcontractor) shall not change or alterations of the markings on the pipe body are not allowed or as well as certifying that the pipe body complies conforms with any API/ISO specification except when threading and plain end were produced by the same manufacturer. When subcontract work is performed for the threader, it shall be the responsibility of the threader to ensure that such work complies with the requirements of this standard.~~

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### **13.4 Subcontract.**

Services performed by subcontractor shall be carried out in accordance with documented procedures and shall be controlled and monitored by the manufacturer

When subcontract work is performed for the manufacturer, it shall be the responsibility of the manufacturer to ensure that such work complies with the requirements of this specification.