



**VALVE MANUFACTURERS ASSOCIATION OF AMERICA**  
1050 17<sup>th</sup> Street NW, Suite 280, Washington, DC 20036  
Phone: 202.331.8105 • Fax: 202.296.0378 • Website: [www.vma.org](http://www.vma.org)

## **Economic Recovery has Begun, Speakers Say** ***Most industries looking at 2010 for relief and 2011 for real growth***

Washington, DC (Sept. 15, 2009)—Although most of the manufacturing and related industries have suffered pain in the last two years, speakers at the recent VMA Market Outlook Workshop had many positive points to make this year.

In fact, if one theme arose from the workshop, it was that recovery is already on its way, though it may take awhile to get back up to speed.

The annual workshop, which was August 12 to 14 in Chicago, is sponsored by the Valve Manufacturers Association, which invited 13 well-known economic experts to gaze into the near- and long-term future of various segments of the valve and actuator industry.

Some of the themes that arose during the event included:

- *The recovery is not likely to be a W-shaped one (with another recession occurring). Instead, it will be "U" shaped; however, the climb back up the other side of the U will not be steep—recovery will take some time.*

"We will not be impressed with the recovery of 2010, but 2011 will be the good year," said Alan Beaulieu, economist, Institute for Trend Research.

- *Certain segments will do well simply because of pent up demand and expansive need.*

For example, in the water/wastewater industry, "One reason the market stays so good is the tremendous backlog of work," said Tom Decker, vice president, CH2M Hill. Decker predicted about a 4% growth for this year and said the tremendous need for drinking water and for improvements to infrastructure mean even more growth in the years ahead.

Michael A. Schneider, CFA, managing director of Robert W. Baird & Co., Inc., who spoke to attendees about the situation on Wall Street, also pointed out that the power industry is beginning to react to "extremely pent up" demand. "I'm starting to see the dam break on power projects," Schneider said, and he expects about \$13 trillion invested in electricity infrastructure by 2030.

Gary Wolski, vice president of New Building, Nuclear Group, Curtiss-Wright Flow Control Company, said the nation is currently seeing the "perfect storm for nuclear" because of the world's desire for low carbon footprint, the excellent safety record the industry has experienced and the capability of nuclear to bring economic benefits and employment to communities.

- *Portions of U.S. markets and other areas of the world will benefit from stimulus monies.*

Farid Abolfathi, managing director, Country Analysis and Forecasting Group, HIS Global Insight, said the world's economy essentially ended in the second quarter of 2009,

and said his optimistic outlook is based partly on massive injections of money governments are pouring into certain segments.

- *The lending squeeze is starting to lessen.*

Beaulieu pointed out that the nation's credit system is at normal recessionary levels and predicted that lending will soon open up.

- *The slant towards sustainability will remain long after recovery is felt.*

Keith Small, senior marketing manager & proposals of Black & Veatch's Energy business, said renewable energy is the growth market in power today. Small said power companies today have a three-pronged focus on sustainability (economic, environmental, and community benefits) and said this situation has exacerbated the power generator's conundrum. "It's not just about adding additional megawatts to the grid, but rather what kind of megawatts and at what cost," Small said.

Complete coverage of the outlook workshop can be found in Valve Magazine, the voice of the valve and actuator industry at [www.valvemagazine.com](http://www.valvemagazine.com).

**FOR MORE INFORMATION:**

Bill Sandler, VMA President ([wsandler@vma.org](mailto:wsandler@vma.org)), (202.331.8105)

Judy Tibbs, VMA Communications/PR ([jtibbs@vma.org](mailto:jtibbs@vma.org)), (540.785.8901)

**ABOUT THE VALVE MANUFACTURERS ASSOCIATION OF AMERICA**

*Founded in 1938, the Washington, DC-based Valve Manufacturers Association of America ([www.vma.org](http://www.vma.org)) represents nearly 100 North American manufacturers of valves, actuators and controls. Members account for approximately 80% of total industrial valve shipments out of U.S. and Canadian facilities. The North American valve industry supplies approximately 35% of worldwide valve demand, and VMA member companies employ 20,000 men and women in supporting jobs. VMA is the only organization exclusively serving U.S. and Canadian manufacturers of industrial valves, actuators and controls. Products manufactured by members are used in numerous industries, including: chemical processing; petroleum refining; oil and gas exploration, distribution and transmission; power generation; nuclear power; water/wastewater; commercial construction; and pulp and paper. VMA is also publisher of the quarterly Valve Magazine ([www.valvemagazine.com](http://www.valvemagazine.com)), written for buyers, specifiers, users and distributors of industrial valves, actuators and controls.*