



VALVE MANUFACTURERS ASSOCIATION OF AMERICA

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VALVE INDUSTRY'S MODEST DECLINE WILL BE SHORT-LIVED

Reason for optimism, despite projected downturn

WASHINGTON, DC (April 7, 2009) - As in many industries, the last decade has been kind to the U.S. and Canadian industrial valve industry, which has seen a steady climb in sales and profits. But valve and actuator shipments rise and fall with the fate of the industries in which they are used, from power generation and chemical processing, to oil & gas and water/wastewater. Now, with many of those industries on a downward track, the Valve Manufacturers Association (VMA) estimates a 5% decrease in industrial valve shipments in 2009 – the first such decrease in a decade.

When VMA Chairman Sam Bennardo, president of AUMA Actuators. Inc., Canonsburg, Penn., began his term following VMA's annual meeting last fall, he knew the valve industry – and the economy – would be facing a challenging year, yet he remains optimistic about the future. “In VMA’s market forecast, we estimate shipments of valves and actuators to return to their 2007, \$3.8 billion,” says Bennardo. “Still, compared to how other industries are faring – the automotive industry, for instance – this is a pretty modest decline, and total sales still should be considerably higher than just five years ago, when total shipments were at \$3.2 billion.”

The valve industry typically doesn't have highs and lows as dramatic as other industries because different end-user markets don't cycle up and down at the same time. “We've had years where a couple of key end-user markets are going gangbusters, while others are in decline,” says Bennardo. “And while this economic downturn is the worst most of us have ever seen, VMA has more than 70 years of history – and statistics – that show the valve industry will ultimately thrive because it supplies products for industries that are absolutely essential to a growing domestic and world population – water to drink and wastewater to treat; power and energy to light our way, run our businesses and factories, and get us where we need to go; and homes and buildings where we can live and work.”

VMA does not expect the drop in valve shipments to continue for more than a year. “The valve industry typically lags about 6 to 9 months behind end users as projects are planned – or cancelled,” says Bennardo. With a huge number of infrastructure projects in the works, and some economists predicting a bottoming out of the recession in late 2009, the Valve Manufacturers Association forecast calls for a possible turnaround in the second quarter of 2010.

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Additional Valve Market Data ([click here](#) to download this data):

In addition to its annual market forecast for valve shipments, the association has released historical data on past valve shipments by product category and total shipments, as well as its annual breakdown of valve shipments by end-user markets. Here are few highlights:

- **Shipments by Valve Categories (1999-2008)** - In 2008, automated valves accounted for the biggest share among valve types (\$1.24 billion), followed by ball valves (\$725 million), and gate, globe and check valves (\$584 million).
- **Total Individual Valve Shipments Over the Past 10 Years** - Valve shipments hit their peak in 2008, with \$4.0 billion in sales, up from \$3.7 billion in 2007.
- **Distribution Forecast of End Users in the 2009 Valve Market** - Of the 15 markets tracked by VMA, in 2009 Water & Wastewater will account for 18% of valves sold, followed by Chemical (16%), Petroleum Production (12%), Petroleum Refining (12%) and Power Generation (11%).

ABOUT SAM BENNARDO AND AUMA:

Before joining AUMA in 1992, Sam Bennardo held various management positions in accounting and finance, and served as executive vice president of SMS Sutton Engineering, Inc. He now serves as president of AUMA Actuators, Inc. (<http://www.auma-usa.com/>) and is 2009 chairman of the Valve Manufacturers Association of America. AUMA, located in Canonsburg, Penn., just outside of Pittsburgh, has been manufacturing valve actuators for more than 40 years and is a major supplier of electric actuators and manual operators to industry. *For more information on AUMA Actuators, contact Rich Oaks (724.743.2862 ext. 210).*

ABOUT THE VALVE MANUFACTURERS ASSOCIATION OF AMERICA:

Founded in 1938, the Washington, DC-based Valve Manufacturers Association of America 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 **Valve Magazine**, written for buyers, specifiers, users and distributors of industrial valves, actuators and controls.