

VALVE SHIPMENTS UP IN 2010, WITH MORE GROWTH PREDICTED FOR 2011

Domestic shipments remain steady, while exports to rise

(Feb. 18, 2011) For the second year in a row, shipments for the U.S. and Canadian industrial valve industry will grow, rising to about \$3.91 billion in 2011, according to the Valve Manufacturers Association (VMA). That's a rise of about 1.5% from 2010 levels of \$3.85 billion and within reach of the industry's 10-year peak in 2008 of about \$4 billion. The figures were released as part of VMA's annual market forecast.

"Although the rise is slight compared to some year-to-year increases early in this decade, the fact that we've managed to maintain steady momentum through a difficult economy shows how strong the valve industry is," according to VMA's Chairman Max Mitchell, President for Crane Fluid Handling Group. "We expect the gains to continue at even faster rates over the next few years," he said.

Like all manufacturing industries, valves saw a decline at one point during the recent world economic woes. "For our industry, which tends to lag behind the general economy and its own end-user industries, that drop was about 5% in 2009, just as we had predicted. However, shipments have been rising steadily since then," William Sandler, CAE, VMA's president added.

One factor that has contributed to this steady performance is that while domestic shipments have remained about the same during the last few years, exports of valves have grown—in 2009, exports were at about \$710 million; by 2010, they had grown to \$750 million, and they are forecast at more than \$760 million for 2011.

The projected growth for valve shipments in the industry for 2011 will occur across the entire range of end users with most industries expected to gain slightly in total dollar shipments of valves, the VMA forecast shows.

Additional Valve Market Data:

Along with its annual market forecast for valve shipments, the Valve Manufacturers Association 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. A few highlights include:

- **Shipments by Valve Categories (2001-2010)** – In 2010, automated valves accounted for the biggest share among valve types (\$1.2 billion), followed by ball valves (\$706 million), and gate, globe and check valves (\$567 million).
- **Total Individual Valve Shipments Over the Past 10 Years** – Valve shipments in 2010 at \$3.85 billion were the strongest they've been over the past decade except during their peak in 2008 at \$4.0 billion in sales. In 2001, valve shipments were about \$3.1 billion.
- **Distribution Forecast of End Users in the 2010 Valve Market** – Of the 15 markets tracked by VMA in 2010, Water & Wastewater had the largest share at about 18%, followed by Chemical (17%), Petroleum Production and Petroleum Refining (each at about 12%), and Power Generation (11%).