



VALVE MANUFACTURERS ASSOCIATION OF AMERICA

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DECLINE OF LAST YEAR EXPECTED TO REVERSE

End users will see growth; manufacturing will follow

WASHINGTON, D.C. March 24, 2010—After a 5% drop last year, the valve industry appears to have stabilized and will probably see some minor growth this year, according to the Valve Manufacturers Association (VMA). The association's annual forecast for valve shipments in the United States and Canada predicted total industrial valve shipments for 2010 will be \$3.855 billion, which is slightly higher than the \$3.802 billion in 2009 shipments. Between 2009 and 2008, the industry saw its first decline for the decade; however, compared to other manufacturing industries, the fall was not as severe.

The decline of last year followed almost 10 years of steady upward movement from about \$3.1 billion in 2001 to the high in 2008 of about \$4.0 billion.

"Overall, the decade has been good for the valve business. The period between 2004 and 2008 was actually unprecedented in growth. Like essentially all manufacturing industries, 2009 showed a steep decline in demand and was troubling for our industry. Fortunately, it appears that the situation has stabilized this year and the forecast looks good for the next few years," said VMA Chairman Mike Mason, executive vice president of the Fisher Division of Emerson Process Management.

The projected growth in the industry has occurred across almost all of the end-user industries with the exception of construction and municipal water, which are both forecast to decline. Overall, growth in the amount of valves end-user industries will order for 2010 will be about 1.4% over 2009 with the largest growth occurring in the chemical industry (which is forecast to rise to 16.7% of total share of industrial valve shipments in 2010 from about 16.3% in 2009) and iron and steel (forecast to rise to 2.1% from 1.7% in 2010.) (For a full forecast by industry segments, go to the [VMA News & Press Room](#) on VMA.org).

“Since manufacturing usually lags six to nine months behind end users, the figures indicate full recovery will occur in the second half of this year,” according to William Sandler, president of VMA.

“That means by the end of this year, we will be on an upward swing,” he added.

VMA’s annual market forecast also includes a glimpse of valve shipments by product category for the last decade, as well as breakdowns of end-user markets. A few highlights are:

Shipments by Valve Categories (2000 to 2009): Automated valves make up the largest category of valve type (almost \$1.2 billion in 2009 compared to the smallest category, which is pressure-relief valves at about \$219 million.)

Distribution Forecast of End Users: The chemical industry has caught up to the water/wastewater industry in the share of the markets. Both make up 17% of the total from the 15 markets VMA tracks. The next three largest shares are Petroleum Production and Petroleum Refining (both at 12%) and Power Generation at 11%.

ABOUT THE VALVE MANUFACTURERS ASSOCIATION OF AMERICA

Founded in 1938, the Washington, DC-based Valve Manufacturers Association of America (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](http://www.valvemagazine.com) (www.valvemagazine.com), written for buyers, specifiers, users and distributors of industrial valves, actuators and controls.

SOURCE: Valve Manufacturers Association