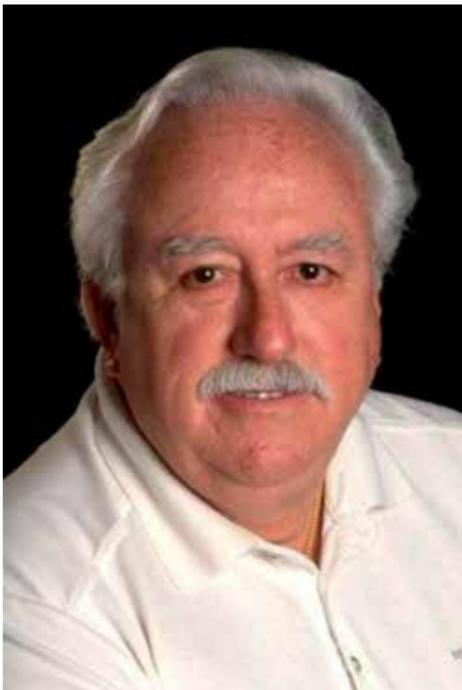


Flo-Tite Valves & Controls - Process

With the continued growth that Flo-Tite Valves & Controls has been experiencing over the past few years, the company has proven its commitment to solving the pressing problems of the flow control industry.

Valve World Americas had the opportunity to speak with Bob Donnelly, Vice President of Marketing at Flo-Tite Valves & Controls about the company's innovative product designs, their steady growth and Flo-Tite's commitment to their customers.

By Sarah Bradley



Bob Donnelly, Vice President of Marketing at Flo-Tite Valves & Controls

"Flo-Tite's unique value proposition is that we are entrepreneurial in an industry that is not. In addition, we have the engineering capabilities, desire and willingness to tackle process control problems being faced by end user engineers," said Bob. "We are flexible in our relationships with our distributors and work closely with them in a partnership agreement. At Flo-Tite, we are looking for problems to solve, whereas our competitors are more interested in just taking orders."

Established in 2004, Flo-Tite was started by valve technology entrepreneur Martin Gibbons, after the sale of another company that he formed and grew into an industry leader. Since inception, Flo-Tite has grown rapidly and introduced a series of innovative new valve designs and valve automation solutions for process control problems. These innovative engineering and design solutions have earned the company prestigious industry awards and as a result, Flo-Tite valves are now being recommended by leading industry engineering firms and have been granted approval for projects by major organizations and high profile projects.

THE CUSTOMER COMMITMENT

This commitment to providing a high standard of engineering excellence to the process market has brought Flo-Tite proven success in some of the most hostile conditions in the industry. Flo-Tite values the importance of customer input, its fundamental rules promising customer management, reviews those ideas submitted and those selected are subjected to the rigors of a product research and development program. This

process produces a new or improved user friendly ball valve product, while ensuring that their client's needs are met.

Through concentrated efforts by the company's engineers and sales team throughout the United States and other countries, Flo-Tite has provided customers with a quality, reliable, efficient and safe series of ball valves. All Flo-Tite's valve products design priorities include; all inclusive basic models to allow the customer the greatest flexibility of multiple applications from a single product, increased interchangeability while reducing the amount of components and allied accessories permitting the customer to minimize inventories and positively affect their flexibility and bottom line, continually improved quality, efficiency and safety of all products and being innovative while maintaining compatibility with their customer's system.

"We develop and offer a series of valves that can be used in almost every major industrial application, a broader range of valves and valve automation components than most other valve suppliers. Our MaxSeal series of butterfly valves continues to be accepted as a competitive alternative to other more expensive valves. We expect the volume of this series of valves to grow exponentially as we continue to add larger sizes and materials of construction," revealed Bob.

Flo-Tite has recently added a variety of new valve products and enhancements to their existing valve line. This included increasing the types and sizes of their MaxSeal Butterfly valves, introducing the Pro-Torq series of high quality industrial electric



actuators, developing the Titan series of valves specifically designed for oil field/fracking applications and the company now offers completely automated valve packages, direct mounting of actuators on valves and has introduced inexpensive universal mounting kits available "off the shelf".

"By offering a complete line of valves and valve automation components, our customers can get a 'total package' from Flo-Tite without having to shop around for individual components from a variety of suppliers. In addition, we assemble and fully test all of our valves and automated valve packages, that saves our customers time and money and we will ship to their location or their end user customer's site," said Bob. "Every customer has their own perception of value. These values in the industrial marketplace are influenced by technical requirements, long term performance and costs. Every customer presented with a new product wants to know 'what's better about this?'. To differentiate Flo-Tite from all the hundreds of other similar valves, we have developed a collection of features and benefits that we have incorporated into our valves along with the increased performance attributes of these features to demonstrate that, for about the same cost or usually less, we have a better valve and/or valve automation package. Our goal, which we are in the process of achieving, is to instill the fact that we are 'valve technology innovators' in the mind of more and more customers, so that Flo-Tite will be their go-to source for solutions to their process control problems."

COMPANY GROWTH

In recent years, Flo-Tite has experienced significant growth with its business growing 40% last year with sales increasing by over 25% so far this year. The company moved to a new 127,000 square foot headquarters, warehouse and valve automation center in early 2013.



Martin Gibbons President & CEO - Flo-Tite Valves & Controls

"With rapid growth comes the need to keep up with it for the present and the future. In order for us to be the industry leader in quality and service, and continue to build the Flo-Tite brand, we have to be able to support our customers better than any of our competitors. The new building has allowed us to increase our inventory, add to our machining capability, hire key new employees such as an experienced warehouse operations and valve automation manager, be more efficient overall and increase our customer service level," said Bob.

The new facility also allowed the company to double the size of the inventory kept on-hand to meet growing customer demands and to increase its machining capabilities to include metal seating of valves.

"Flo-Tite maintains one of the largest inventories of valves and valve automation components in the industry. In a highly competitive market, delivery and service is the key to success. By having a large inventory, the capability to machine parts

Control Application Solutions



and the ability to modify and automate valves, we help our distributors get orders that otherwise would go to their competition. Frequently, we can meet delivery requirements that all of our larger competitors cannot. Recently, we supplied a large number of metal-seated valves in less time than any other valve supplier could, or wanted to deal with," explained Bob. "Increasing our machining capabilities effects time and cost. By being able to machine parts ourselves, we can meet delivery requirements that our competitors typically cannot. In addition, we do not have to incur the cost of having an external machining company do what we can now do ourselves faster, better and cheaper. Recently, we had a large international distribution company send us a quantity of some large foreign-made automated butterfly valves to correct, that did not open and close properly because they were out of alignment, because they could not find anyone else to do it. We corrected the problem and shipped the valves to their customer on the Gulf Coast."

Flo-Tite maintains a diverse customer base by recruiting valve distributors in every key market area and industrial sector across the country. The company has recently added new distributors across the U.S., Canada, Mexico and Central and South America and created a world-class training center for its distributor sales teams at their new facility.

"The more our distributor salesmen know about the features and benefits of our valves and valve automation components, the more effective they will be in selling our products and representing the Flo-Tite brand. We are in a highly competitive commodity market, competing with similar products from suppliers all over the world and it has been said that a 'valve is a valve'. So to set ourselves apart and demonstrate

our competitive value proposition, we have to educate and train our distributor sales force as to the unique features and benefits of the Flo-Tite brand and more importantly, how the construction of our valves and the special attributes of our valve automation components, collectively represent the best solution for an end user engineer's application, in terms of quality,



cost and long term performance," said Bob. "Our training facility in the new building is the most sophisticated in our industry. In addition, by having distributor principles and their salesmen visit us, it is a wonderful opportunity to cement relationships and show them the capabilities we have in our new building. Everyone who has been to our new facility has unanimously agreed that it is impressive. It's another element of our brand building strategy."

The company has recently put a great deal of focus on increasing efficiency and

improving customer service through the installation of a new MRP system.

"Service is about response and reliability. Our new MRP system will provide real time information on what we have in inventory, what we have on order and when it will be delivered, what needs to be ordered, quotes, orders in process, shipments and billings, along with a lot of other management information and accounting detail needed to manage better. By having all this information available, we will be able to more effectively respond to our customers, manage our business better and reduce expenses, so that we can continue to invest in the growth of Flo-Tite," explained Bob. "Also as part of our brand building strategy, we have implemented a new 'Ask the Experts' feature on our website. These days more and more engineers are using the internet to find information for their requirements. Many have questions about what will or will not work for their applications. Engineers are using the section to ask us a plethora of technical questions about their applications, our valves and whether or not we can help them resolve a myriad of process control problems that they have. This is invaluable because it allows them to find us, we gain a customer, we can refer them to our distributors near our location who can continue to service them with Flo-Tite products. It has become an integral part of our brand building strategy.

THE FUTURE

With the immense growth and success that Flo-Tite has been experiencing in recent months, it can be assured that the company

will continue to work towards increasing brand awareness, building relationships with new and existing customers and providing the best possible solutions to the industry's most pressing issues.

"The valve industry is one of the most secure industries in the world, because of the massive installed base of pipes and valving around the globe. It is unlikely that technology will displace this basic process of moving substances through pipes using valves," said Bob. "Flo-Tite will continue to play a major role in the valve marketplace in the Americas as our brand awareness continues to grow."

