



Neway: Global awareness, local solutions

Neway, China's largest valve manufacturer, enjoys worldwide- renown for providing customers with complete solutions for industrial valves. Indeed, the company has a solid brand reputation thanks to its unique products, top-notch technologies, and extensive sales and services teams. Now listed on the stock exchange, Neway's smooth operations and favorable growth are providing a solid basis for further development. Valve World visited Neway Valve's headquarters and production facility in Suzhou, Jiangsu Province, and talked to Vice President Mr. Lu Liangfeng (Vincent Lu) to learn about the company's future strategies in the global valve market.

By Zhu Yixing (Jewel)

For the past twenty years, Neway's mission has been to provide its partners and clients with complete solutions for all industrial valve applications. Determined from the start to become a global leader, Neway invested early in a state-of-the-art production base with three vertically integrated foundries, advanced R&D centres and extensive testing facilities. The company also set about developing new

technologies, concepts, and innovations in line with its philosophy of literally being a "new way" to provide solutions to the valve industry. Hardly surprising then that today Neway has grown to become one of the industry's leading valve manufacturers with quality products, a worldwide distribution network, and branch offices established in China, the USA, Brazil, the Netherlands, Italy, Singapore and the UAE.

Complete quality control

Quality is the absolute key for Neway. The quality of the company's products is partly due to the design standard but also stems from the fact that all manufacturing steps are available in-house for both forged and cast valves. Comments Mr. Lu: "at Neway the majority of all valves are cast so the foundries are crucial to our ability to deliver finished products with the right quality and



The Neway foundries are qualified to Norsok standards for various grades of material.

the client and are better able to guarantee delivery times. I can say that engineers from companies such as Shell, Dow Chemical and BP etc. were most complimentary after visiting our foundry.”

Further commenting on the sources of raw materials, Mr. Lu comments that currently more than half of the material purchased for manufacturing is obtained domestically. “Proper control of the supply chain is a must for a global enterprise which is why we have procurement engineers in China and in Italy. In fact, we plan to have more procurement of special materials from abroad. We therefore welcome contact from companies who may be interested in developing a cooperative partnership,” says Mr. Lu.

Capacity and capability

Neway continues to develop the technical specifications of its standard products, allocating a significant annual budget to testing and research in the areas of design, fugitive emissions, and environmental challenges. The company can conduct all valve testing procedures as determined in industry standards such as API, Norsok, DIN/EN (AD2000), ISO, and GOST, or as required by major clients. The extensive range of products delivered by Neway reflects the company’s desire to meet ever-changing customer demands. As a result, the company also produces a wide variety of valves covering practically all pressure and temperature classes supported by automation systems and devices. With its range of products and top-notch facilities it is no wonder that Neway continues to garner more and more end user approvals. Having successfully become a preferred supplier of valve solutions to many world-class end users and EPC companies, the company serves most

major industries including oil, gas, refining, chemical, power generation, marine, pipeline transmission and nuclear. Neway’s broad scope of products can deliver quality valves to meet the most demanding and difficult service requirements.

“Neway strives to penetrate new markets with quality products that are competitive, meet client expectations, and offer innovative designs,” reveals Mr. Lu. “With less than two decades in the valve industry, Neway’s growing R&D investments allow new product development to reach far beyond the company’s initial entry into the refining and chemical arenas. We are also performing well in the nuclear industry and we are the only Chinese valve manufacturer to have won approval for the British Hinkley Point nuclear project. Our capability to execute nuclear projects demonstrates without any doubt that we can easily undertake projects no matter what the industry as we adhere to the self-same quality control system.”

Looking to the future, Mr. Lu says that Neway will continue to secure end-user approvals for the severest of applications to further expand its business. “We will also make efforts to increase our market share for orders for large-scale projects, especially in the fields of oil & gas, the offshore industry and power plants. Until now, we have largely fulfilled orders for medium-sized projects but last year we carried out some large-scale project work for Yamal LNG, which has certainly whetted our appetite for more,” he continues. “In fact we have just been approved by BP Upstream, which allows us to join two projects in Indonesia and the Gulf of Mexico whilst another end user approval from Algeria enables us to enter the market in Africa.”

in a wide range of materials. This is why we decided to invest in our own foundry right from the start in 2002. In 2015 Neway’s expanded foundry was put into operation, further assuring quality levels and ramping up production capacity. In fact, adds Mr. Lu. easily ninety-five per cent of all necessary castings can now be made in-house. He continues: “We are an open and up-front company, meaning that we invite customers to see our foundries and indeed all our facilities. At the same time we explain to them the science of pouring materials and give advice on selecting the most appropriate alloys that will best suit their specific requirements. Having integrated foundries means we have total product quality control, from design, casting, heat treatment, machining, assembly, testing, painting, packing, right up to shipping. Moreover, with our own foundries, we are able to keep production costs low for the benefit of

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At present up to seventy per cent of Neway's sales are generated overseas. With a worldwide distribution network and branch offices established in USA, Brazil, the Netherlands, Italy, Singapore and UAE, overseas staff numbers now exceed 130. Mr. Lu tells us: "Our products can be found anywhere in the world where high quality is appreciated. We are also particularly looking to the Middle East to expand our business through our branch office there. Add to this Neway's expanding tie-ups in the global marketplace and it is easy to see why demand for our products will continue to grow."

Neway has certainly achieved considerable success in the USA where around 60 staff take care of the North and South American markets. Mr. Lu explains the origins of this success. "Firstly we recruited highly-trained staff, with years of industry experience and a deep understanding of the local market. Secondly we maintain stock levels of around USD 14 million in the USA. This means we can serve clients' MRO needs in a very timely manner, however many valves they need. Our third advantage is the service level: we have well-trained technicians who can assist clients on a 24x7 basis, which is quite unique amongst suppliers." Mr. Lu stresses, however, that customers in Europe, Southeast Asia and the Middle East are equally important to Neway. "This is why we have set up several overseas branch offices as well as an R&D center in Italy. We want to make sure that all clients, no matter where they are located, can enjoy a local service backed up by the power of our global operations."

Intelligent manufacturing

Outside China, Neway does not limit itself to simply selling its own brand products but it also works on technology exports, tie-ups, and exchanges. "Part of our global success story is due to our continuous commitment to pursuing advanced technology through innovative developments," says Mr. Lu. "Our staff keeps a constant watch on promising



Neway Valve facility at Suzhou, the largest, single location valve manufacturing plant, globally.



In-house cryogenic testing of axial flow check valve.

technologies which can be picked up by our R&D teams to deliver superior products." An additional driving force in Neway's success story has been its high-quality product guarantee. As such Neway uses nothing but the best hardware and software to create advanced, comprehensive production systems with automated lines, production control systems, and other sophisticated processes. Mr. Lu explains: "we recognize the value of data accumulation and so invested in a MES system two years ago to consolidate our management systems. This has further driven up quality control and facilitated more automated manufacturing and intelligent production." The MES system is open, meaning that clients can enjoy real-time access to project information and can check all inspection and witness reports, etc. Comments Mr. Lu: "we believe the market will be reshaped and expanded thanks to IIoT, which we see as yet another opportunity to become a leading manufacturer in the world."

Leader in FE technology

More and more valve manufacturers have put attention on FE technology. Recently, Neway has taken a proactive stance to design and certify multiple product lines that will enable clients to meet their need for low emission valves. Says Mr. Lu: "many

refineries are pushing ahead with much needed turnarounds and upgrades. They are using this opportunity to install low-emission products to ensure compliance with more stringent local emission regulations. In that light I should mention that Neway took the lead position in conducting complete third party emissions testing on API 600 gate valves and API 602 forged gate and globe valves, according to API 624, while achieving sub 50 ppm emission levels throughout the test. Certified and witness testing has also been completed on the full recommended range of API 623 globe valves, and API 603 gate valves. For valves outside the scope of API 624, Neway is also certified to ISO15848-1 class A & B, API 641, TA-LUFT and other specific customer testing standards."

Opening doors for cooperation

"Within China we are one of the top manufacturers and outside our home area the Neway brand is rapidly expanding



Subsea gate and ball valve.

Projects

Project Name: Hinkley Point C Nuclear Power Station
Year: 2017
End user: NNB GENERATION COMPANY LIMITED
EPC: AREVA GMBH.
Product: "Globe/ DN8~DN50/ Safety Class Q2,Q3,NC Working Pressure 3~250 Bar Operation Temperature 50~265 Deg.C"
Material: M3301 Z2CND17-12, M3306 Z2CND18-12/NS
Quantity 2000+

Project description: Hinkley Point C nuclear power station (HPC) is a project to construct a 3,200 MWe nuclear power station with two EPR reactors in Somerset, England. The proposed site is one of eight announced by the British government in 2010, and in November 2012 a nuclear site licence was granted. On 28 July 2016 the EDF board approved the project, and on 15 September 2016 the UK government approved the project with some safeguards for the investment. The plant, which has a projected lifetime of sixty years, has an estimated construction cost of between £19.6 billion and £20.3 billion. The National Audit Office estimates the additional cost to consumers under the "strike price" will be £29.7 billion. Financing of the project is still to be finalised, but the construction costs will be paid for by the mainly state-owned EDF of France and state-owned CGN of China. In this project, NEWAY will offer nuclear safety class valves which will be installed in the nuclear island, which is being constructed by AREVA.

Project Name: 61439G - YAMAL LNG PROJECT
Year: 2014
End user: TOTAL
EPC: Technip
Product: Ball /GGC valve 1/2~28" 150-900Lb
Material: LF2/LCC/CF8M/F316
Quantity 22000+

Project description: YAMAL LNG is an integrated project encompassing natural gas production, liquefaction and shipping. The Project consists of construction of a liquefied natural gas (LNG) plant with an output capacity of around 16.5 million tons per year, using the South Tambey Field as a resource base. The field's proven and probable reserves, by PRMS standards, are estimated at 926 billion cubic meters. Extensive transportation infrastructure is being built in the scope of the Project, including a sea port and the Sabetta Airport. The planned LNG plant will have three trains with total capacity of 16.5 million tonnes of liquefied natural gas per year. First train will be operational by the end of 2017 and the full capacity will be achieved by 2021. Yamal LNG project is an order obtained by Offshore Oil engineering Co.,Ltd (CNOOC group) that has the highest bid price ,strictest technical requirement and longest bid period, and is also China's first LNG core technology construction project.



Actuated ball valves.

throughout the world. Our work always adheres to our principle of complete solutions for industrial valves," emphasizes Mr. Lu. Asked further about Neway's future plans, Mr. Lu concludes: "with the current economic trends, many business owners are progressively making fewer investments. This concurs with our predictions, but at the same time we are very successful in showing customers

that newer technologies and business initiatives can increase the reliability and efficiency of their product operations. With the knowledge and experience of our professional staff, plus our proven ability to develop solutions to help customers solve their problems, I am utterly convinced that Neway will maintain its leading role in this dynamic and competitive market for industrial valves."



High velocity oxygen fuel spraying.

Facts & figures

Name: Neway Valve (Suzhou) Co.,Ltd (SSE code: 603699)
Established: 1997
Head office: Suzhou, China
Global locations: USA, Brazil, The Netherlands, Italy, Singapore, Dubai, Saudi Arabia (JV)
No. of employees: 2000+
Industries served: Gas, Oil, Refining, Chemical, Coal Chemical, Offshore, FPSO, Air Separation, LNG, Nuclear Power, Power Generation, and Pipeline Transmission
Products: Ball, gate, globe, check, butterfly, control, nuclear, safety and subsea valves; Wellhead Products