



AUMA – Ready for what’s next!

The last cover story with AUMA was in 2004, when the company celebrated their 40th anniversary. However, time has not stood still since then and with the flow control industry getting more global and increasing year by year, so has AUMA grown larger internally and externally. So, after an eight year break, Valve World re-visited the mother company’s HQ in Müllheim, Germany, to speak with the two President and COOs Mr Matthias Dinse and Mr Henrik Newerla about the status quo of AUMA and the investments they have made over the past years and are currently undertaking to maintain their position among the global players of the actuation business. Further, we spoke to them about how they see the company progressing in the coming years.

By Christian Bormann

“Well, to start off with the obvious”, smiles Mr Dinse, “we still produce electric actuators, controls and the necessary gearboxes for these products. So there is no change in that. However apart from this, a lot has happened since 2004. Our company has been growing and progressing steadily over the past years.” – “We were quite fortunate that

we not only grew in Germany but also internationally”, adds Mr Newerla. “Of course, in order to keep growing and support this growth of the company, we have had to invest and expand our production facilities all around the world. For example, here in Müllheim, we expanded our general assembly line as well as our electric assembly and two

years ago, we brought a new product series to the market, which had new mechanical and electric developments. And now two years further down the road, we can say that it has been a very successful introduction to the market.” The company’s relationship with the valve industry is as firm as ever as the figures show. They deal with all major valve manufacturers, as has been the company policy since the founding of the company by Mr Werner Riester and Rudolf Dinse in 1964, and the company is as strong as ever having 2,300 people all around the world in service within the whole group. Mr Dinse: “Of course, the economic situation in 2008 and 2009 was a difficult challenge for everyone in the industry but due to our international activities and the help of our whole organization we were able overcome the situation very quickly and bounce back by the end of 2009. In 2010 we were already back on our growth path.”



Latest product developments

In 2011, AUMA scored a record year as Mr Newerla points out. "We didn't expect this but the backlog following the economic problems, and current activities show that the demand for electric actuators is still growing and there will be more plant automation, plant extensions and green-field start ups, particularly in the rapidly developing countries, but not so much in Western Europe and the US." "Looking ahead, we see a lot of good opportunities for our further product developments," explains Mr Dinse.

"Energy efficiency plays an important role in our plans and we want to introduce enhancements as well as new elements in the rotary actuator and quarter turn actuator sectors to the market. We will push forward our developments in the electric area as we believe that there is still a lot of unused potential and we will work on this to get the maximum for our clients.

Other important keywords in our thinking process are Asset Management, Preventive Maintenance and the continuous linking together of components. Wireless is the

big topic in this field and although we have been working already for quite some time with Bluetooth, which is already a step in the right direction, we will continue to go down this path even further because wireless will change a lot and can make lives a lot easier, when you think about accessibility of the areas where our products are usually applied."

Adds Mr Newerla: "We still see a requirement for FIELDBUS communication. It's not one standard worldwide but several standards which also vary from industry to industry. PROFIBUS seems to be more in the water and wastewater industry whereas the oil & gas industry seems to prefer FIELDBUS Foundation. In those cases wireless is quite important."

Safety Integrity Levels are also gaining more importance in the industry, he continues: "At various conferences and exhibitions, you can see that the demand is increasing for SIL certifications for various industries and various plants. This will be one of the areas where we will offer different solutions." – "In our case, as a component supplier, we have to clarify the ideas and the requests coming to us because not too many people have real, in depth knowledge about these things," states Mr Dinse, "For this reason we provide the data for each of our components which people can then include in their plant safety calculations which they now need. SIL is not simply a product or hardware that you can bring to the market. You have to go through a whole range of tests and requirements as well as re-directing the production in order to be SIL certified.



"For us it's always important that we detail any improvements and make sure that our products, whether it's gearboxes, whether it's controllers, whether it's actuators, are up to the most modern standards.

ACHEMA news

Asked about new developments for the upcoming AICHEMA event, Mr Dinse says that "The implementation of the control system gives us the possibility to offer a platform which we can update regularly, which we can expand if needed and thus offer new functions. The system itself is manufactured in such a way that it can support more functions at the same time. And Mr Newerla adds: Something else that we will present at AICHEMA is further development of our master station. This station enables our clients to centralize the actuators and steer them from that one position. This is FIELDBUS communication via a master station which we still see in certain areas of the world. Not everywhere, because a lot of people



The AUMA facilities in Müllheim.

are dealing with PLCs but there are other countries where the infrastructure is not in place and here the master station is a very interesting feature – we offer both solutions.”

“Apart from that,” says Mr Dinse, “the focus lies on corrosion protection since more than 60% of our products are installed outside Environmental requirements and are still a challenge. Because of that we are quite proud to state that we recently completed the update of our coating process. A couple of years ago we started to use a powder technology for several products and now we have completed this process and all our products are being coated with our powder technology. A reason for this transfer was that with this technology we can better guarantee a longer life of the product as well as protection from corrosion.”

A close look at the industries

Oil & gas is an important business sector of AUMA and most recently the Russian market has been very successful for the company. Mr Dinse: “If you recall, back in 2007 or 2008 the price of a barrel of oil was around \$20 and now it’s around \$100. Russia has huge natural resources that are currently being exploited and the processing industry to support this is quickly being put in place which leads to a big demand for valves and, of course, actuators. However, Siberia in particular



Mr Newerla (middle) and Mr Dinse (right), both President and COO, during the cover story interview with Valve World’s Christian Bormann (left).

presents a big challenge because of the low temperatures which can fall as low as -60°C , but we are able to offer mainline products to meet the harsh, and in some cases extreme, conditions.” – “But obviously we do not limit ourselves to the Russian market,” says Mr Newerla, “also China, India and other areas here in Europe are important markets for us. Currently a lot of new pipelines networks in the oil & gas sector are being built – Northstream and Southstream are good examples of this – so, there is plenty of activity at the moment where electric actuators are involved.”

However, AUMA is not only dealing with the oil & gas industry, but also water & wastewater, power industry and, its niche sector, the nuclear industry are other key areas. Mr Dinse explains why: “The reason why the water sector is so interesting for us is that it will play an increasing important role over the next years. You

can already see it now but we expect that this demand will only increase, especially when you look at the environmental and climatic changes which are going on already: All around the world there is flooding and drought proving that investment is required for flood control or irrigation systems – so for us plenty of activities where there is a demand for electric actuators.”

And Mr Newerla adds: “Water is not called ‘blue gold’ for nothing. There is a demand for major investment in this area. Unfortunately, whilst a lot of governments and countries are still talking about it, they are not investing so it’s a very slow process. But the congress in Marseilles on water and wastewater, to name but one, shows the importance of this topic – that drinking water should be a natural right of every person on earth – and we want to continue with our activities and leadership in this industry.”

Asked about fossil fuels, alternative energy resources and the role of the nuclear energy, Mr Dinse thinks that this is a somewhat difficult situation. “We are hearing a lot about renewable energy such as solar power, wind power and biomass power, and I think the whole world is not sure how to fulfill the requirements for electricity in the near future. There will be a mix, of course, including fossil plants. If you look at China and India, they are still building coal plants and big power stations which is for us very interesting, but we also see in other areas the requirements for decentralized supply, so you have the smaller heating power plants, the district heating and district cooling.”

“When it comes to the nuclear sector,” Mr Newerla tells us, “we believe that this technology has a future since, as already



mentioned, the possibilities of producing energy from wind and solar sources alone has not been achieved yet. And until this is possible, or other sources can be tapped, we believe that nuclear energy is an ideal bridge technology and on top of that, there are almost no emissions from it. So we will continue manufacturing products for the nuclear sector; we will keep on developing the products, and will try to come up with new products." And Mr Dinse adds: "Right now, the nuclear industry is separated into two parts. The first part is existing plants, which have to be upgraded, modernized and well maintained. Fukushima and other situations in recent years have brought safety and related issues to the fore so there is an increased interest in upgrades and maintenance. We can and do meet these requirements, of course, so we are supplying to existing plants.

The second part is discussions on next generation nuclear power plants and we have brought out our latest multi-turn actuator, certified in accordance with IEEE. We will be paying close attention to the main countries dealing in nuclear power, and will also be looking at the situation in Russia, China and India in this respect."

Future progress

Big events cast large shadows ahead. In two years AUMA will celebrate their 50th anniversary. And by the current looks of it, the company seems stronger than ever before as Mr Dinse explains: "If the global developments and the Euro crisis do not bring about the collapse of European countries, we expect a strong continuation of our successful activities. The demand for electric actuators is there and it is guaranteed and in order to stay on this path we will carefully enhance our plants and our organization and, make sure that there will be a smooth change of generations."

"A concrete example of an enhancement will be the new administration building. Due to the increase of our production site, we wanted to build a new office building which will be able to house 250 employees," says Mr Newerla proudly. "Even more, this new building will also contain learning, training, and testing facilities in order to keep our workers



The recently completed, coating line which uses powder technology to guarantee a longer life of the product as well as protection from corrosion.

up-to-date with the latest technological developments and enable them to train and test these and also further educate them. Our approach is to remain an attractive employer for the region around Müllheim but also for people coming from abroad."

And Mr Dinse smiles: "As long as industrial valves are required we have a good market for our products and we want to continue to be a partner to the valve industry and satisfy our clients' needs in the coming years. We are ready for what's next."



Actuator close-up

