



CIRCOR – Simplifying for smarter flow control

CIRCOR International is a global manufacturer and provider of integrated flow control solutions that specializes in developing precision technologies that improve their customers' ability to control, manage, measure and regulate the safe and efficient flow of fluids and other natural resources in the Aerospace & Defense, Oil & Gas, Power Generation and Process markets.

Valve World had the opportunity to speak with CIRCOR International CEO, Mr. Scott Buckhout and CIRCOR Energy President, Mr. Erik Wiik to discuss the company's comprehensive product and brand portfolio and their mission to be the easiest company to do business with.

By Sarah Bradley

In their efforts to provide customer-focused valve, pipeline and instrumentation solutions for the world's most demanding applications, CIRCOR Energy is dedicated to continuously improving flow control throughout the energy value stream. Since its establishment in 1999, CIRCOR International has grown steadily and significantly through a strong focus on business development and strategic acquisitions.

"Since I joined the company in 2013, we have been transitioning from a holding company structure to being more of an operating company. We have also become even more acquisitive over the last year as well," said Mr. Scott Buckhout. "Historically, we have not taken full advantage of the strength that we have through all the different business units, which often operated autonomously. The idea is to become one unified company

in the eyes of the customers to leverage the breadth of the products and brands that we have around the world, and to grow the company as a result." With primary global end markets served by the entire organization, including; Upstream, Midstream and Downstream Oil & Gas, Power Generation, Process Industry, General Industry, Commercial & Institutional facilities, Maritime, etc., CIRCOR Energy firmly believes that their



Engineered ball valve from CIRCOR Energy | Pibiviesse in Milan, Italy.

broad product range is a driving force in expanding their reach.

"Many of our customers are in a variety of sectors. We serve all the segments of the market, but from different business units around the world. We are always striving to be a bigger, broader, more solutions-oriented company by offering the full breadth of our products to our customers who may not yet be aware of what we have to offer across all of our businesses. Helping to make our customers more aware of the wide range of solutions we can provide them to help fulfil their needs is important to the company from a growth standpoint and it is also important from a customer relationship standpoint," explained Mr. Buckhout. "Many people in our supply chain are looking at using fewer suppliers - so the greater breadth, the more comprehensive the solutions we can offer, the better supplier we can be for our customers. We are working very hard to simplify the company. Simplification

in the sense that we are much easier to do business with and simplification in the sense that we have one coherent global business that customers can understand and take full advantage of."

Comprehensive products and services portfolio

To continue to meet their customers' increasingly complex needs and expectations, CIRCOR Energy provides a comprehensive portfolio of product and service solutions specifically tailored to meet end market, application specific needs. The company's extensive, highly-engineered product offering includes an array of options from control, gate, globe, check and ball valves, automatic recirculating valves to instrumentation specific valves and fittings, pipeline pigging, flow assurance and cleaning services to custom design and engineering, as well as aftermarket services.

"We focus on high-end solutions. We offer such a wide range of brands and products within the company that whatever application a customer has, we most likely have a solution to help them, which means we have a very broad customer base," Mr. Erik Wiik said.

In order to continue to meet growing customer and industry needs and requirements, the company strives to consistently update their product portfolio through the development or acquisition of complimentary brands and product lines. "Our solutions are or have been developed over many years from the various brands that we have. They have been developed by being present in those industries and coming up with better and more reliable solutions

over time to fulfill needs and demands. The experiences we have with products in one sector help us to develop solutions for many of the other applications we serve," said Mr. Wiik. "We are always looking for ways to enhance our product offering through development internally or acquisition. Both avenues are attractive."

"We have a good balance sheet and we are interested in further acquisitions. We have a good integration process that we created and leveraged. It is just a matter of finding the right fit for us and technology is the first factor we consider. We want companies that bring interesting technology into the portfolio," said Mr. Buckhout.

The Schroedahl Automatic Recirculation Valve (ARV), a low to high pump protection valve for oil and gas and power generation, is a complementary product that came under the CIRCOR umbrella through acquisition in 2015. Adding an ARV to a pump system can increase the reliability of the pump and help avoid damage through differentiated pressure.

Investing in innovation

CIRCOR believes that investment in research, technology and innovation is imperative to the success and growth of any company. Product diversity allows the company to offer customers the optimal solution for their application."

Diversity is beneficial as it allows you to be competitive. It can even enable you to compete internally by giving you the opportunity to determine whether developing a product ourselves or acquiring a complementary brand is the best route. Understanding that our customers' needs are changing, their world is changing,



Weld overlay procedure on a large ball for an engineered ball valve in CIRCOR Energy's Milan, Italy facility.



General service control valve bodies awaiting assembly at CIRCOR Energy | RTK in Kornwestheim, Germany.



Valve and actuator assembly area at CIRCOR Energy's Kornwestheim, Germany facility.

regulations and their environment is changing, is the only way you can stay on top. We have to be not only responsive and reactive to their requirements, but we also have to be proactive and foresee their future needs," explained Mr. Wiik. CIRCOR's commitment to innovation is also reflected in the company's ability to provide not only standard products, but also engineered solutions for their clients' more stringent demands. With users working in such a broad spectrum of markets and applications, some harsher environments require highly specified products. CIRCOR has the capacity, know-how and experience to be able to design custom solutions for high-pressure, corrosive, severe service applications. "It is very important to our customers that we come up with cost-effective solutions for these severe service applications. Very often, severe service products are expensive. Of course it is often more expensive than something benign, but it doesn't need to be," said Mr. Wiik.

Best-in-class product brands

CIRCOR's market-leading, historically significant product brands are recognized for helping revolutionize the markets they serve. Offering some of the best products in the marketplace has helped CIRCOR be a single source, "one-stop-shop" for their customers' needs. "Customers want to be able to bundle their products and simplify the purchasing process. Being able to get a complete solution from a supplier that you trust and have a great relationship with, is the ideal solution. With so much within our scope company-wide, the customer can benefit from the vast options and knowledge we have across the board," Mr. Wiik revealed. With the vast array of brands offered, the company is able to provide a broader

applications expertise throughout the energy value chain. CIRCOR Energy believes that continuing to learn about their end markets and customers, and being proactive in product research and development is imperative to the company's future growth. "Innovation is mainly driven by our customers - that includes end-users, EPCs, contractors, as well as our distributors. They give us feedback and information on a continuous basis, and we use that knowledge throughout the organization to improve our products, come up with new solutions and make sure that we are addressing the specific concerns of our customers," said Mr. Wiik. "We are working hard to become the easiest company to do business with. We are investing in technology, and we have spent a lot of time over the last couple of years developing robust product development roadmaps where we can push the technology envelope in the industry and offer better solutions to our customers as a result," Mr. Buckhout explained. CIRCOR's collaborative and streamlined sales process and greater efficiencies throughout the entire supply chain are some of the ways that the company has been simplifying their business to improve the purchasing experience for



CIRCOR Energy | KF Valves ball and check valves installed and operating at an oil & gas facility in Canada.

the customer. With the firm belief that customer downtime and outages are unacceptable, CIRCOR Energy's global teams continue to work to better their On Time Delivery. As supply chain and sourcing, engineering and manufacturing play key roles in meeting delivery times, the synergy between departments is of the utmost importance. CIRCOR recognizes the importance of being reliable - not only from a product quality perspective - but by ensuring they consistently meet customer needs. "We maintain our market position by delivering on time. To meet a promised delivery time is the most important thing. Many of us have worked from the end-user and engineering perspective and we know how critical it is to get deliveries when promised," acknowledged Mr. Wiik. "When we have been given a schedule, the impact of any delays is significant to our customers." With this symbiosis in mind, the company implemented the CIRCOR Operating System - aligning business processes to improve customer satisfaction. In combination with their market-leading and reliable product brands, the CIRCOR Operating System is increasing the company's ability to better adjust to market demands and customer needs. "We have the CIRCOR Operating System simplifying and driving operational excellence across the company. It is all of the things that you would expect to see in a Process and Continuous Improvement Program. It is a holistic approach to standardize globally, and it will be transformative for us over time," Mr. Buckhout reported. CIRCOR's global supply chain team strives to purchase the highest quality components at great price, in order to be able to provide clients with quality at an

attractive price. In the industries CIRCOR serves, quality products are the top priority. Though competitive pricing is important, providing high quality products that ensure safe and reliable operation, can never be compromised.

"The greatest challenge and the greatest accomplishment is providing our customers with quality product at a competitive price. We try to help the customer balance cost with the specifications that they have. We have a new tool that we have implemented to help our customers save money called "configure-to-order". This enables us to design our product and determine areas where the customer can save, while meeting their strict specifications. We are helping our customers cut costs, while at the same time ensuring they are not jeopardizing the reliability of the product," said Mr. Wiik.

Aligned to best serve key customer end markets

As the global infrastructure continues to evolve, CIRCOR is committed to accelerating the growth of their businesses, their customers' businesses, the infrastructure markets they serve, and their peers every day. "The breadth that we offer is not only in reference to our extensive product offering, but it is also a geographic breadth discussion. Our customers have projects around the world. They may buy from us in one part of the world for a certain project, but they do not even know that we exist in another part of the world for other projects. Having a more global sales force that can represent all of their project needs is an important part of playing a role in a

broader swath of our customers' activity," Mr. Buckhout said.

CIRCOR Energy's manufacturing facilities are strategically located throughout the world, supported by a global network of sales and service, and over 400 distributor partner offices/representatives in Asia, Europe, the Middle East, North and South Americas. The company strategically leverages their global infrastructure of dedicated sales and distributor facilities to deliver products, services and expertise to key markets. The result is a more in-depth, highly collaborative customer relationships. "We have a vision to be the easiest company to do business with. We want to have brands that are easy to buy - meaning that when a customer defines what they need - we can answer with a solution, we can deliver on time, and we can provide services afterwards. That is how we nurture that relationship and listen for any changing needs. I believe that as long as we keep on listening to what our customers are telling us, we are able to stay ahead of the competition," reported Mr. Wiik. Supplying to customers involved in various stages of projects across the globe, throughout many industries - from instrumentation on offshore platforms to pipeline development to power generation facilities - the ability to source from one global manufacturer is beneficial, making CIRCOR extensive distribution network a great asset. Aftermarket products and services such as parts, repairs, modifications, re-certifications, etc., are available in the company's facilities around the world, as well as through some of their authorized distributors.

A future in smart flow control

Though there has been a downturn in the market as a whole, CIRCOR has taken a proactive approach to business. While taking strategic steps to protect their businesses, the company has been investing in the future.

"We are taking a very long-term view of the downturn, so we have certainly responded by accelerating some of the simplification programs that we had previously launched. We have taken a lot of structural cost out of the company that will not come back when the market turns around. During all of this, we have increased our investments in engineering and new product development and we have also invested in expanding our sales and engineering teams on both the Aerospace and Defense side, as well as the Energy side of the business," concluded Mr. Buckhout. "While we are being prudent and balanced in the short-term to manage the business to reflect the reality of what is happening in the market, we have continued to invest in the long-term and we will keep doing that. Our investors wanted that, our customers wanted that and so we will continue doing the right thing for CIRCOR for the long-term. We are going to continue to focus on providing smart flow control."

CIRCOR Energy: At a glance

Products: Automatic Recirculation Valves, Ball Valves, General Service Control Valves, Severe Service Control Valves, Desuperheaters, Steam Conditioning Systems, Actuators, Fittings, Pressure and Temperature Regulators, Gate, Globe and Check Valves, Safety Relief Valves, Pipeline pigging, flow assurance and cleaning services, Instrumentation-specific valves and fittings, Sampling systems.

Brands: KF Valves, Pibiviesse, Leslie Controls, RTK, Schroedahl, HOKE, Spence Engineering, GO Regulator, Contromatics, GYROLOK, Hydroseal, Mallard Control, Nicholson, CPC-Cryolab, Rockwood Swendeman, RG Laurence, Circle Seal Controls, Sampling Systems, Pipeline Engineering.

Markets Served: Upstream Oil & Gas, Midstream Oil & Gas, Downstream Oil & Gas, Power Generation, Process & Industrial Gas, General Industry, Commercial & Institutional Facilities, Maritime.



CIRCOR Energy's KF Valves floating flanged ball valve (Series F) and trunnion mounted ball valve (Series P3) being prepared for shipment.