

Zidell + Hi-Tech = Zy-Tech

A company with high-tech capabilities in-house, PBV-USA has the ability to overlay all valve components in contact with the process media.

When Valve World arrived at Zy-Tech's headquarters in Stafford (Texas, USA), we could hardly fail to notice a major change. Workers had just started replacing the old Zidell name plates for new ones on the office building. Our very first question for Ray Baker, President and CEO, was therefore why an established company like Zidell Valve Corporation would want to change its name. Typical of the company, Mr Baker provided a straight answer. "When our holding company, PON Holdings BV, bought Zidell Valve Corporation in March 1997, one condition of sale was that we could use the Zidell family name for up to five years. So we knew we would have to adopt another name in the near future anyway. But more importantly, the company has gone through some profound changes in the past 18 months. We have built a new state-of-the-art ball valve manufacturing facility in Stafford, Texas, introduced new technologies and, by far and away the most important change, we have shifted our focus from being a combined manufacturer, stockist and distributor to become a dedicated manufacturer. All in all we have changed the way we do business, so we felt this to be the perfect time for a new identity."

The new name nicely echoes the company's strong history whilst at the same time em-

When the economy is at a low, as it was some 18 months ago, not many companies would opt for further investments and expansion. However, whilst some enterprises were struggling to survive one valve company showed strength of management and did the unthinkable: it invested heavily. A decision which has since paid off. To reflect changes in its structure and philosophy, this company also decided to modify its name. Valve World travelled to Stafford (Texas, USA) to find out more about these and other innovative changes taking place at Zy-Tech Global Industries.

bracing an exciting, high-tech future, believes Director, International Sales & Marketing Maury Mills. "We wanted our new name to reflect these changes, especially our new high-tech capabilities, and came up with Zy-Tech Global Industries. We will definitely keep all the good things of the past, though. Our established brand names, like PBV, Fairbanks and DSI, enjoy complete customer confidence and we have no intention of altering this situation".

Top-flight engineering

So how did this change in company philosophy come about? Mr Baker explained. "At the worst of the downturn, some 18 months ago, many competitors were closing operations. We, however, were listening closely



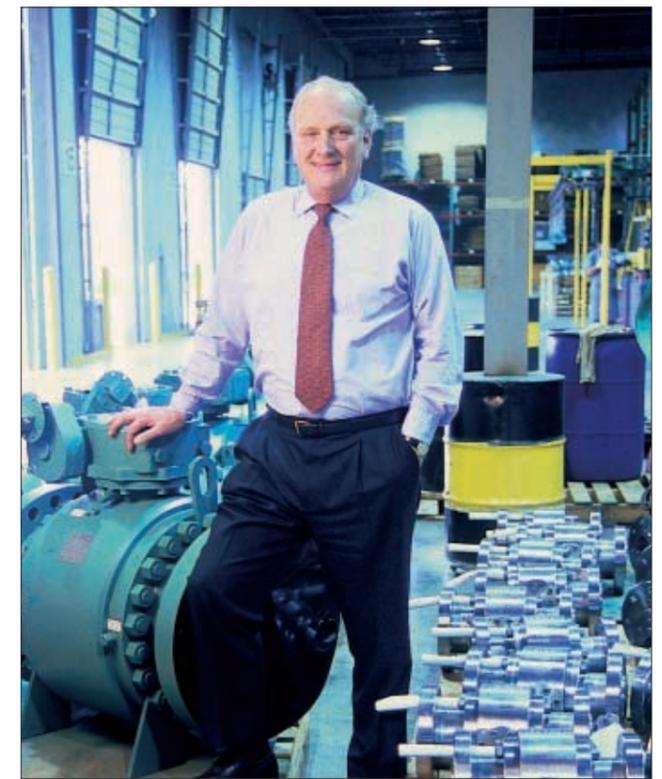
Paperless bar coding has realised considerable cost efficiencies in storage and production areas. David Senger (VP PBV-USA) explains all to Scott Moreland (PBV-USA Product Manager).

to what our customers, the end users, wanted. That gave us the confidence to continue building a new PBV ball valve facility and to introduce new valve designs. Often, customers need more than just a commodity product. They want valves that are specifically designed for an application, for high and/or low temperature processes, for corrosive process, etc. We are now able to make these designs in-house. This encompasses both mechanical issues, such as new trims or lower torque ratings, as well as metallurgical changes, for instance incorporating corrosion resistance overlays. A good example of this is a millennium project for which we recently delivered around 44,000 specially designed forged valves." Customers with diverse needs are therefore at the right address when they come to Zy-Tech. Commodity products may be provided direct from stock whilst specialty items can be designed and manufactured in-house. Alternatively, Zy-Tech has the ability and know-how to source valves in the global market place. A sophisticated control system is in place to safeguard the integrity of all outsourced items. "The company is therefore very flexible. That's an asset which many players, especially in developing countries, would find hard to emulate," believes David Senger (VP of PBV-USA). What gives Zy-Tech a clear edge, he emphasises, is its production facilities. "Internal efficiency is the key here. When we built the new PBV facility in Stafford, Texas we concentrated on installing state-of-the-art equipment and systems. Everything in this 170,000 square foot manufacturing plant is computerised: the designs, drawings, programming is done on CAD, and we can even track the movement of components and valves throughout all plants using an advanced bar-coding system. This way we reached a high level of efficiency, saving us and therefore our clients a lot of money."

Quality and reliability

Mr Senger continued by stressing Zy-Tech's attention to quality. "Quality is a big part of our drive. Over the years we have noticed how customers increasingly value improved quality and reliability. Therefore we have continually improved and upgraded the quality

of products made at our own manufacturing facilities as well as raising the quality of sourced components to match end users' requirements. There are a lot of standard products available out there which may seem inexpensive, but our customers know the value of buying valves which provide long-term performance. That's why we ensure our valves and components reach the necessary high quality." The policy of offering quality products at competitive prices extends throughout the Zy-Tech range, stressed Domestic Sales Manager Michael O'Quinn. "We offer a very broad range of products, which covers both upstream and downstream needs. I believe that is quite unique in the industry." He further added that customers will soon



Mr. Ray Baker, President and CEO of Zy-Tech



Gate valves await the installation of position switches: just an example of the added value Zy-Tech's Modification Shop can offer.

be able to review the entire spectrum of products on Zy-Tech's website. "We have been working on our Internet services for over a year now," said Mr O'Quinn. "Initial-

ly we did a survey amongst major customers and distributors and asked them what they wanted from our website. We are now in the process of getting their feedback to the working model we have developed to see if it requires any fine-tuning. We expect the site to be on the Internet very shortly."

Mr O'Quinn then kindly explained some of the special features of the Zy-Tech site. For example, visitors will be able to take an online tour of Zy-Tech's fabrication facilities. New and existing customers will also be able to look at models of valves and conduct materials searches. Keyword and part number searches will also be possible whilst client's favourite valves can be bookmarked for easy repeat orders. Some of the other options being considered include putting technical drawings, maintenance books and training manuals on the site for easy access. "All in all it will be a very

comprehensive site where both distributors and end users should be able to find just about everything they would like to know. We are also looking at using the website to provide virtual witness testing of valves. Think how much time and trouble that could save clients," he emphasised.

Paperless offices

Above all the website will be a very efficient way to do business, continued Mr Baker. "We hope to convince the industry that you don't need a lot of paper being sent around from manufacturer to distributor and from distributor to end user and back again. On-



Zy-Tech has invested heavily in state-of-the-art equipment and systems, such as the remotely programmable CNC machine shown here.



From standards to specials, advanced tools such as finite element analysis underpin PBV-USA's engineering and production. The photo shows Russ Hill and John Nguyen in action.

line touring, material searches, getting price and delivery quotations, and tracking orders with the click of a mouse button will largely end this situation. Furthermore, our customers will be able to fully integrate purchasing. Our e-commerce model is designed so that a distributor can order online, and as soon as he finalises his order everything will be in both his and our system, saving a lot of time, effort and paperwork. In our system, the orders are automatically booked in and out of accounts and movement of inventory is done simultaneously. This way we always have our inventory 100% up to date." The beauty of Zy-Tech's website is that customers can see whether their components or valves are in stock at the click of a button at all times. "Customers can make day-to-day orders from stock," Mr Mills said. "We expect a substantial part of our business to be conducted this way in the near future. However, our system is also very definitely suit-

ed for projects. We will of course continue to give personal attention when very special requirements are involved, for example, so-



Part of the E-Commerce development group meets to discuss the "Z-Commerce" program. Zy-Tech expects to have its new, multi-functional website on-line by late spring.

phisticated alloys, complicated surfaces, or deviating terms and conditions. But even then, most of our work will be based on the same system. In the past, it could take a company up to three days to find out whether certain parts would be available in time. Now our customers will know straightaway."

Double the size

Backing up Zy-Tech's belief in its website and flexible production is a vast stock of complete valves, especially gate valves. It is no exaggeration to say that the storage area is over a quarter of a mile long! Valves found here are not just the 'fast runners',



Kelly Kelsheimer examines just one of the huge number of gate valves Zy-Tech holds for immediate delivery.

but also include those with more unusual sizes, trims and finishes, held in stock to ensure clients can be promptly served. This warehouse provides perfect support to Zy-Tech's strong network of world-wide representatives and distributors. Mr Mills believes this network will become increasingly important as end user consolidation takes place. "As customers are going global they are interested to learn in which regions we can serve them. Distributors fulfil an important role here as they can get products to the end user in an efficient way, providing round-the-clock service and an attractive range of products. So we see this as a perfect balance: letting distributors concentrate on serving customers whilst we focus on manufacturing and on developing new technologies." Taking up the idea of new technologies, Mr Senger hinted that changes can be expected

in Zy-Tech's product range. "We are planning extra products in the ball valve range to enhance our capabilities in the upstream and downstream sectors. After having solidified that position we will definitely see where we can introduce other products to create added value. But for now we will concentrate on our ball valve range."

With such a solid background and exciting ideas for the future, Zy-Tech's on-going success seems assured. Mr Baker for one is very optimistic. "Let me sum up by saying that we want to be more present globally. Steps have already been taken in that direction. In 1995 a sales company was set up in Canada and last year a sales office was opened in Venezuela. We are now planning to move operations into the Middle-East, Europe, South-East Asia and West Africa, all with the same business philosophy. The key to these developments are our people. Our employees understand our goals and are making valuable contributions. With their efforts, I am sure we will continue to increase our market share. Last year, for example, we boosted sales by over 20% whilst doubling profits. How many other valve companies can make that statement. So in five years' time I am confident we will be double the size we are today." ■

FACTS & FIGURES

Name:	Zy-Tech Global Industries Inc.
Parent company:	PON Holdings BV PON North America, Inc.
Headquarters:	Stafford, Texas, USA
Manufacturing sites:	Stafford, Texas, USA
Products:	<ul style="list-style-type: none"> • modifications services • coating services • technical services • DSI cast steel valves • DSI forged steel valves • DSI pressure seal valves • PBV ball valves • PBV threaded valves • PBV oil patch valves • Fairbanks bronze and cast iron valves • Zy-Gear
Certification:	ISO 9002
Employees:	156
Operations zones:	North and South America, Europe, Asia
Markets:	Upstream and downstream oil industry, power generation, pulp and paper, chemicals industry.