

LEADING A NEW

# FLOW OF CONCEPTS

GWC Italia's activity is causing a ripple of interest from stakeholders in the global valve sector, not least because of its intentions to become a major disruptor. Enzo Dellesite, Chief Commercial Officer – Senior Vice President, talked prototypes, plans and pipelines with Andy Probert.

Five years after launch, GWC Italia's policy of "easy to do business with" appears to be influencing and winning over clients, and putting the company firmly on an upward trajectory.

Created by a group of Italian entrepreneurs with extensive experience in the valve industry, and an established Californian valve manufacturing company, GWC Italia is forging an exemplary path on several fronts: cutting-edge concepts, quick delivery, a collaborative approach and an honest approach as a bedrock upon which to build long term relations, said Enzo Dellesite, Chief Commercial Officer – Senior Vice President.

#### Hubs of activity

The company has a total 20,000 sqm manufacturing footprint across three cutting-edge facilities in Milan, Italy; Bakersfield, California, and Shanghai, China.

"The hubs are strategically placed around the world all but guaranteeing global reach and effective localised solutions," said Mr Dellesite, a veteran of the valve sector for over 20 years.

The company, headquartered in Milan, designs, manufactures and markets valves with one of the most extensive lines, catering primarily to the natural gas production pipeline, LNG offshore, upstream and transportation segments of the oil and gas industry, as well as petrochemical and chemical sectors.

GWC's trunnion, pipeline and floating ball valves are complementary to the existing GWC line consisting of diversified flow control packages in a variety of alloys, trims, configurations, sizes and pressure classes, from general to severe applications.

Employing 140 people, the group now exports 95% of output, supplying scores of clients in 45 countries and has seen turnover reach the heights on the back of admirable 30% growth year-on-year.

The company's collective strength lies in the fact that the dual Italian-USA team has a history of building and managing successful valve manufacturing companies over the past 40 years.

"All the senior managers are also shareholders and are fully invested in the company's long-term future," stated Mr Dellesite.

"GWC Italia is now well-positioned as a significant contributor in our market space and has developed a portfolio of quality engineered products. Our goals remain to deliver on time and be easy to do business with."





### Young and dynamic

Mr Dellesite added: “By building successful teams across the business with a young dynamic and passionate workforce, the company can consistently execute a resilient strategy of collaborations and sustain growth in a difficult market.”

Implementing manufacturing facilities in Northern Italy and a fully integrated facility in China from scratch in the past three years are major achievements given the company’s young history.

“We now can switch between three ball valve plants to increase capacity, be closer to our customers and offer a competitive product,” acknowledged Mr Dellesite.

Advancing its credentials as an innovative go-ahead leader, GWC Italia is in the process of finalising new pipeline valve designs that could disrupt the pipeline industry, offering higher safety integrity and changing isolation techniques that have been traditionally adopted to date.

“GWC is working with several industry partners to fully develop the prototype for trials with key selected clients and the relevant certifying authorities,” he informed. “This development is some way away, but the idea is born, and the value it would create in the market is extremely exciting.

“We plan to develop long term relationships with key customers and continue to probe markets that fit our product portfolio and partner where it makes good business sense with other OEMs.”

### Overcoming a perfect storm

However, Mr Dellesite acknowledged that a “perfect storm of negatives” was conspiring to stunt growth in the global valve market.

“Most international oil companies and prominent national oil companies have reduced CapEx spending by up to 35% due to the geopolitical environment, low oil price and the coronavirus pandemic. Our market is in a state not witnessed in a generation.

“There is a continuation of market consolidation by our end-user clients, by engineering contractors and within OEMs such as ourselves.

“Many have taken action by downsizing and minimising costs, millions of jobs have been lost across 2020, and many believe market recovery will take until at least the second half of 2021. Everyone needs to survive whichever way they can.

“And no doubt competition has been a significant challenge. In this present market, we are faced with an increasing level of competitors that are hungry for a significantly reduced market opportunity,” he added.

“However, we differentiate ourselves by remaining flexible, easy to do business with and continue to hit project timelines. This is what the company has set out to achieve, and has been the measure of our success to date.”

GWC Italia’s ability to work with technology, using robust project management tools and integrating digital transformation

across all disciplines, is seeing it working increasingly with clients to build 3D models at the front end of projects.

“We believe entry barriers are collapsing due to technology, an area we need to stay ahead of to continue to deliver value to our clients,” offered Mr Dellesite. “Digital transformations, such as artificial intelligence and other digital platforms right across all disciplines, will continue to drive the market forward in the next five years.”

During the pandemic, GWC aggressively adopted measures to minimise exposure to key workers; the Italian plant has not been impacted by a single infection.

Mr Dellesite detailed that factory teams are split into cells isolating from each other to minimise any potential outbreak; other plants were ready to step in to assist where necessary in the event production was interrupted.

The company has also been able to conduct remote testing of valves, and this has been met positively by many clients as it has sped up the inspection cycle and enabled GWC to conduct tests at different times of the day to accommodate end users without the need to travel.

### Trust and transparency

Mr Dellesite continued: “We have built up a considerable amount of trust with our key clients, they have faith in our quality system, and the remote testing has been an unequivocal success.

“We are now piloting ways to provide valve signatures during remote testing for gas and fluids to further guarantee repeatability of tests in the field once installed. The strength in our quality system has been a differentiator.”

He said the company remains attentive to changes with regulations and environmental issues, and is in constant dialogue with their key sub-suppliers so that GWC can be aware of advances that can positively impact their ability to meet international standards.

The industry has also continued to change regionally with the continued need for local content. Several end users have been prominent for many years, driving local content in the Middle East, West Africa, Brazil and Asia. That demand has taken on a new level of importance for increased compliance across many countries from Asia and Africa to Europe.

“Strategic alignment, good relationships and adding value will serve both our sub-suppliers and clients. Maximum collaboration and transparency will aid these relationships and help us grow in this market,” he said.

“GWC wants to continue to work in markets where their products provide value-added. These are key strategic decisions that are being made to be able to compete in the difficult prevailing market conditions.”

He added: “In our market segment there is potential for advances in composites to overcome industry’s historical problems of corrosion and erosion in pipelines, while other related problems such as black powder in pipelines continue to cause integrity problems in several regions.”

Mr Dellesite concluded: “Working with end-users to solve these problems will no doubt be rewarding to any manufacturer such as ourselves.”

