

VIZA Valves has made significant progress in the twenty years of its existence. The company has evolved into a global player, serving various sectors in many countries.

Having been for many years purely a valve manufacturer,

VIZA Valves is currently interested in extending its activities to cover smart solutions for the valves it produces.

By Yolanda Xue



## VIZA Valves: becoming a smart valve ‘plus’ provider

Valve World Asia recently interviewed Mr. Zhu Xi, Deputy General Manager & Marketing Director of VIZA Valves, and he shared with us his thoughts about a variety of subjects, including market strategy, industrial distribution, innovation, product development and his experiences in getting ahead in a global market.

Established in 1998, VIZA has evolved into a leading valve enterprise in the global marketplace, based upon decades of devotion to and investments in valves. Proficient in producing valves, VIZA

has concentrated on the production of API 6D ball valves & gate valves & check valves, API 600 gate valves & globe valves & check valves, high performance tri-eccentric metal sealing butterfly valves, center-pivoted soft seal butterfly valves, and rubber-lined gate valves.

Its company products have been widely applied in various industry sectors including oil & gas, long-distance pipelines, petroleum refining, (petro) chemical production, defense, geothermal and photovoltaic power generation, LNG, shipbuilding, mining, and water treatment. Over time VIZA



emerging economies and these countries are able to attract capital to develop oil resources there. The North American and Iraqi markets have become increasingly popular in recent years because of shale oil/gas development. Projects that have become important in Iraq are, for example, the Rumaila- and Baihassan-oilfields. Similarly, other projects have emerged from Algeria, Tunisia, and Morocco in North Africa. It is these types of projects, from emerging economies, that drive the demand for more products”, Mr Zhu explains.

### Multipolar market strategy

VIZA has adopted a so-called multipolar market strategy to cope with sales mutations due to market uncertainties and fluctuations. A good example of this was that VIZA was able to achieve an even larger business volume during the period of trade friction between China and the US in 2019. Mr Zhu: “The US market share of our exports has dropped since the friction started but it still remains one of our most significant markets. We have noticed some good, recent signs from the Sino-US trade relationship, but it should also be noted that the global economy generally undergoes fluctuations with big uncertainties regularly occurring. New opportunities need to be seized because traditional business sectors might shrink whilst other sectors could grow. That’s why we are now taking multipolarity as our market strategy.”

### Focus on domestic market

When asked about whether the Corona-virus pandemic has affected VIZA’s global business, Zhu stated that by now there is no big difference except for logistics. “We can see some favorable export policies from Chinese government and till now no delay has been made from China’s customs side.”

has become recognized as a high-quality supplier by a number of international energy companies.

### Emerging markets

As an export-oriented manufacturer, VIZA focusses on the global marketplace, especially to developed regions such as North America and Europe. The company also has expanded into the Middle East, Latin-America, Southeast Asia, and Australia.

Mr. Zhu says that, apart from the traditional developed markets, VIZA is now keeping a close eye on emerging markets, for example the BRIC-countries, North Africa, and Iraq. “I think this is an inevitable process for a growing valve producer. In fact, the hot spots of oil extraction are today located in the



Besides, VIZA places the Chinese domestic market as another significant objective in recent years. "It is a must-have for a company that has evolved into a global player. It is the consideration for health of our company and demand from market and customers contributed to this decision. In addition, the Chinese market might ask for higher requirements on cost management and product pricing which is taken by us as a benign requirement from the market. Our target is to raise our domestic business share to over 30 per cent and provide more valves and services with excellent quality and reasonable price to our customers back in China."

### Towards upstream and downstream

It would be impossible for any valve producer to satisfy customers from every sector. However, if an enterprise is in good shape, it should be capable of serving customers from a number of sectors so that the risks accruing from any one sector can be avoided. VIZA constantly follows the industry dynamics and explores new products to meet requirements from various industrial sectors. Mr. Zhu: "We used to focus on the oil & gas industry. Nowadays we work for the upstream and downstream sectors in both the oil & gas and petrochemical sectors. As far as upstream goes, we have participated in some projects located near to the wellheads in oil fields and have developed more high-pressure products

with standards between API 6A and 6D for wellheads. At the same time we are applying for API 6A qualifications for some of our products. In the downstream sector, we – in a Chinese non-state-owned economy – see more opportunities in fine chemicals, and the petrochemical industry. Furthermore, we intend to get more involved in the cleaner industrial sectors in the future, including pharmaceuticals, food, and drinking water. This is not only a requirement that we see as protecting the environmental but also as a demand driven by current corona pandemic." According to Zhu Xi, VIZA has witnessed a remarkable growth in demand for valves used in shale gas extraction, petrochemical aromatics production, and in the fine chemicals industry. "In shale gas extraction oil and gas is won by forcing water and sand into the ground at high pressure and then separating the gas, liquid and solids out through equipment such as a three-phase separator. The higher the pressure that the equipment can handle, the higher its efficiency. As a result, the demand for high-pressure products is growing very fast. A new trend is also that products should be able to work continuously and safely under higher

pressure ratings. Both these factors are being driven by the upstream sector," said Mr. Zhu.

### Smarter valves and services

R&D is key for enterprises in order to expand in to highly demanding markets and business sectors. Mr. Zhu therefore told us that VIZA is putting a lot of effort into innovation as a high-tech enterprise, recognized as such by the Chinese government. "We strive to provide customers with more convenient and/or smarter valves and services." In the past few years alone VIZA has successfully developed several high-end, high-performance valves, such as a half-ball, eccentric valve which is an ideal replacement for certain types of plug valve. Features include metal seats and a trunnion mounting, whilst the valve can also be specified with a jacket for high-temperature service. Other noteworthy designs include a high abrasion performance and anti-corrosion ball valve, a gate valve with a full-bore cladding of special alloy material, and also a high-pressure, top-entry ball valve that is available in very large sizes. Mr. Zhu elaborates on the key areas of VIZA's R&D. One area is that of special functions for some of our main products used under





special operating conditions, for example fixed ball valves. Another is for tailor-made valves based on customer requirements. “The above-mentioned ball valves, that are employed to replace a special kind of plug valves, are a good illustration of our innovative ability. We are pleased to hear from our customers that replacements have performed excellently, had a smaller torque, a better sealability, and a longer operating life. Moreover, customers do not need to purchase seal grease anymore, which greatly reduces their running costs.”

### Smart valves and services

Apart from R&D on product development, smart valves and services is another field that VIZA is working on to improve user experience. “From my point of view, intelligent digitalization signifies a more user-friendly interface instead of ‘cold’ machines, which actively send data or files to our customers and help them to assess and use valves in a

better way. We are also thinking of updating the traceability of materials used in the critical parts of our valves by using a smart tracking system. By keeping all the product information in our cloud system, our customers can find basic information about their product and their material source by checking serial numbers or contract numbers.” Zhu Xi says these are initial ideas for now, but VIZA will realize these in the future.

For the time being, VIZA is realistic in connection with its status. “So far we still refer to ourselves as a valve supplier. We mostly provide products, services, documents, and solutions based on valves. In the future, we will keep doing this but will also offer more value-added services to become a smart ‘valve plus’ provider.”

### Opportunities and challenges

It is the best of times, and it is the worst of times. The world economy has entered an

era of multipolarity with trade protectionism on the rise, leading to an upgraded market threshold for some countries. On the other hand, many supply chains continue to be spread across various continents.

“From the outside it appears that valves are still pieces of standard equipment and these barely have changed. The truth is that end-users continually push to upgrade standards and they ask for more environmentally friendly products.”

Mr. Zhu continues: “It is difficult for valve producers to cope with the different industry sectors, but in general enterprises producing quality products are highly demanded anywhere and end-users wish to directly from them. Nowadays, there are various communication modes that facilitate close contact throughout the industrial supply chain. VIZA will look more carefully into the opportunities and challenges that these changes bring about.”

### Conclusion

There are many Chinese valve producers who are now running their business in overseas markets, but only a few of them have gained a high reputation in the global marketplace, according to Mr. Zhu. “There are three reasons for this. Firstly, most of the Chinese suppliers lack brand awareness and play a single role as an OEM. Secondly, they are not consistent to their strategies, constantly making profit-driven changes in their business decision-making so their plans are inevitably not sustainable. Finally, they rely too much on niche market segments. Devotion to valve products and persistence in brand maintenance, with the help of KCI Publishing and Valve World, plays a vital part in our growth strategy. By maintaining and perfecting this strategy we have become what we are today.”

