

# MSA: Actively Developing

*The sustained low oil price is clearly having an on-going impact on many of the manufacturing companies who serve the hydrocarbon industry. Indeed, when speaking to Valve World Americas, MSA's Director of Business Development and Marketing, Mr Ales Broulik, gave a candid account of just how his company's revenues have been affected. However, there are still plenty of bright spots on MSA's horizon where it seems the entire workforce is pulling together to develop additional sales channels. These include finding new areas of application for the existing portfolio, gaining approvals from new customers as well as developing supplementary product lines.*



By David Sear

"It is no secret to say that the current position in the oil and gas business is quite a challenge for many companies, including MSA. Really, we have seen very few positive developments in the past twelve to eighteen months. The oil and gas industry – which has traditionally formed the lion's share of MSA's business model – has seen incredibly flat levels of investments in project activity. In addition, sales to one of our key geographic markets – the Russian speaking countries – have taken a particularly severe downturn following the implementation of EU sanctions."

Mr Broulik certainly didn't mince his opening words when speaking to Valve World Americas. This has always been

*"It is no secret to say that the current position in the oil and gas business is quite a challenge for many companies, including MSA. Really, we have seen very few positive developments in the past twelve to eighteen months."*

*Mr. Ales Broulik,  
MSA's Director of Business  
Development and Marketing*

## Experience in Depth

Of course, successfully designing, engineering, manufacturing and marketing a new valve requires skilled and dedicated staff at all levels, and in this respect Mr Broulik paid tribute to the entire MSA workforce. "Our company can trace its roots back to 1890. So we have amassed a deep knowledge of metallurgy, metal-working and engineering. This underpins all our activities, be it developing new valve ranges or maintaining the quality of existing products," stated Mr Broulik.

Indeed, that MSA has a motivated workforce is clearly demonstrated in the fact that a great many employees go on to celebrate 20, 25 or even more

years of employment with the company. Mr Broulik: "From the machine shop to the assembly room, from the painting booth to the engineering department, our staff members know valves and valve technology inside out. So they have acquired the right skills and mind set which makes it easy for MSA to modify and adapt valve lines to meet evolving customer requirements."

As a side note, Mr Broulik indicated that production is still very much centralised in Dolní Benešov in the North-East corner of the Czech Republic. "Visitors to our facilities can overview our complete range – primarily ball, gate, globe and check valves – being manufactured inside two massive production halls. Working as we do in a single location means we can more easily control

## SUCCESS STORY I: POWER PLANT IN POLAND

At the beginning of 2017 MSA dispatched an important order for expansion project at the coal-fired power plant in Opole, south-western Poland. The new power plant is a strategic investment for Poland, with the size of the investment among the largest in the energy sector for the past 25 years.

Products delivered include gate valves (size 3" - 24", class 150 - 600) and swing check valves (size 14" - 20", class 400). NB: Opole is certainly not MSA's first project in Poland, as the company has previously participated in the construction of new heat and/or power plant units in Belchatow, Łagisza and Patnów.



his practice, he stated, noting that he always prefers to give an honest account of MSA's business when called upon to do so. But he certainly doesn't indicate it is all doom and gloom for the Czech-based manufacturer. Indeed, the company is using this somewhat unique market position to take a long, hard look at its own circumstances and to develop long-lasting solutions that will generate sustainable future growth.

Continued Mr Broulik: "We set about a process whereby we critically reviewed our company from top to bottom. An immediate realisation was that we have been too dependent on a single key market – the oil and gas sector - for too long. That's fine when the market is booming but is not a way to sustain a business. In response, MSA has therefore been developing its product portfolio, entering new markets and seeking to reach customers in more and more countries."

Discussing this expansion in activities, Mr Broulik highlighted inroads that have already been made into sectors such as petrochemicals and LNG markets as well as conventional heating and power plants. MSA has also benefited from investments in research and development, he noted, having recently launched several new valve types including high pressure ball valves up to # 2500, metal-to-metal seated top-entry ball valves plus a new design for a gate valve, etc.



All MSA valves are engineered and manufactured in the company's two massive production halls in Dolni Benesov, Czech Republic.



MSA's valves are designed to withstand extreme climatic conditions.

# New Opportunities



## ■ SUCCESS STORY II: TANKER LOADING IN CROATIA

Early in 2017 MSA shipped 43 ball valves (class 150, NPS 12" – 42") for the Omisalj Tanker Loading System Project in Croatia. The shipment was worth over EUR 1 million. At the same time MSA also manufactured 27 gate valves (class 150, NPS 42") which have been ordered for an oil tanker in Omisalj. In both cases the end user is Janaf, a company that is one of the most important players in European power engineering.



*"We set about a process whereby we critically reviewed our company from top to bottom. An immediate realisation was that we have been too dependent on a single key market – the oil and gas sector - for too long."*

*Mr. Ales Broulik,  
MSA's Director of Business  
Development and Marketing*

the entire manufacturing process from start to finish, can offer very competitive lead times and can also maintain a consistent quality across the entire range. This is very important for us as MSA concentrates on very customized special products, including not only our own designs but also the best practices and decisions of other companies."

From the Czech Republic valves are delivered to construction sites quite literally around the world. And despite Mr Broulik's cautionary opening remarks, it is clear that MSA has enjoyed quite some success stories during 2016 and into 2017, including large-scale shipments to major gas pipeline projects in countries such as Germany and Iran (see boxes).



## Projects and MRO Sales

Traditionally, MSA has tended to focus on project sales made direct to customers including leading end users and engineering companies. This remains a core business for the company, and indeed it continues to amass an enviable number of approvals from key clients. Lately for example, names such as ADCO, Petrochina, Chiyoda, etc. have been added to the list.

However, Mr Broulik again noted that MSA has a strategy in place to widen its sales footprint as a way to gaining additionally stability in the company's revenue stream. "In addition to our project sales we are actively developing our MRO business. We believe we have the right internal structure to facilitate this as we can be very flexible when it comes to our manufacturing organisation. Moreover, we have, slowly but surely, been widening our global network of representatives. This has been a top priority as we wish to be as close to our customers as possible. Thanks to this network we can provide an immediate and satisfying response to customer's individual needs and requests."

## Well-rounded Portfolio

Bringing our pleasant interview to a close, Mr Broulik stressed that MSA can offer a very comprehensive package to customers in diverse markets. "MSA is known for the 'big four' – our ball, gate, globe and check valves. However, we can certainly make additional products lines in house, such as we have demonstrated with our special valves for the nuclear power industry. Moreover, we have forged good relations with other leading valve makers, giving us ready access to say plug valves, pinch valves, butterfly valves, etc. – in short, everything that might be needed to round out project needs. As a matter of course I should state that we have dedicated procedures in place to ensure that all the valves we outsource are made to the same high standards as our own valves."

In a similar vein, Mr Broulik remarked that MSA can purchase, install and test actuators from all leading manufacturers. "This means we can deliver 'plug and play' flow control solutions that exactly meet all our customer's specifications," he commented.

Summing up, Mr Broulik is confident that MSA has developed a viable strategy which will give the company a strong and stable footing in the years ahead. "Our core principle – using our own expertise to engineer and manufacture quality products – has withstood the test of time. Our more recent target of widening our sales base is already paying dividends hence we will

*Traditionally, MSA has tended to focus on project sales made direct to customers including leading end users and engineering companies. This remains a core business for the company, and indeed it continues to amass an enviable number of approvals from key clients.*

certainly continue to develop additional valves and penetrate new markets in the years to come. The company motto is 'we can, we do!', so with our experienced personnel, up-to-date technology and ability to produce valves in large sizes and pressure classes we are looking forward to fulfilling the flow control needs of our expanding customer base."

## ■ MSA IN BRIEF

**Full name:** MSA, a.s.

**Location:** Dolni Benesov, Czech Republic

**Staff:** around 500 employees

**Key manufactured products:** ball, gate, globe and check valves

**Primary focus:** engineered products

**Additional (sourced) products:** actuators plus complementary valves

**Key markets:** oil and gas, petrochemicals, LNG, nuclear power, conventional power, etc.

**History:** MSA can trace its roots back to 1890

**Ownership:** MSA is part of the Russian Chelpipe Group, which employs over 25,000 people and has a turnover of some USD 2 billion.



The views and opinions expressed in this article are those of the profiled company and do not reflect the position of Valve World Americas.