

# “Germany will continue to play a vital role”

*EBRO Armaturen Gebr. Bröer GmbH manufactures butterfly valves, control valves and electric and pneumatic valve actuators. It was established in 1972 out of the aluminium foundry business set up in 1934 by Ernst Bröer, who gave his name to the new company. With around 600 employees including outside Germany, it now has a turnover of some 100 million euros. The company is based in Hagen.*

*The Bröer Group recently acquired a new subsidiary in the form of specialist knife-gate valve manufacturer Stafsjö. We talked to EBRO’s managing partner Hans-Peter Bröer about this extension of the company’s product range and about the valve producer’s market position and objectives as a medium-sized enterprise.*



**Industriearmaturen:** Mr. Bröer, EBRO Armaturen is automatically associated with butterfly and control valves. Is that an accurate description?

**Bröer:** Yes, that's quite right, though I should add that we have also been developing and manufacturing our own electric and pneumatic actuators for some years. We currently sell around 15,000 electric and 60,000 pneumatic actuators every year.

**Industriearmaturen:** Do you also sell your actuators separately?

**Bröer:** Only about three per cent. They are used by Siemens in the facility technology sector.

**Industriearmaturen:** Where are your products mainly used?

**Bröer:** In large-scale industrial applications, general water technology, waste water, conveyor and bulk materials, shipbuilding and silicone-free valves for the automobile industry.

**Industriearmaturen:** EBRO is one of the largest medium-sized valve manufacturers. To what do you attribute your success?

**Bröer:** There are several reasons: high-quality products, good customer support, quality control and a positive working environment that translates into greater

stability. Skilled and well-motivated employees are a vital ingredient in creating success. Another key element of our success is the fact that we develop our own products, especially in collaboration with customers. We have a relatively large R&D department.

**Industriearmaturen:** Your website contains a quotation from Churchill: “The further back I look, the further forward I can see.” How do you see the next five years for EBRO Armaturen and its range of products?

**Bröer:** Alongside KSB Amri and Tyco’s Keystone brand, EBRO is one of the three big butterfly valve suppliers in Europe. Our aim is to achieve the number one position in Europe or, failing that, at least number two.

**Industriearmaturen:** Many German engineering companies now see their overseas business as indispensable. Is that the case with EBRO?

**Bröer:** 60 per cent of our direct sales come from abroad. That includes areas such as the large-scale chemicals industry and power station valves, where we are currently developing a new model.

**Industriearmaturen:** How do you see the markets in the Middle and Far East, and are there other markets that offer particularly good prospects for growth at EBRO?

**Bröer:** We have branches in Beijing – for the last ten years, in fact – and in Bangkok. We have been manufacturing products in China for the Chinese market for several years. There is considerable demand for manufactured goods in China, while it seems to be services that are in greater demand in India.

In addition to Asia, we see potential for development in South America and especially Brazil in the coming years.

**Industriearmaturen:** What about Germany as a production site?

**Bröer:** Our German factory assembles parts that have been manufactured in China, Thailand and Hagen.

We still deliver more German-made products to China than vice versa. Normally we make our products locally – where we sell them.

Our German factory will continue to be the major production site for the European market. This is where we intend to expand Research and Development and the production of high-performance valves.

It is important for us to maintain a strong manufacturing and assembly capacity to guarantee supplies and to be able to respond flexibly to customer requests. It is uneconomic to stock every single model in our warehouse, so our German factory will play a key role in production and development for some time to come.

**Industriearmaturen:** Mr. Bröer, EBRO is – as I have said – a successful medium-sized business that has been family-owned for several generations. Other German valve company owners have solved the issue of succession by selling – not always to the benefit of the company. What are your thoughts on this?

**Bröer:** Yes, EBRO is a family company, and that's the way it will stay. In a few years, my daughter will take over from me. She already works for the company.

**Industriearmaturen:** Since mid-June 2005, both EBRO and Stafsjö Valves AB, the Swedish knife-gate valve manufacturer, have formed part of the same holding company. How did that come about and what type of partnership do you envisage?

**Bröer:** We have had a strong position in the pulp and paper industry for several years with our butterfly valves, but we were not satisfied at the time with our position in the knife-gate valve sector. When the opportunity arose last year, we were able to incorporate Stafsjö, a Swedish valve manufacturer with a long and successful tradition, into the Group.

That meant we are able to provide a full product range for the paper industry. The combination of Stafsjö gate valves, which are at the forefront in the pulp and paper industry, and EBRO butterfly valves for industrial and waste water applications, is an excellent match. We are expecting positive results in the short term, especially in the pulp and paper, waste water treatment and biogas sectors. Stafsjö will also remain an independent company alongside EBRO.

**Industriearmaturen:** Some valve manufacturers seem to be taking a renewed interest in public utilities. Is this also the case for EBRO?

**Bröer:** Machine and plant engineering within the public water supply and waste water treatment industry represents an important market for us at EBRO. We have been working successfully with plant constructors and operators for years. That does not include underground valves, however.

**Industriearmaturen:** It seems likely that AICHEMA 2006 will be a success if the number of companies is anything to go by. What will be the main issues for you this year?



Two EBRO generations:  
Hans-Peter Bröer with his daughter Lydia Bröer

**Bröer:** For us, the important issues at AICHEMA are products for chemical process technology, especially new developments that comply with the Pressure Equipment Directive, the AD-2000 rules and newly standardised EN norms. These specifically affect our new split-body butterfly valve, which is being showcased for the first time, and PTFE valves up to DN 750.

Life cycle costs are another issue. We shall be presenting a study on the subject together with Klinger-Schöneberg and the University of Kaiserslautern. As you know, there will be a report on it in this issue. We see the calculation of life cycle costs as part of our customer support service.

**Industriearmaturen:** Mr. Bröer, thank you for talking to us.