

# Vantage Point

The news that Emerson Process Management had agreed to purchase Virgo Valves & Controls was received with great interest by the global valve industry. With this acquisition, Emerson owning Fisher Controls, world's largest Control Valve company now has in its portfolio, Virgo Valve and Controls, a company that has built a strong reputation amongst global end-users and EPC contractors. Between Fisher and Virgo product lines, Emerson has now the ability to offer to customers the entire range of engineered valves, both in on-off and control applications. Since both companies are long time collaborators with Valve World and also sponsors to the Valve World events in Düsseldorf, Germany and Valve World Americas event in Houston, USA, we had the chance to speak with Mr. Jagdish Desai, President at Virgo Valves & Controls, and Ms. Mary Ellen Hammond, Director of Marketing Final Control at Emerson Process Management. We talked with them about the background of the acquisition and, even more importantly, what both companies' clients can expect.

By Christian Borrmann



Mr. Jagdish Desai, President Virgo Valves & Controls.

## What was the reason for Emerson Process Management acquiring Virgo Valves & Controls?

**Jagdish Desai:** Emerson's Fisher Control Valve line has been a market leader in Engineered Valve business with active presence in several countries. They were able to meet most customer requirements in Control applications but had a gap in the Engineered on-off Valve market. Virgo's product lines of Ball, Triple Offset and Severe service valves almost exactly closed this gap. This synergy between Fisher and Virgo lines will make Emerson a significant supplier in this business.

Apart from the synergy in the product offering, Fisher and Virgo have complementary strengths in market coverage. Fisher is very successful in the US region and has strong ties with large Oil Gas majors. Virgo has a very strong presence in the EPC markets in ME and Asian markets.

Virgo's large manufacturing base in 3 Indian plants in Pune, Chennai and Coimbatore, its state of the art fully automated foundry and strong Engineering capability also made Virgo an attractive target for Emerson.

**Mary Ellen Hammond:** At Emerson, we always try to keep our customers satisfied and in order to do this we also always keep an eye on the current valve market. Virgo really provided us with a significant entrance into the engineered on-off valve market, which is really complementary to our final control offering. Also, they offered a very strong presence in one of our core markets within the industry, oil and gas. As a company, we think that with the product lines and knowledge of Virgo, we are able to provide stronger solution offerings to our customers. In the end, it was in response to our customers to expand our application coverage with more engineered valve solutions.

**Desai:** Exactly, and just to give you an example of how well the two companies complement each other: Our triple offset butterfly valve is a product line not made by Emerson but they have a much broader market reach than we do and so, by combining our strengths, we can provide this type of valve now all around the world.

## Virgo will become part of the Final Control Group – can you say something about that group and the role that Virgo will play?

**Hammond:** The Final Control Group stands for reliability and it stands for



Ms. Mary Ellen Hammond, Director of Marketing Final Control at Emerson Process Management.

excellence, when you need it at that critical moment. Amongst other Emerson business units that deliver products into the Final Control space are Fisher Control Valves, Fisher Regulators, TopWorx switchboxes, Valve Automation, DAMCOS, and ASCO solenoids. Together this group is able to secure flow control criticality in a variety of industry areas. Until now, we were able to provide excellence and ability for throttling capabilities and actuation. And now the engineered on-off valve complements this range, so that we are able to quickly serve and help more and more customers.

**Desai:** We will remain a separate business within the Final Control Group. We will have our own leadership for manufacturing operations, however we will continue to work very closely with the group in the pursuit of projects. We really think that there is an opportunity to provide a true solution in both the control and engineered

on-off areas. We know that customers are looking for solutions – they want the full package. And together, as part of Emerson, we are now able to do this even better.

### ***What will this mean for your customers?***

**Desai:** For our existing customers nothing really changes. We can assure them that we will maintain the level of support and service that Virgo has been providing in the past. We work in a niche area with EPC companies and we have always tried to give a better quality of support and delivery to EPC companies' worldwide projects. This forms majority of our business.

**Hammond:** Emerson is strong with distribution and is present in geographic areas where Virgo is not right now and so we expect that we can use this strength to reach areas such as Brazil, Canada, China, Australia and industry sectors that Virgo is not currently active in. Now, we

will be able to offer customers a much broader range of products, services and support.

### ***Do you have a final message for our readers?***

**Desai:** I would like to say that with the integration of Virgo into Emerson and the support we will get from this acquisition, we will become a stronger and more proficient company which can provide a superior product and a wider product basket with superior product quality to satisfy oil and gas customers in a better way.

**Hammond:** I would like to add that we are thrilled to have Virgo as part of the Emerson Process Management family. It is a great opportunity to be able to offer a wide range of final control solutions to meet our customers' needs. We really look forward to working together with them and to serving our customers all around the world in the best possible way.