

UPDATE



NORTH AMERICAN SAFETY VALVE

Summer, 2015

From the
President's Desk



Allen Tanis
President

“Bean counters don't realize what some of their penny-pinching tactics are costing their organizations.”

Bully Bean Counters

It appears to me that many companies today are run by bully bean counters. It seems like an epidemic has broken out and everyone is copying each other.

The problem is the bean counters don't realize what some of their penny-pinching tactics are costing their organizations. The last time I looked, banks weren't paying squat for short-term interest. So why hold onto the money for up to 150 days and bully your vendors? We don't sell to the end users but when our customers fall behind, they tell me their troubles.

For example, there is a certain company (hint: Clydesdales pull their wagons) that has terms of net 120 days. Do they really think their vendors don't charge extra to make up for it? If they paid their bills on time their profits would be greater, because they would be paying less for their supplies and getting much better service as well.

One customer in Detroit had the contract for the third largest automaker in this country. When the financial crisis hit its peak in 2009, his customer told him to take back at FULL CREDIT all the material they bought from him in the last two years from their warehouse. He sent back 15 stainless flanged valves to us that he'd bought in 2007. He didn't call for a return merchandise authorization, and he didn't even include a packing list of the material.

So I called him to find out what this lovely gift was. He told me what happened, and I told him I wasn't taking the material back. He said I had to. He also told me that besides this mess of inventory, the end user was taking 5% off his deal and making it retroactive to the beginning of the year. This was in September. I told him that I would sue them and send back all their material. He told me that there were ten supply houses standing in line behind him for the account. I told him to let them have it. He didn't take my advice and he was out of business six months later.

Here's another example of mega corporation idiocy. There is a safety valve manufacturer that's owned by a company that makes refrigerators. This mega huge corporation had the brains to send out a letter to all their suppliers that their terms would be 3% 15 days net 120. They didn't care what your terms were; that's how they were going to pay.

I informed them that our terms were net 30 and that they were taking 60 days to pay anyway. They didn't care, so I raised my prices 5% to them. When they decided to take 120 days, I put them on prepayment. They didn't think anyone would stand up to them but I did. It took another 60 days but they are now paying us on a net 30 day basis and on time. What a waste of time.

My advice is for you to stand up to the bullies or they'll only get worse. I can't tell you how to run your business but after 43 years in business, I have never seen payments as bad as this and business is great.

More good news: There are more bullies in almost every level of government. The states, cities and counties all have their hands out for their piece. I recently spent a night in a hotel in Arkansas and there were five taxes on my bill. Five!!!! The second largest was for some county tax that they didn't even have a name for it on the bill. It was the "other" tax.

Bully Bean Counters continued next page, first column

CELEBRATING

40 YEARS

OF SERVICE TO
OUR CUSTOMERS

continued from cover

States are also in on the grab for more revenue. We don't sell to end users — only to resellers. You all know that. If we order from the factory and ship direct to another state, the tax guys want to see our resale number in that state. If we don't have it (which we don't) then they charge us sales tax for that state. So now we can't ship direct from the factories anymore. We have to add freight in to us in your quotes. Added steps and costs that slow down deliveries as well. NICE!

Speaking of nice, our baseball team is relevant again. After 30 years of poor cheap management, we have a winning team. Our defense is amazing. We probably have five gold

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we want to thank you
again for your loyalty
and trust in us.**

glovers. Last year we had three and never before in the history of baseball has that happened. It is weird talking about defense in baseball instead of football but it is a thing of beauty to watch. It helps business when your teams are good. The customers take notice and feel a part of it since they do business with you and it gives them a reason to root for your team as well. Even the St. Louis fans were rooting for us in the World Series last year. We would never root for them. We didn't want an I-70 World Series last year but we will take it this year. Go Royals!

In these weird times, we want to thank you again for your loyalty and trust in us. We aren't perfect but we try as hard as we can to make life a little easier on you. Thank you very much and stay healthy.

Allen Tavis

Offer Remanufactured Safety Valves and Watch Sales Grow!

An alternative option for customers looking to save money and reduce downtime.

Today, many companies are finding when maintenance budgets need to be stretched; a safe way to save is to rely on remanufactured safety valves.

For most industrial uses, remanufactured valves offer excellent availability and are extremely cost effective without compromising quality or safety.

During the remanufacturing process, all valves receive the utmost attention to ensure they meet original specifications. Our quality control program allows our personnel to carefully monitor all steps of the remanufacturing process to assure the highest quality. And all remanufactured valves are guaranteed for two full years on both parts and workmanship.

As with our new valves, computer-aided ordering and parts inventory ensure a fast, reliable turnaround for remanufactured valves.

The biggest difference between remanufactured valves and new OEM valves is the cost — about one-half — and the warranty — two years.

BEFORE

AFTER



Recommend Remanufactured Safety Valves with Full Confidence.

Now you can offer that customer a choice — a solid, safe and sensible choice. The remanufactured alternative.

Make North American's Service Center your first choice for repairs.

Keep your customer's valves at peak operating efficiency.

In addition to an experienced, skilled staff, North American's Service Center is equipped to handle any safety valve repair. NASVI has the specifications for nearly every safety valve ever made — allowing technicians to make repairs to exact specifications. The center has six lathes on site, so technicians can restore tolerances on existing parts in quick order. If a part cannot be restored, it can generally be replaced from our extensive parts inventory.

Once repairs are complete, valves are tested and then set at one of six, fully equipped test stations. The boiler is

on everyday for testing steam valves. It's always ready, allowing us to set and ship your valves fast.

Over the years, our Service Center has proven popular with maintenance managers. It allows the plant to have their valves repaired, serviced and set quickly, which minimizes downtime. They also like the service because it saves them money.

Our repair service also includes updating the valve to the latest design standard when necessary. All valves serviced in our repair facility carry a one-year standard warranty. North American holds ASME's V and UV stamps and National Board's NB and VR stamps. The next time your customer has questions about repairing or upgrading their safety or relief valves, give one of our application engineers a call.

In an attempt to always meet or exceed our customer's expectations, we have installed a second steam boiler. It has always been a point of pride for the staff in the Service Center to get valves set, tested and out the door ahead of the requested ship date. This second boiler will insure the tradition continues.

With North American's Service Center, you can maximize your customer's uptime while saving both time and money. Make our Service Center your service center. Just one call will provide quick solutions to all your repair needs. An application engineer will work directly with you to customize a program to meet your customer's needs.



Factory-trained service personnel spot potential problems and recommend the most economical ways to solve them.

The Three Safety Valve Questions We Get the Most

Q. Is there a law that safety valves must be repaired every so often?

A. No. How often a safety valve is repaired and/or tested is determined by insurance companies or end users. The National Board of Boiler and Pressure Vessel Inspectors recommend tests and/or repairs every three years.

We recommend manually relieving the valves once a year to ensure it's in good working order. For a customer to test a safety valve, system pressure must be 80% or higher of the valve's set pressure. If the system pressure is too low, you won't have enough strength to lift.

Q. Why is my safety valve going off early?

A. If a customer is having problems with the valve, it usually isn't the company that tested it or the manufacturer's fault. Replacing the valve won't solve the problem 99.9% of the time. Generally a customer's lack of knowledge about the valves and/or

improper installation is the cause.

For example, if it is a light gas, we need to know that, so we can offer a valve with a soft seat. Knowing as many facts as possible will help to avoid problems. Here are the top three things that usually cause early relief.

- 1.** Operating pressure is too close to the set pressure. This is the most common reason. A safety valve does not just sit quietly until it's at 100% of set pressure. It will start to hiss and spit before the valve attains the set pressure. The valve is warning that the pressure in the system is rising and the valve is getting ready to pop.
- 2.** The valve isn't in a vertical position. A safety valve must be installed with the top facing the sky. It cannot be at a 45 degree angle or horizontal or upside down. If your operating pressure is not close to the set pressure, then ask your customer if the valve is installed in a vertical position.
- 3.** The outlet piping needs to be supported by something other than the safety

valve. Pipe hangers or a wall will work. Otherwise the weight of the outlet piping will pull down on the valve and distort the readings.

Q. What is the warranty on a safety valve?

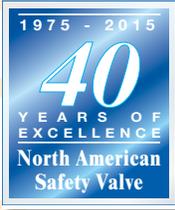
A. Usually one year from shipping date. We had a 50-year old 6 inch valve sent in for repair at 15 PSIG. When the customer replaced it after the repair, the valve leaked. The customer had brought the pressure up on the reducing valve to test the safety valve when it started leaking.

Upon inspection of the inlet flange, the tip from a 50-year old 12 inch welding rod was stuck between the seat and the disc. The customer wanted to know how that rod got in there. Someone didn't blow out the system properly and the rod dislodged when the valve was tested.

The warranty is on workmanship and parts, not the customer's debris. And we don't warranty customers' welding rods.



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sales@NASVI.com

Include the name and company for removal.

Thanks for your help!

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Count on North American Safety Valve for all your safety and relief valve needs.

Our large inventory allows us to offer same day shipment from stock on every valve Kunkle makes.

For over 20 years, North American Safety Valve has stocked the largest inventory of Kunkle Safety Valves in the nation. In fact, over 80% of NASVI's business involves supplying new valves. Besides our large inventory of Kunkle valves, we also stock new safety and relief valves from Farris, Crosby, Conbraco, Consolidated, Aqualtrol, Hydroseal and many others.

Our 50,000 square foot warehouse and on-site

repair and set facility give us the capability to ship even the largest orders right away. You won't get a three to four week delay. At NASVI, we don't quote you unbelievable factory lead times, we simply pull the valve from our stock, set and test it, then ship it to you — usually the same day it was ordered!

And when you order from NASVI, be assured that it's backed by the quality service that has earned us our sterling reputation within the industry.

So the next time your customer calls and needs a new safety or relief valve in a hurry, call a NASVI Applications Engineer at **1-800-800-8882**. You can be confident you'll get a quick answer on price, availability and shipment. After all, we've built our business on relationships and we do everything we can to make doing business with us easy.



**North American
Safety Valve
Industries, Inc.**

Your total source for all lines of:

- New Safety Valves
- Remanufactured Safety Valves
- Repair Services
- Replacement Parts
- Reset Services
- On-site Repairs

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