

2014 State of the Industry

Brought to you by *Water & Wastes Digest*

Water & Wastes Digest (W&WD) strives to stay on top of industry trends and information. We are pleased to present our seventh annual State of the Industry Report.

Research for this report was conducted by ABR Research Inc., an independent research company specializing in custom research for clients in the business-to-business publishing and marketing industries.

The survey was conducted entirely over the Internet. A margin of error based on the returned surveys is calculated to be no greater than ± 5.6 percentage points at a confidence level of 95%.

The 2014 State of the Industry Report provides a current detailed assessment of the water and wastewater industry. Different market

dynamics were studied, including professional and business demographics, budget and purchasing involvement and expenditures, industry resources utilized, and importance of topics.

Almost three in 10 (31%) of respondents stated that their primary job function is operations. An additional 30% have a government/administration function, followed by engineering with 28% and technical with 11% of mentions.

The average age of respondents is 56. More than one-third (38%) are 60 or older. Survey responses represent the entire country, with 23% coming from the South, 24% from the West, 29% from the Midwest and the remaining 24% from the Northeast. Almost half (49%) work at a municipal system. An additional 22% state that they are consultants, followed by manufacturing facility/industrial system (15%),

contractor (11%) and service firm (3%). Almost one-third (32%) of respondents are planning construction of new water and wastewater facilities within the next 24 months. An additional 7% have new construction plans within the next 36 months. More than half (59%) are planning to upgrade their facilities. Forty-four percent plan to do so within the next 24 months, with another 15% planning an upgrade within 36 months.

W&WD is committed to keeping its readers informed of and up to date on today's industry issues. We will continue to research and report on the state of this industry throughout the upcoming year. **w&wd**

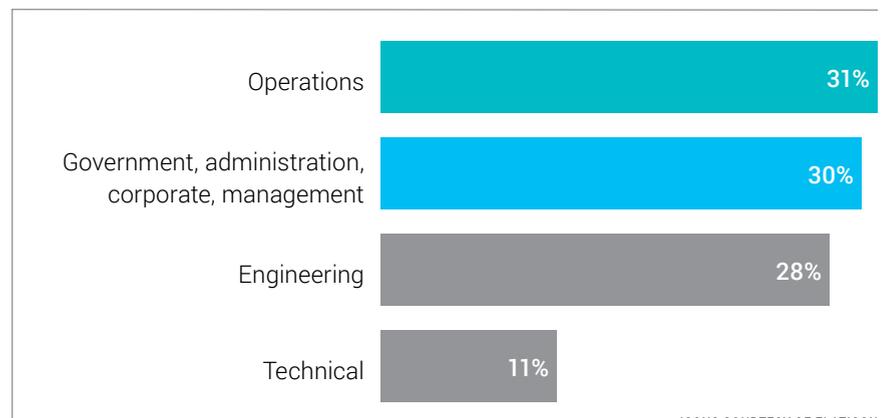
For additional information, contact W&WD at wwdeditor@sfgcmail.com.

For more information, write in 1101 on this issue's reader service form on page 73.

Which one of the following best describes your primary job function?

Almost three in 10 (31%) of respondents state that their primary job function is operations. An additional 30% have a government/administration/corporate function, followed by engineering with 28% and technical with 11% of mentions.

PERCENT OF MENTIONS



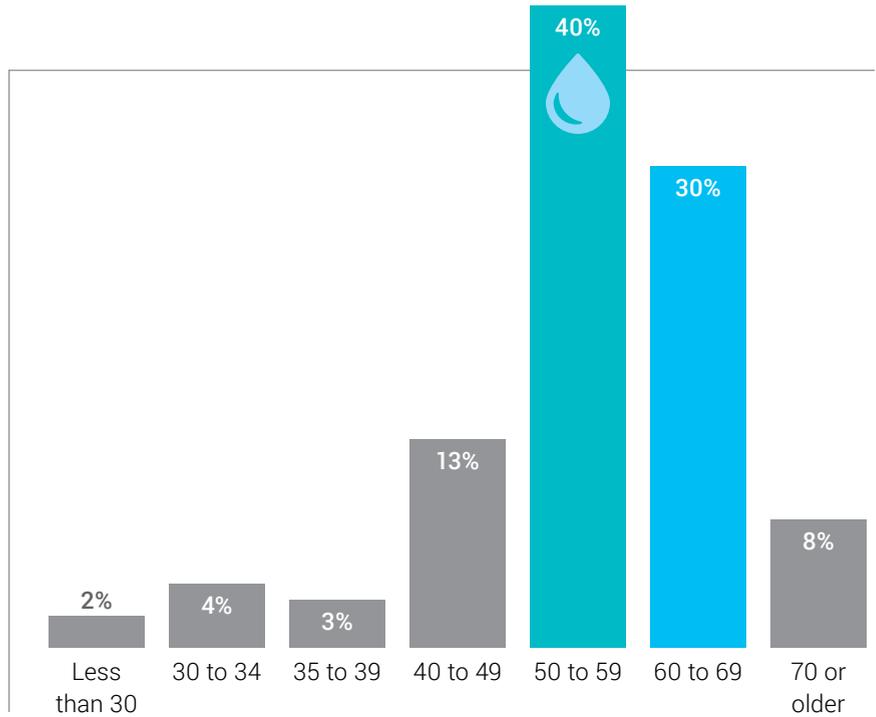
ICONS COURTESY OF FLATICON

state of the industry

Which of the following ranges does your age fall in?

The average age of respondents is 56. More than one-third (38%) are 60 or older.

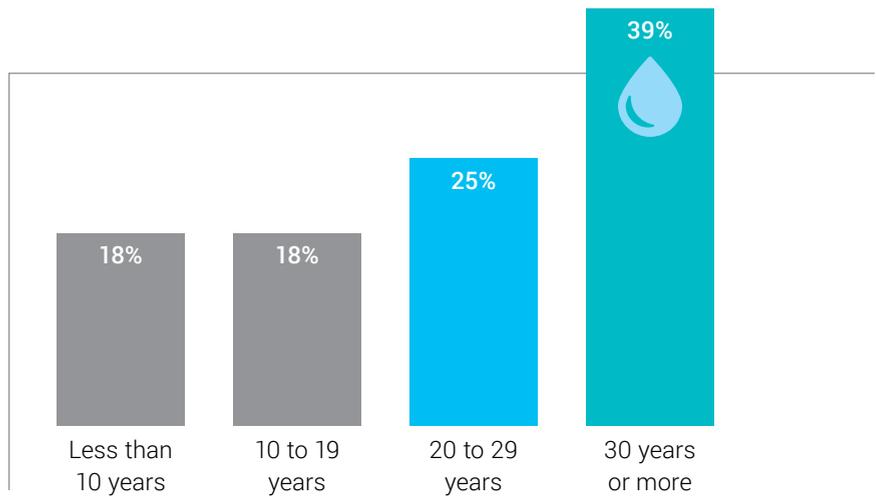
PERCENT OF MENTIONS



How many years have you been in the water/wastewater industry?

On average, respondents have been working in the water/wastewater industry for 22 years. More than one-third (39%) have been in the industry for 30 years or more.

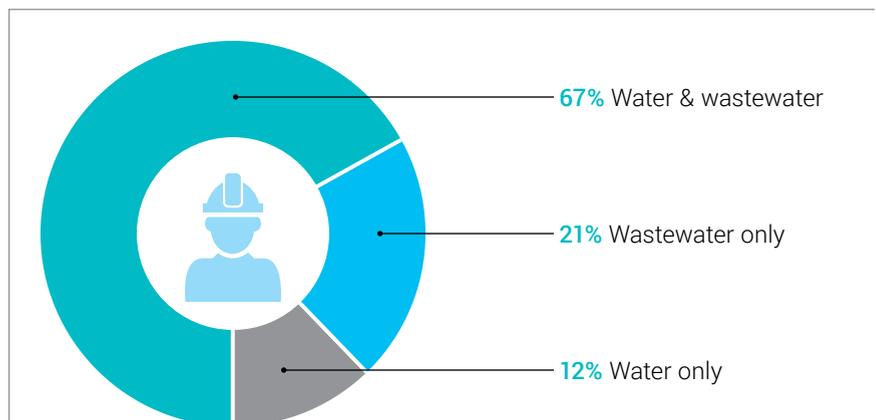
PERCENT OF MENTIONS



Which of the following best describes your principal activity?

More than two-thirds (67%) of respondents state that they are involved in both water and wastewater activities.

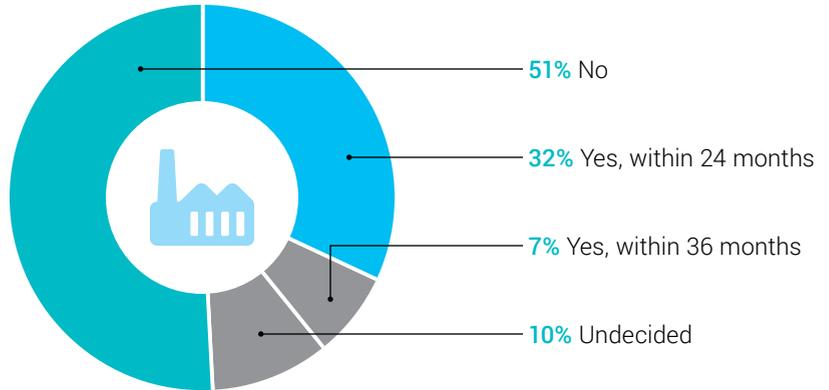
PERCENT OF MENTIONS



Are you planning new construction of water/wastewater facilities?

More than one-third (39%) of respondents are planning construction of new water/wastewater facilities within the next 24 to 36 months.

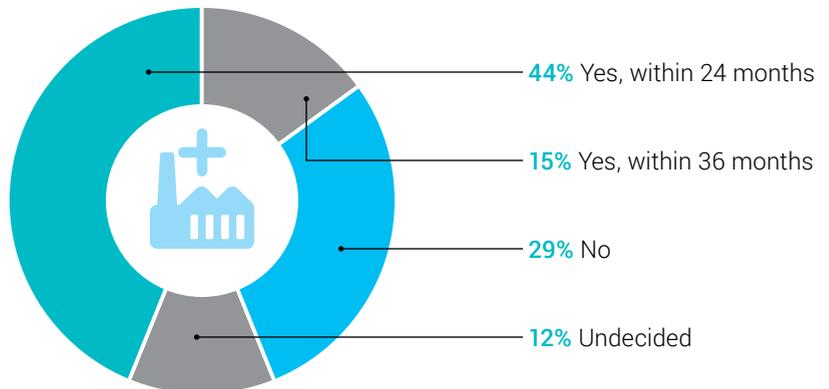
PERCENT OF MENTIONS



Are you planning to upgrade current water/wastewater facilities?

More than half (59%) are planning to upgrade their facilities within the next 24 to 36 months.

PERCENT OF MENTIONS

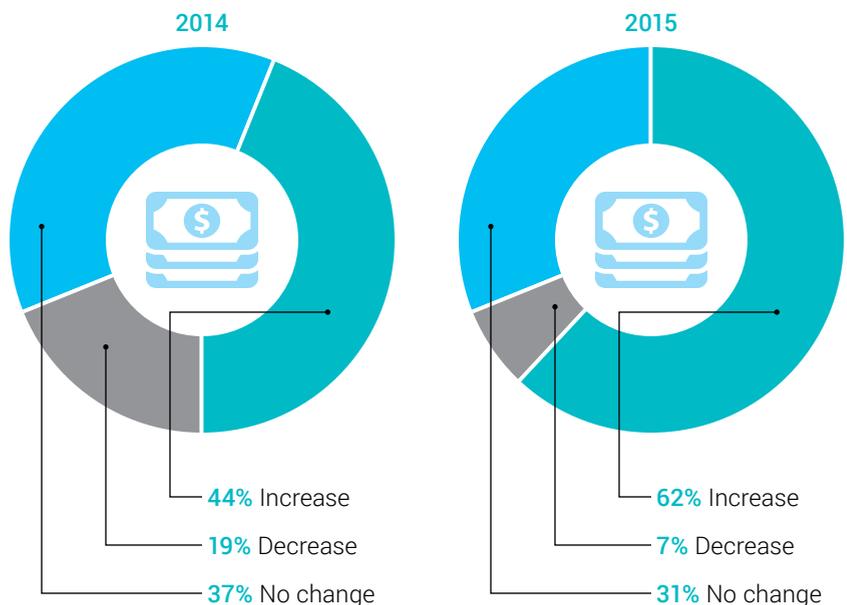


How has your organization's revenue changed in 2014 compared with last year and how do you expect it to change in 2015?

More than four in 10 (44%) of respondents reported an increase in revenue this year compared with 2013.

Almost two-thirds (62%) are expecting an increase in revenue next year over 2014 numbers.

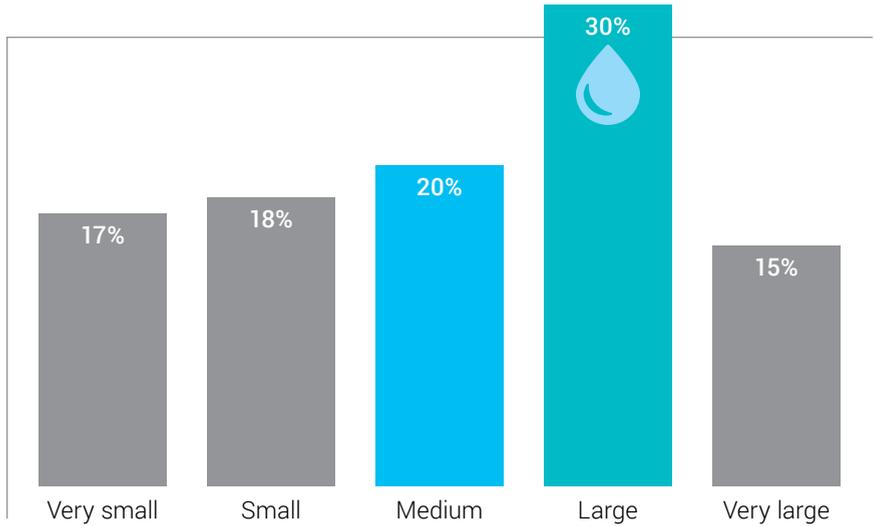
PERCENT OF MENTIONS



What size system does your facility serve?

The system size served by respondents' facilities is spread out from very small to very large. Almost half (45%) of respondents reported serving large- or very large-size systems.

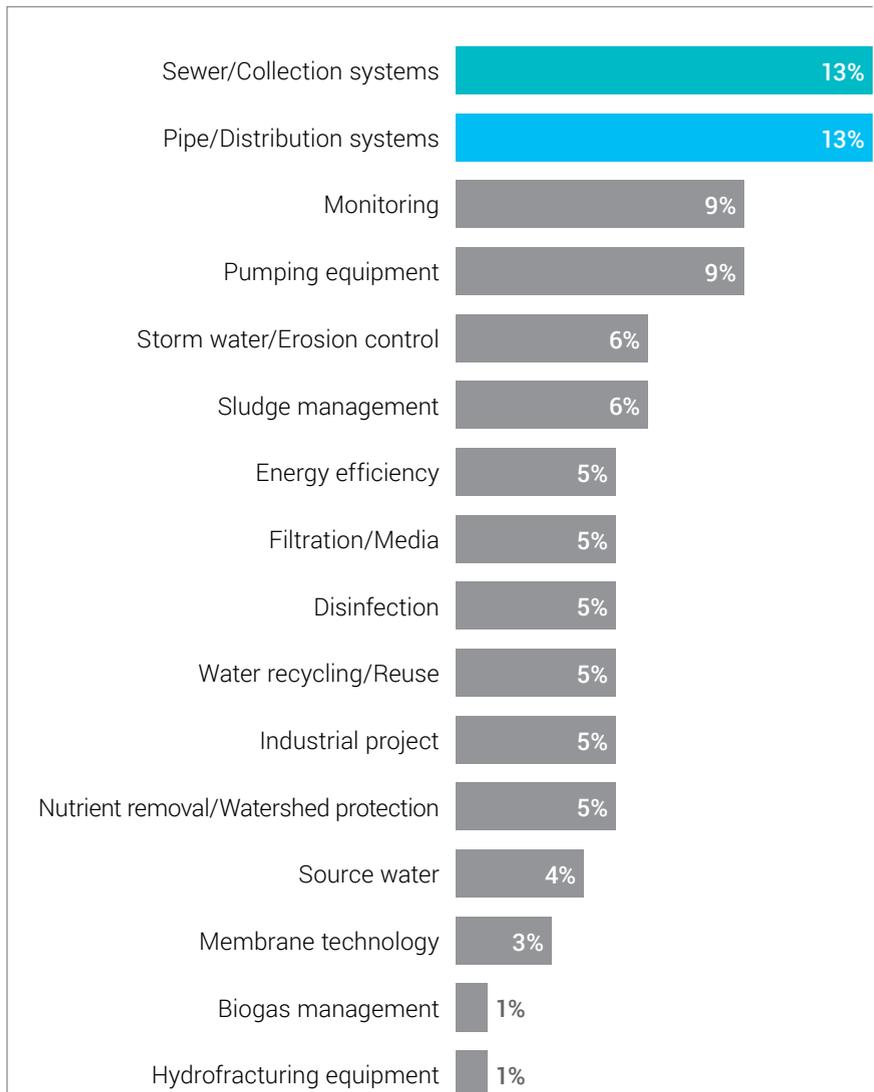
PERCENT OF MENTIONS



What percentage of your budget over the next 24 months will be invested in the following services and/or projects?

The largest percentage of respondents' budgets will be invested in both sewer collection systems and pipe/distribution over the next 24 months. This will account for a total of 26% of budget expenditures. Monitoring and pumping equipment are the next highest, with a total of 18% from budget expenditures.

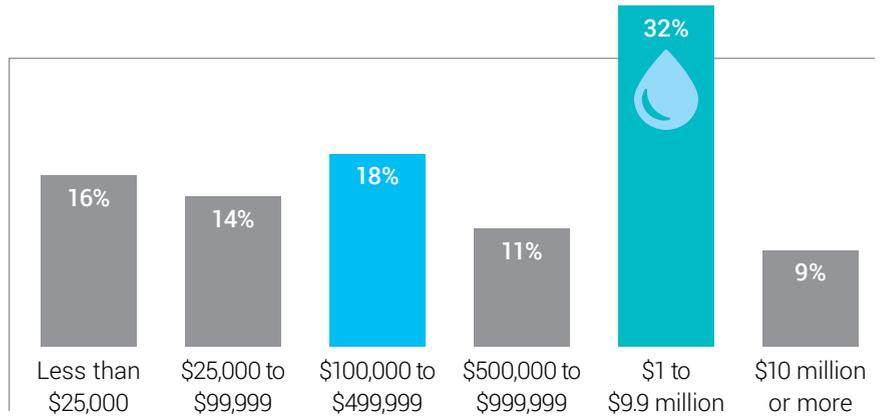
AVERAGE PERCENT



What is your company's approximate yearly budget on water-related products and/or services?

The average budget for water-related products and services is \$2.8 million.

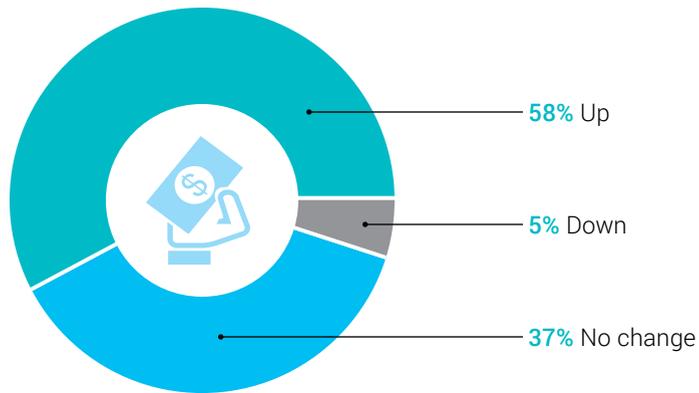
PERCENT OF MENTIONS



How has your total operating cost changed from 2013 to 2014?

More than half (58%) stated that their operating costs have increased when comparing 2013 with 2014.

PERCENT OF MENTIONS



Of those who stated an increase, the average was 10%, and for those with a decrease, the average was 8%.

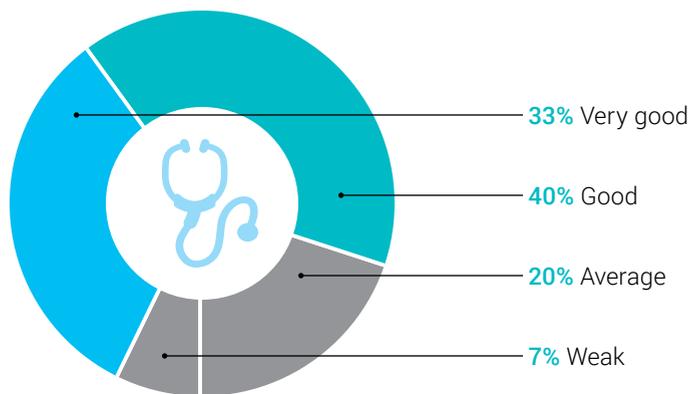
AVERAGE PERCENT



How would you rate the overall health of your firm today?

Almost three-quarters (73%) of respondents rated the health of their firms as good to very good, while 7% thought current firm health was weak.

PERCENT OF MENTIONS



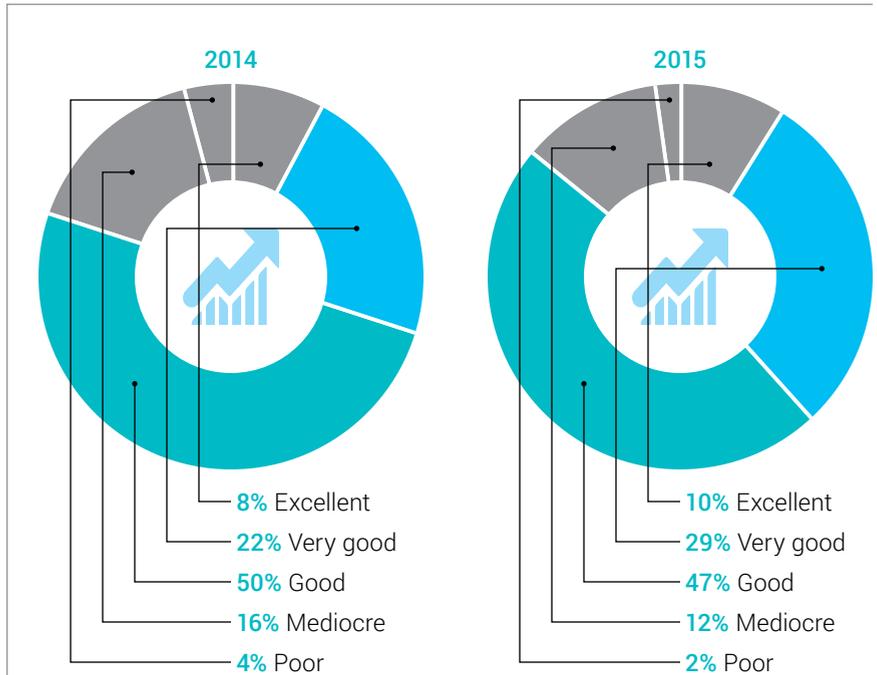
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How do you rate this year (2014) and how do you expect to rate next year (2015) as a business year for your company?

Eight in 10 rated this year good, very good or excellent.

Even more rated next year in a positive light, with 86% expecting it to be good, very good or excellent.

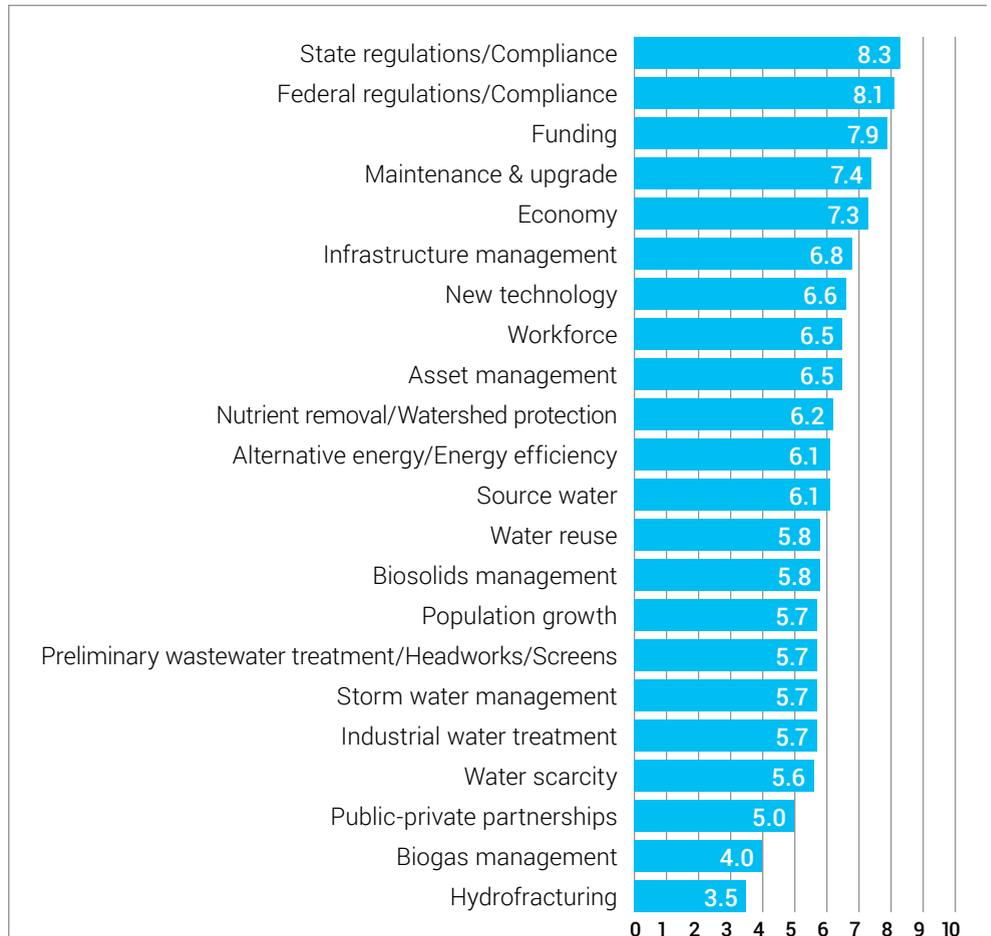
PERCENT OF MENTIONS



Please rate how important each of the following topics will be in the coming year to your plant/facility (1 to 10 rating, 1 = not at all important, 10 = very important).

From a list of 22 industry topics, state and federal regulations and compliance was rated the highest in importance, receiving average ratings of 8.3 and 8.1. The next most important topic was funding with an average rating 7.9. Maintenance and upgrade received a rating of 7.4, followed by the economy with an average rating of 7.3.

AVERAGE OF MENTIONS



Eldridge Products, Inc.

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- NIST-traceable calibrations for measurement over a turndown ratio of at least 100:1 (with 1500 SFPM minimum velocity);
- Actual gas calibrations for best accuracy;
- Flow measurement accuracy of $\pm (1.0\% \text{ of Reading} + 0.5\% \text{ of Full Scale})$;
- Repeatability of 0.2% Full Scale;
- A 2-line, 16-character display for Flow Rate, Elapsed Total, and Relay status;
- Up to four independently calibrated ranges;
- User-selectable engineering units for Flow Rate and Elapsed Total;
- Modbus RTU (included), HART and Profibus DP (optional) communications;
- Free EPICommunicator™ software

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Which of the following product categories do you currently use/specify and which do you plan to purchase within the next 24 months?

At least three-quarters (75%) of respondents are using pipe and fittings. Almost three-quarters (74% and 73%, respectively) are using pumps and valves. More than two-thirds (67%) currently use flow and pressure level equipment, and more than half are using sewer systems, sampling and analyzing equipment, and monitoring and metering technology. Pipe and fittings are planned for purchase by 37% of respondents within the next 24 months, followed by valves (35%) and pumps, with 32% of mentions.

PERCENT OF MENTIONS

Currently use Plan to purchase

