

Record order as good times flow in oil industry

BY CRAIN'S STAFF REPORTER

Subsea valve manufacturer Oliver Valvetek Ltd has won the biggest single order in its history as oil companies spend heavily on exploration while prices pick up.

The Knutsford-based company has signed a "multi-million pound" contract to supply corrosion-resistant hydraulically and manually actuated gate valves and check valves for oilfields off Angola.

The find is expected to produce 150,000 barrels a day when it goes into production in 2011.

The valves, which will be shipped in September, are made using the alloy Inconel 625 and have been designed and performance tested to the unnamed customer's specification.

Mark Willett, sales manager, said: "This order takes our combined intake for March and April to record-breaking levels and the second period of our financial year promises even more growth."

Oliver Valvetek, one of three valve manufacturing businesses owned by chairman Michael Oliver and his family, is benefiting because its equipment is more in demand when oil is extracted from increasingly inaccessible places.

Good times roll

The record order intake underlines how the good times have continued to roll for oil industry suppliers despite the see-saw in the oil price, which slumped to \$35 in March before recovering to \$73 by the end of last week.

Safety Systems UK Ltd, which makes pressure and flame protection valves in Worsley and is part of US-based Tyco International's flow control division, saw its turnover hit £30m in 2008, a rise on 2007.

The weak pound has given products from the Sharp Street factory a significant price advantage compared to some competitors.

About 70 per cent are exported and between 60 and 70 per cent are sold to oil and gas customers.

Safety Systems is hosting 30 of its Asian agents at a conference at the Novotel in Worsley this week.

Managing director Paul Williams said: "The region already contributes 25 per cent of our turnover, and these markets will continue to expand rapidly over the coming years."