Membership Update

• 2019 Membership
  - 41 Full Members & 26 Associate Members
  - 2018: 47 Full Members & 26 Associate Members

• Overall
  - Membership stabilized since Washington Forum
  - Improvements made to programming and services (e.g., CPE credits for F&CAC meeting, OnBoarding resources, etc.)
  - Membership more active; solving “one-deep” problem
Membership Update

New 2019 Membership
- Teledyne ISCO
- SPIRAC
- Siewert Equipment
- TR Gregg Consulting

Recognize New Member Company Attendees
- Teledyne ISCO – Kaushal Trivedi
- SPIRAC – Fritz Egger
- Siewert Equipment – Jerry Connolly
- TR Gregg Consulting – TR Gregg

Several Full and Associate Prospects
Gold Card Update

2018 Annual Meeting
- USGI-PAX Water
- CCI Piping Systems

2019 Washington Forum
- Nuvoda
- Purdie Rogers

2019 F&CAC Meeting
- Several former members in attendance and a few new prospects:
  -- Thermal Process Systems
  -- Enviro-Care
  -- Badger Meter
  -- SafBon
  -- Birmingham Fastener

2019 Annual Meeting
- GA Industries – Dave Huber attending
- Other potential members in attendance: TESCO Controls & Innovance
Gold Card Update  
(Continued)

2019 Annual Meeting - Invited Full Member Prospects (~ 12)
- Alfa Laval
- OCV Control Valves
- Clean Water Technologies
- Jim Myers & Sons
- Safbon Water
- Trojan UV

2019 Annual Meeting - Invited Associate Member Prospects (~ 10)
- Barney’s Pump
- JBI Water
- James Cook & Hobson
- TRIPAC
- Goble Sampson
- MISCO
- Wharton Midmarket Advisors
- Several members on point to communicate with Reps
WWEMA 2019 Market Indicators Survey

Overview of Preliminary Results

Presenter: Tina W. Wojnar

111th Annual WWEMA Conference
November 6, 2019
Litchfield Park (Phoenix), AZ
Indicator Survey-Respondents

- **Response Total**
  - 35 vs. 31 last year
  - Over 50% participation rate!

- **Number of Respondents Varies by Question (29-35)**

- **Primarily Manufacturers Responding, With High Participation from Reps**
Indicator Survey-General Information

• Survey was Anonymous

• Survey had 2 Primary Questions (with 8 subparts)
  – Water/Wastewater industry growth over last year: (Sept 2018 – Aug 2019)
  – Same growth estimated over next year: (Sept 2019 – Aug 2020)

• Data Range Categories in Increments of 2.5 percent
  – Values: -10%, -7.5%, -5%, -2.5%  0  2.5%, 5%, 7.5%, 10%
Categories Analyzed

• Design Work
• Quotations
• Bookings/Orders
• Domestic Sales
• International Sales
• Company Employment
• Material Costs
• Industry Market Growth
High-Level Summary-Current Year

• Overall Good Year

– Over half (~54%) report positive increase in domestic sales, compared with 72% in prior year, which was a very strong year

– Sales generally strong across the board, with all but 3 companies reporting positive domestic sales growth

– Approximately 2 out of 3 companies reported positive company employment growth, which correlates with sales growth

– All but 4 companies reported positive design work growth, possibly indicating a strong backlog
High-Level Summary-Current Year

(Continued)

• Strong Domestic Sales
  – 54% have positive domestic sales and 37% report flat sales
  – Decline from last year’s survey data that reported 70%

• Few Negative Responses
  – Never more than 5 negative responses for any category
  – Only 1 company responded with -10 percent

• International Sales *not* as Robust as Domestic Sales with about half as many companies with positive sales
High-Level Summary-
Estimated 2020

• Expectations are Positive for Coming Year
  – 89% (vs. 94 percent in prior year) expect positive bookings
  – Approximately 15% (vs. 1/3 in prior year) anticipate domestic sales growth between 7.5-10 percent
  – Still only ~12% anticipate flat or negative domestic sales growth
  – Company employment is expected to continue to grow with over half (57%) predicting growth between 2.5-5 percent
High-Level Summary—Estimated 2020 Data  
(Continued)

• Almost all Respondents Expect Material Costs to Increase in Upcoming Year
  – Only 2 respondents believe no material cost increases will occur
  – ~25 percent expect cost to rise by 5 percent

• Continued Moderate Industry Growth Expected, with 69% Estimating Growth between 2.5%-5%
Respondent Categories

- Manufacturer: 27
  - 77%
- Manufacturer Rep: 8
  - 23%
Predicted Domestic Sales v. Current Domestic Sales

<table>
<thead>
<tr>
<th></th>
<th>Predicted (from Prior Yr)</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>0%</td>
<td>9%</td>
</tr>
<tr>
<td>Flat</td>
<td>9%</td>
<td>37%</td>
</tr>
<tr>
<td>2-5%</td>
<td>56%</td>
<td>31%</td>
</tr>
<tr>
<td>7.5-10%</td>
<td>34%</td>
<td>23%</td>
</tr>
</tbody>
</table>
Current Domestic Sales v. Anticipated Domestic Sales

- **Negative:** 9% (Actual) vs. 6% (Predicted)
- **Flat:** 37% (Actual) vs. 6% (Predicted)
- **2-5%:** 31% (Actual) vs. 74% (Predicted)
- **7.5-10%:** 23% (Actual) vs. 14% (Predicted)

**Legend:**
- Blue: Actual - Current Year
- Red: Predicted - Next Year
Current Domestic Sales v. International Sales

<table>
<thead>
<tr>
<th>State</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>9%</td>
<td>17%</td>
</tr>
<tr>
<td>Flat</td>
<td>37%</td>
<td>59%</td>
</tr>
<tr>
<td>2-5%</td>
<td>31%</td>
<td>17%</td>
</tr>
<tr>
<td>7.5-10%</td>
<td>23%</td>
<td>7%</td>
</tr>
</tbody>
</table>

<image>
Current Bookings & Anticipated Bookings

- **Negative**: 9% (Current), 6% (Anticipated)
- **Flat**: 29% (Current), 6% (Anticipated)
- **2-5%**: 46% (Current), 69% (Anticipated)
- **7.5-10%**: 17% (Current), 20% (Anticipated)

<table>
<thead>
<tr>
<th>Percentage Range</th>
<th>Current</th>
<th>Anticipated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Flat</td>
<td>29%</td>
<td>6%</td>
</tr>
<tr>
<td>2-5%</td>
<td>46%</td>
<td>69%</td>
</tr>
<tr>
<td>7.5-10%</td>
<td>17%</td>
<td>20%</td>
</tr>
</tbody>
</table>
Current Material Costs v. Anticipated Material Costs

- 0%: 0% Current, 0% Anticipated
- 6%: 17% Current, 6% Anticipated
- 94%: 74% Current, 94% Anticipated

Negative 0% 0% 2-5% 0% 7.5-10% 0%

Current Anticipated
Current Employment vs. Anticipated Employment

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Anticipated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Flat</td>
<td>34%</td>
<td>43%</td>
</tr>
<tr>
<td>2-5%</td>
<td>60%</td>
<td>57%</td>
</tr>
<tr>
<td>7.5-10%</td>
<td>3%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Current vs. Anticipated Employment

- Negative: 3% vs. 0%
- Flat: 34% vs. 43%
- 2-5%: 60% vs. 57%
- 7.5-10%: 3% vs. 0%
Where is Market Going – Some Headlines to Consider

- Federal Reserve Cuts Interest Rates for Third Time in 2019
- US and Japan Agree to Initial Trade Deal
- Trump Says US-China Trade Deal Close, But Market Nosedives
- US Manufacturing PMI Lowered to 51.3 in October 2019 from 51.5
- A Divided House Endorses Impeachment Inquiry
- US Economic Growth Slowest this Year
Overall Industry Market Growth

- Current vs Anticipated Growth:
  - Negative: 0% (Current), 3% (Anticipated)
  - Flat: 33% (Current), 22% (Anticipated)
  - 2-5%: 69% (Current), 6% (Anticipated)
  - 7.5-10%: 3% (Current), 6% (Anticipated)

WWEMA
Northern & Western Equipment Manufacturers' Association Inc.
Dues Restructuring

• Reduction Approved By Board
• Effective for 2019 Dues
• Applied to “Mid-tier” or Those with Revenues of $6M to < $26M
• Revenue Impact: $41,000
• Follows a 33% Reduction for Smallest Companies or < $6M
• Hope is Lower Fees Should Help Retain and Attract New Members
Social Media

• Goal was more active Association posting and member engagement:

  ~ 350 new followers = 1,625 total

  ~ 240 new followers = 477 total

• Updates to pages: Photos/Link Website/Develop About Us Descriptions

• Analytics showing active engagement with likes/re-shares/unique visitors

• **Twitter Follower Fun Facts**: 79% like premium brands, 11% like vegetarian food, and 97% have an interest in dogs
So...If you like dogs...You’ll like #WWEMA!

@WWEMAtweets

Water and Wastewater Equipment Manufacturers Association (WWEMA)

WWEMA1

Water and Wastewater Equipment Manufacturers Association
Between-Meeting Member Communication

• Social Media

• Water Whispers Column in Member Bulletin
  – Write in with Question/Issue
  – Responses compiled in subsequent Bulletin
  – For example:

  Recommendations wanted for project management software that a small manufacturer could adopt without being totally crippled by the resources needed to keep such software engaged and moving along?
Updated/New Marketing Materials

• ROI Document, Advocate-Inform-Connect, and other Post Cards Updated to be Current/Fresh Edit

• New Gatefold Brochure in Final Stage
  – TR Gregg played a key role
  – Some components of the Advocate-Inform-Connect Trifold with Initial Focus on Manager answering questions like:
    • What is WWEMA?
    • What Will You Do for My Company?
    • Focus on How WWEMA Helps Companies Grow

• When final, will be posted with other Marketing Materials on Members-Only Section
Possible Why WWEMA? Video

• Alternative to Print Media
• “Bring alive” ROI Document
• Could build on Facebook Live Interviews from Washington Forum and Introductory Part of “Key Players” Video
• Include Personal Testimonials
• Committee Needed
  – Ideally with Media Partner Participation
  – Think about participation
• Thoughts/Suggestions?
Updated WWEMA Website

- www.WWEMA.org

- WWEMA Member Promotion
  - Logo & Direct Link to Website
  - Technology & Services Catalog
  - WWEMA Members

- Members-Only Section
  - Marketing Materials
  - Committee Rosters
  - Corporate Documents (By Laws, Anti-Trust Policy, Committee Protocols)
  - Publications and Archived Presentations
  - On-Boarding Materials
Updated WWEMA Website
(Continued)

• Advocacy
  – Position Papers Posted

• Notify WWEMA
  – Change to Technology/Services or Logo
  – Need ID or Password
  – Expand Employee Access
On-Boarding Materials
Members-Only

- Outgrowth of prior Committee and additional WWEMA staff work
- In Members-Only Section under *Onboarding and Training Resources*
- Mainly Video Resources with times/descriptions
- Some materials are documents and web links
- Goal is expanded content categories and media
- Perhaps catalogue meeting presentations by keyword
On-Boarding Materials
Current Categories

• Water Cycle & History of Water Treatment
• Building a Water Treatment Plant
• Drinking Water Treatment
• Wastewater Treatment
• Resource Recovery
• Combined Sewer Overflows/Stormwater
• Project Delivery Methods
• Doing Business Internationally
• Emerging Water Treatment Technologies
On-Boarding Materials
Current Categories

• **Demo** New Resources in Members-Only Section of WWEMA Website
On-Boarding Materials

Current Categories

- Solicit Your Feedback
  - Encourage you to ‘beta test’
  - Suggest topics or other organization
  - Suggest materials

- Share any company “agnostic” materials

- Ongoing resource development and maintenance
Manufacturer Rep Coverage

Number of WWEMA Manufacturers Representatives Distribution per State

**KEY:**
- 1
- 2
- 3
- 4
- 5
- 6

Number of WWEMA Manufacturers Representatives.
Manufacturer Rep Coverage

- Overall Good National Coverage
- North East, Central, and Pacific North West with No or Few Reps
- Reps Have Spent Significant Time and Effort Cultivating Relationships with Principals--WWEMA’s Full Member Prospects
- Hope is Work More Closely with WWEMA Reps to Reach Prospects and Reinforce WWEMA Staff Contact
Mentor Program

• Prospects, New Members, and First-Timers Assigned a Meeting “Mentor”

• Mentor Role: Welcome & Provide Introductions

• WWEMA Always Hosts a “First-Timers” Welcome Event

• Consider Continuing Relationship Beyond Meeting
Member Recruiting Assistance

- EMGAM is always implied.

- Who do you wish was a WWEMA member?
  - Invite them to a meeting (next is Washington Forum)
  - Share communications
  - List WWEMA affiliation on your website
  - Coordinate with Tina or Vanessa
    - We have marketing materials; also in Members-only section of Web

- This is YOUR Association; lets strengthen it together!