

VOYAGER

Quarterly Newsletter

Newsletter Date:
November
2007



Inside this Issue:

NA Distributor & Representative Sales Seminar **1**

36th Turbomachinery Symposium **2**

FSE 3rd Annual Golf Outing **2**

FSE Welcomes Two New RSM's **3**

Large Order Leaves Export **3**

Distribution Corner **4**

Pittsburgh Business Times 2007 Awards **5**

Up and Coming Events **5**

North America Distributor and Representative Sales Seminar

The Annual North America Distributor and Representative Sales Seminar was held on Thursday, September 27th through Saturday, September 28th. Our distributors and representatives traveled from all over the U.S. to join us for this exciting event; it was our goal that our guests not only enjoy their visit but for it to be a learning experience.

Most of the participants arrived on Wednesday evening at the Sheraton Station Square in Pittsburgh, Pennsylvania. Meetings were conducted on Thursday at the Sheraton, followed by dinner at the beautiful Grand Concourse just down the street. On Friday the attendees visited the FS-Elliott Export, PA facility and toured not only our shop but our state-of-the-art testing facility. Friday evening everyone kicked back for some fun and took the Gateway Clipper from the Sheraton across the river to enjoy dinner and attend a Pittsburgh Pirates baseball game at PNC Park. The event was wrapped up late Saturday morning at the Sheraton Station Square.

Well over 100 people attended the three day experience including several FS-Elliott employees. We received an overwhelmingly positive response from everyone who attended, and we are looking forward to the next one!



Group photo in front of the Export, Pennsylvania Office, just before leaving for PNC Park



Dinner at the Grand Concourse



Training Session in the Atrium at Mellon Road

VOYAGER

Quarterly Newsletter

36th Turbomachinery Symposium

More than 2,800 people attended the 36th Annual Turbomachinery Symposium that was held September 10th through September 13th at the George R. Brown Convention Center in Houston, Texas. This was truly an international event with more than 400 visitors, representing 31 countries outside the USA, in attendance. The Turbomachinery Symposium continues to be the only industry meeting organized by users for users.

The three days included a mix of technical sessions, exhibits and opportunities to converse with industry leaders. The symposium is an ideal learning environment for individuals who are involved with maintenance, troubleshooting, operations and purchase of rotating equipment. The technical sessions include lectures, tutorials, discussion groups and case studies.

The exhibits featured state-of-the-art products and services from key Original Equipment Manufacturers (OEM's) industry. This year more than 175 exhibiting companies participated. FS-Elliott was well represented with our large 20' x 30' island style booth. This year we added a rotating overhead display to the exhibit that could be seen from all over the convention hall. The FS-Elliott exhibit was very busy with many of our existing and potential customers stopping in to visit.



FS-Elliott exhibit at the 36th Turbomachinery Symposium in Houston, Texas.

FS-Elliott attendees included Ron Stewart, Addison Kelley, Charlie Hovis, Said Mehdi, Steve Wells, Craig Price, Pat Mohan, Mike Tursky, Dennis Turney, Steve Beddick, Jill Gesinski, Mike Wik and Don Ravicchio.

3rd Annual Golf Outing

The 3rd Annual FS-Elliott Golf Outing took place on Saturday, August 4th at the beautiful Glengarry course in Latrobe, Pennsylvania. This was by far the largest golf event to date with 30 sponsors and more than 130 golfers. The winning group included Kelly Clontz, Mike Polinsky, Renee Sasanko and FS-Elliott employees Ron Sasanko and Matt Zowacki; they were winners of the low net with a score of 8 under par. In addition, everyone had an opportunity to win one of the unbelievable number of door prizes. Start planning to attend next year's event, you don't want to miss it!



VOYAGER

Quarterly Newsletter

FS-Elliott Welcomes Two New RSM's

We are pleased to welcome our two new Regional Sales Managers for the Western and Northeastern Regions. Effective this past June, Said Mehdi accepted the position as the Western Regional Sales Manager where he will assume the responsibilities of the sales and service for the entire FS-Elliott line of Polaris and PAP compressors.

Said will be based in our City of Industry office in Southern California while he gets acclimated to the FS-Elliott product line and the existing distribution channel and our end users. He will eventually travel throughout the territory to serve the needs of our distributors and end users. Said comes to us with a significant amount of compressed air experience having worked for Ingersoll Rand Compression Services, Dow's Generon nitrogen generation group and most recently Benz Engineering. He has both centrifugal and rotary product and sales knowledge along with project management experience of engineered projects. Said is a graduate engineer having obtained his engineering degree from the University of Houston, Texas in Piping Design and Process Engineering.

Fred Giesler started with FS-Elliott at the end of August and is our Northeast Regional Sales Manager. Fred will focus on the sales goals set for the Northeast Region, specifically growing our Industrial Distribution market. In addition he will be calling on Air Products and Praxair adding to our recent Air Separation successes. Fred will be based from his home office in Elma, New York, and be spending time at our Export facility to become familiarized with FS-Elliott. Fred comes to us with a tremendous amount of industry experience having worked for Cooper Turbocompressor as an Application Engineer and Account Manager for the Air Separation business. More recently Fred has been selling large industrial fans for Howden Company in Buffalo. Fred is a graduate engineer having obtained his engineering degree from the State University of New York, Buffalo in Chemical Engineering.

Please join us all at FS-Elliott in welcoming the two newest members of the North American Sales Team!

Large Order Leaves Export

FSE recently received an order for 19 duplicate units. These units are destined for Asia, where they will be installed in a ship yard. Twelve of the nineteen units shipped in early October. The seven remaining units left Export at the end of October.

Eight of the nineteen units "all in a row."



VOYAGER

Quarterly Newsletter

Distribution Corner

It all started in December of 2006, with a client looking to get a price for a rebuild of the airend on their existing 500 HP 3-pinion machine. They also wanted to look at upgrading the existing panels and inlet valves.

During discussions regarding the existing unit and possible upgrades they were convinced to consider new units as an option. Finally, thanks to CP&S's persistence, they agreed to consider a proposal for replacement units that would give the same performance as their existing PAP units but only require 400 HP drivers (less power). Using some of their own "use factors", our distributor (CP&S) was able to propose to them that the new unit with inlet guide vane valves, instead of the butterfly valve on the existing unit, may be able to save them as many as 170 HP per machine. They have a total of six machines at the plant.

There were several meetings and phone calls to educate the customer on the higher efficiency of the "new" machines with backwards leaning impellers vs. the original straight vanes on the existing units.



CP&S also offered them recommended spare parts for the units and had them consider the much lower maintenance costs for new machines. With some timely help from the engineering department at the factory, we were able to convince them that in fact the new machines are more efficient and will have a much lower maintenance cost over the next several years.

Finally, in July of this year, CP&S started correspondence with the purchasing department and began a whole new round of negotiations, based on what the purchasing agent stated were questions from the engineering department.

Kevin Sullivan of CP&S did have some inside information from one of the project engineers originally

contacted on the project, and was told that he was glad we were going to get the order for these units, this was prior to us getting the go ahead from Purchasing. Nevertheless, we still had to negotiate based on "good faith" with the purchasing agent and were able to overcome

many obstacles.

We all knew the importance of getting this first order, instead of letting it go to the competition, who were also involved in bidding for the project. The plant still has 4 more machines to replace and the goal is to replace one machine per year, for the next four years.

Thanks to Kevin Sullivan's (CP&S) persistence and efforts, the first order was secured for two units (P300-400) and we are practically assured of obtaining the contract for future replacements as well. A big bravo to the folks at CP&S, specifically Kevin for a job well done. Thanks Kevin, keep up the good work!

VOYAGER

Quarterly Newsletter

Pittsburgh Business Times 2007 Awards

Not only has it been announced that FS-Elliott is a *Pittsburgh Business Times* 2007 Manufacturer of the year finalist but our Chief Financial Officer, Keith Macurdy, is a finalist in the *Pittsburgh Business Times* 2007 CFO of the Year!

In the 2007 Manufacturer of the Year competition, winners will be selected from three finalist groups according to their employee count. FS-Elliott is positioned in the Medium Company category. In addition, one company will be named the "Manufacturer of the Year." This is the fourth year for the *Manufacturer of the Year* competition. The awards will be presented at the Omni William Penn Hotel in Pittsburgh on the evening of December 6th, 2007. All FSE employee should take pride in FS-Elliott's finalist position, as everyone has played a part in getting us there!

The *Chief Financial Officer* (CFO) Awards are given out in five categories: Small Private Company, Medium Private Company, Large Private Company, Public Company and Non-Profit. Keith has been selected as a Finalist in the Large Private Company category. The Awards dinner in Pittsburgh will be held on November 7th at the Omni William Penn Hotel. Best of luck Keith!



★
FS-Elliott Co., LLC. ★

5710 Mellon Road
Export, PA USA 15632-8948

Phone: 724.387.3200
Fax: 724.387.3270
E-mail: info@fs-elliott.com

★ Brochures & Literature ★

- ★ **API 672 Brochure** — Available **Now**
- ★ **Updated Regulus Brochure** — Available **Now**
- ★ **4x Specification** — Available **Now**
- ★ **Corona Blue & Corona Clean MSDS** — Available December, 2007 ★

★ Upcoming Exhibitions ★

- ★ **Asia Distributor Meeting—Singapore**
November 8th & 9th, 2007
- ★ **MEMEC Conference & Exhibition—Kingdom of Bahrain**
November 4th-7th, 2007
- ★ **3rd Jeddah Water & Power Forum—Saudi Arabia**
November 3rd-5th, 2007

★
**Check us out on the
WEB!**
www.fs-elliott.com ★