

2015 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 eighth 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 ± 5.8 percentage points at a confidence level of 95%.

The 2015 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 engineering. An additional 27% have an operations function, followed by government/administration with 25% and technical with 16% of mentions.

The average age of respondents is 55. More than one-third (36%) 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 (29%) of respondents are planning construction of new water and wastewater facilities within the next 24 months. An additional 10% have new construction plans within the next 36 months. More than half (55%) are planning to upgrade their facilities. Forty percent plan to do so within the next 24 months, with another 15% planning an upgrade within 36 months.

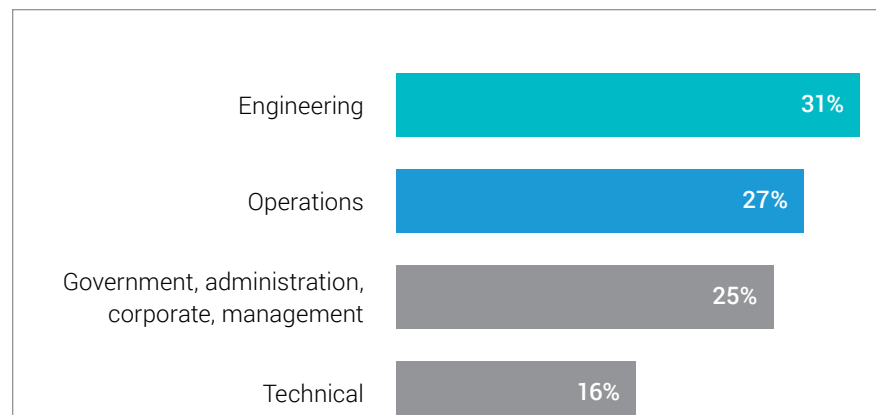
W&WD is committed to keeping its readers informed of and up to date on today's industry issues. We will continue to research and report on the state of this industry throughout the upcoming year. **w&wd**

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

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

More than three in 10 (31%) of respondents state that their primary job function is engineering. An additional 27% have an operations function, followed by government/corporate management, with 25%, and technical, with 16% of mentions.

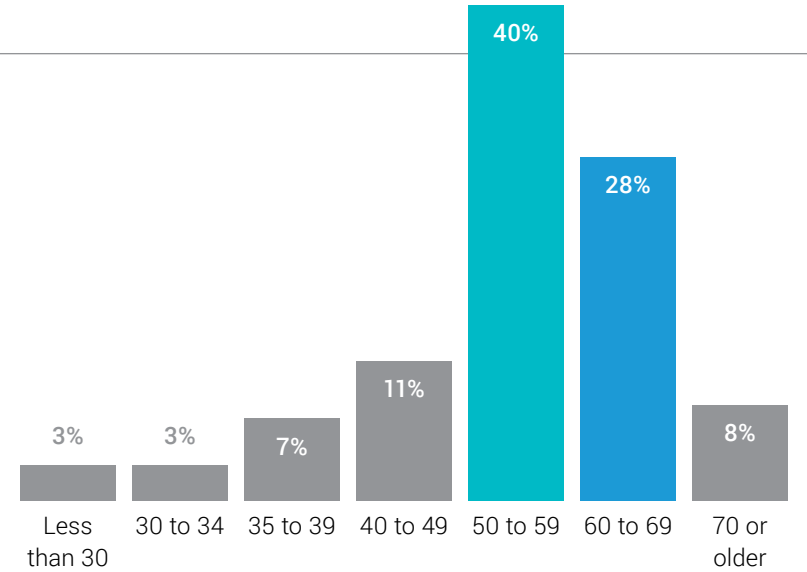
PERCENT OF MENTIONS



Which of the following ranges does your age fall in?

The average age of respondents is 55 in this year's study. More than one-third (36%) are 60 or older.

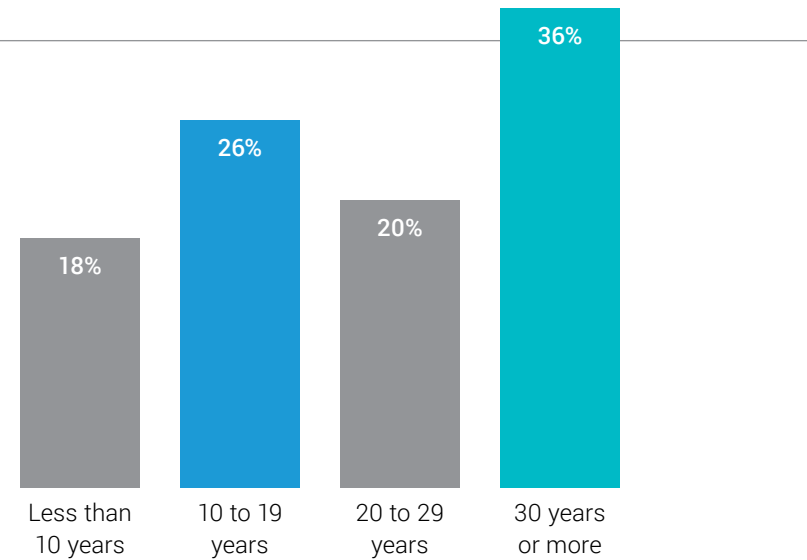
PERCENT OF MENTIONS



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

On average, respondents have been working in the water/wastewater industry for 21 years. More than one-third (36%) have been in the industry for 30 years or more.

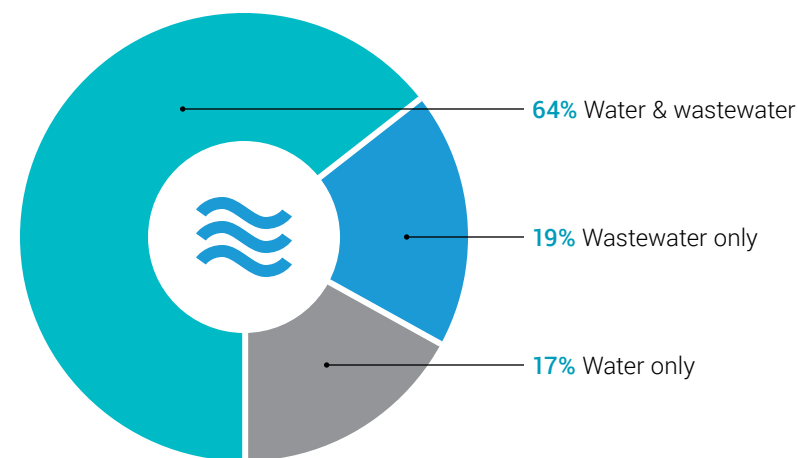
PERCENT OF MENTIONS



Which of the following best describes your principal activity?

Almost two-thirds (64%) of respondents state that they are involved in both water and wastewater activities.

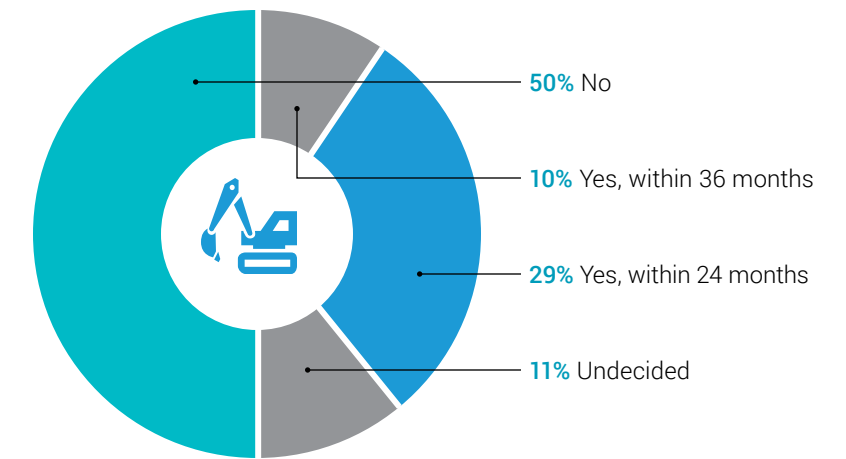
PERCENT OF MENTIONS



Are you planning new construction of water/wastewater facilities?

Almost one-third (30%) of respondents are planning construction of new water/wastewater facilities within the next 24 months. An additional 10% have new construction plans within the next 36 months.

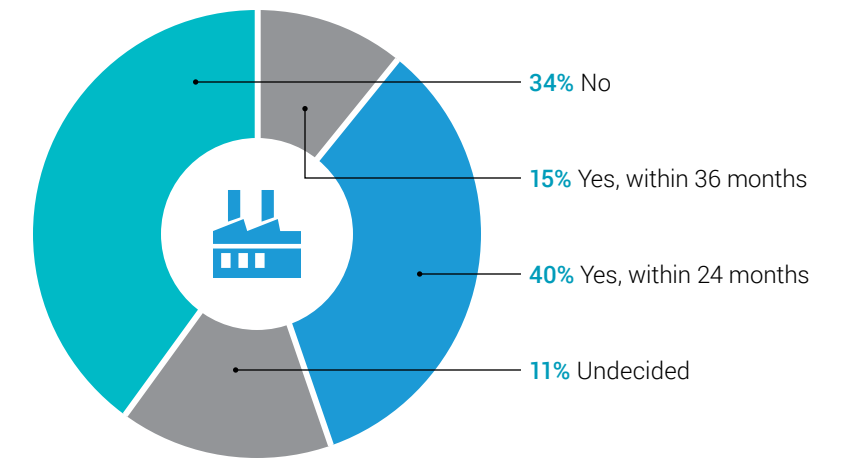
PERCENT OF MENTIONS



Are you planning to upgrade current water/wastewater facilities?

More than half (55%) are planning to upgrade their facilities. Forty percent plan to do so within the next 24 months, with another 15% planning an upgrade within 36 months.

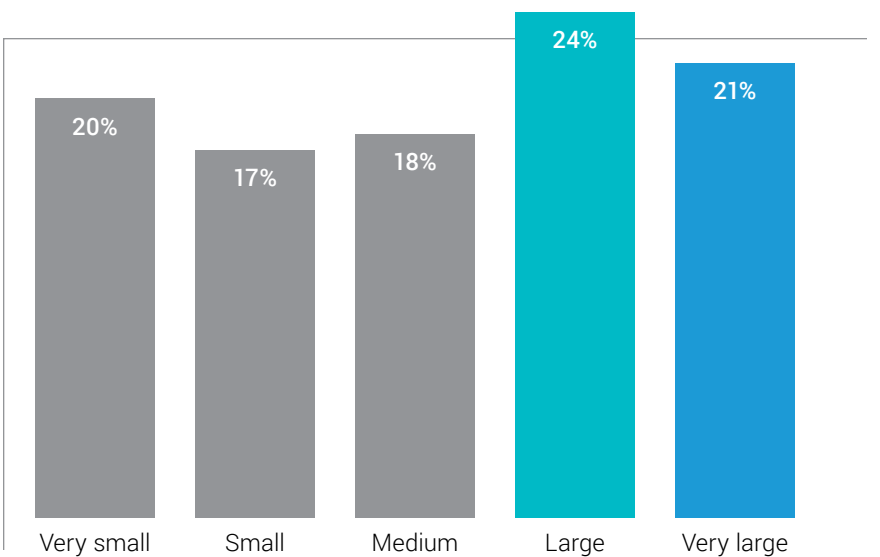
PERCENT OF MENTIONS



What size system does your facility serve?

The system size served by respondents facilities is spread out fairly evenly from very small to very large.

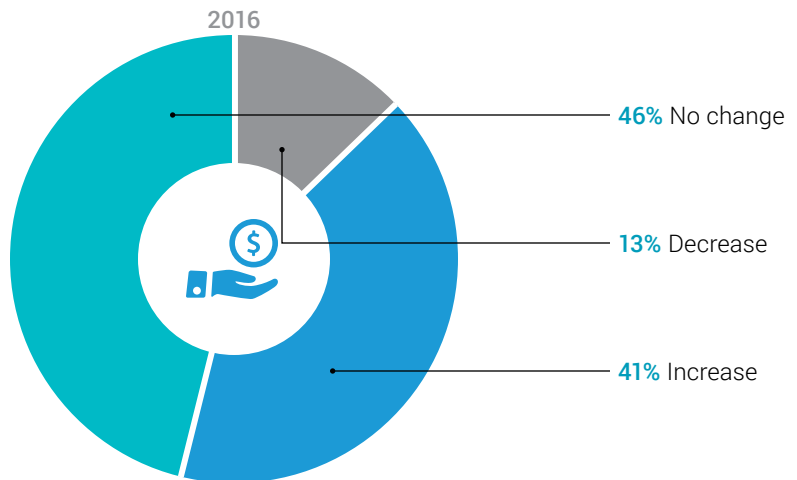
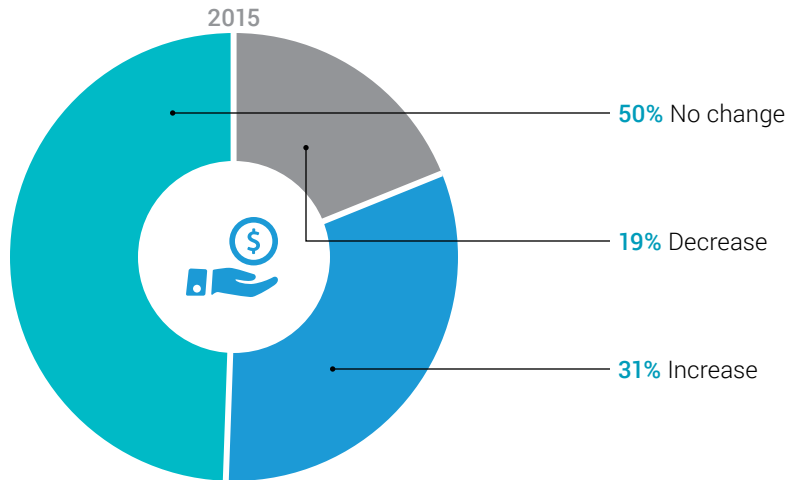
PERCENT OF MENTIONS



How has your organization's revenue changed in 2015 compared to last year, and how do you expect it to change in 2016?

Almost one-third (31%) of respondents reported an increase in revenue this year compared to 2014. More than four in 10 (41%) are expecting an increase in revenue next year over 2015 numbers.

PERCENT OF MENTIONS

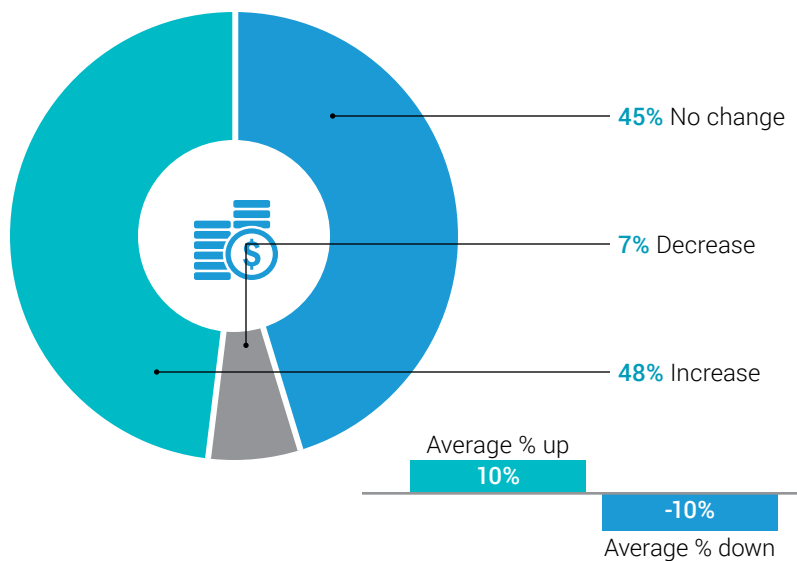


How has your total operating cost changed from 2014 to 2015?

Almost half (48%) stated that their operating costs have increased when comparing 2014 to 2015. Seven percent stated that their operating costs decreased and 45% said they were unchanged.

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

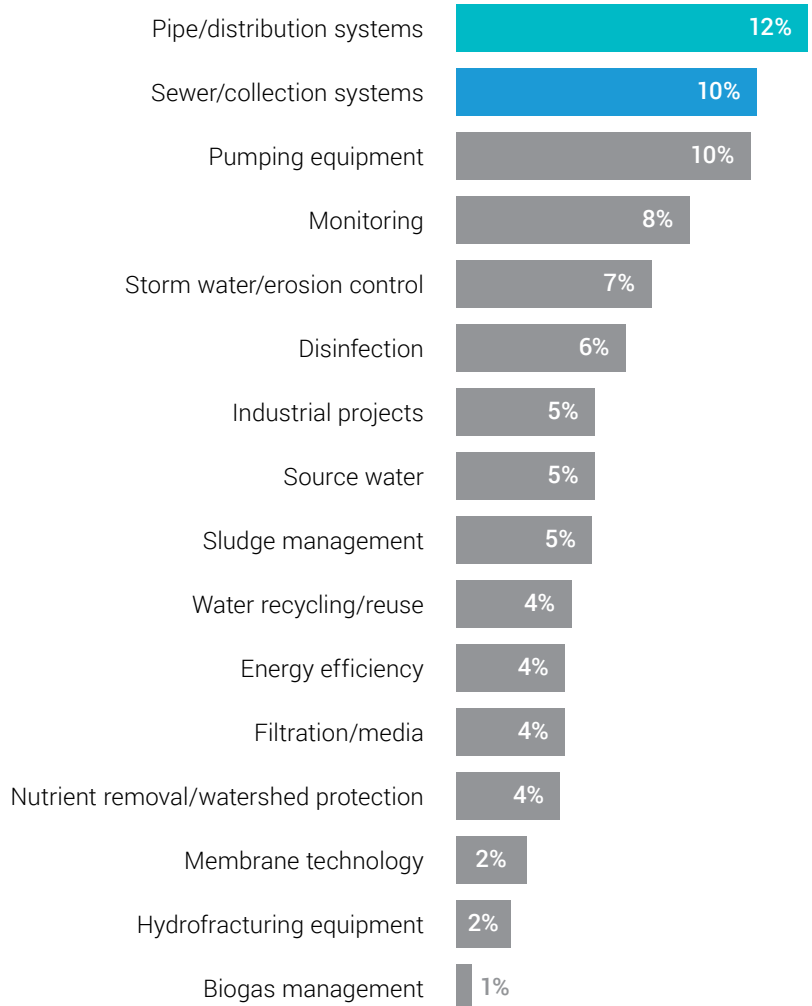
AVERAGE PERCENT



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 pipe/distribution systems over the next 24 months. This will account for 12% of budget expenditure. Sewer/collection systems and pumping equipment are the next highest expenditures, with 10% allocated to each over the next 24 months.

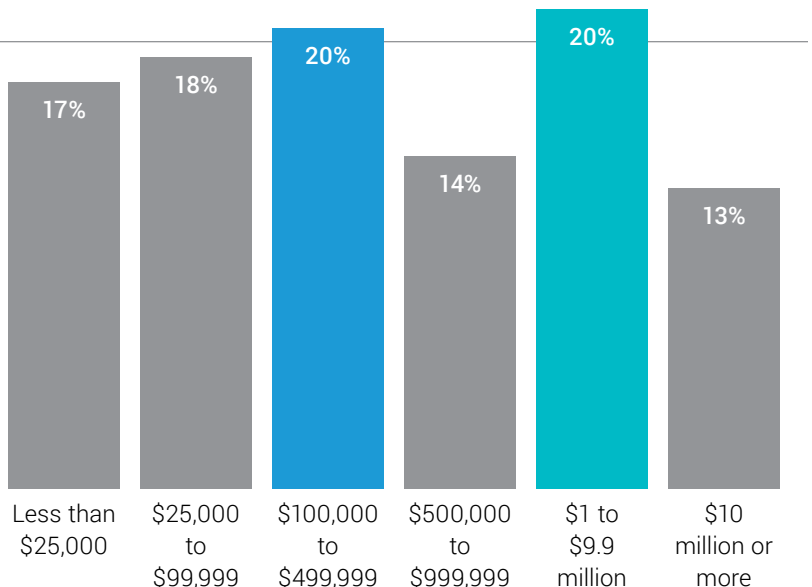
AVERAGE PERCENT



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

The average budget for water-related products and services at reader companies is currently \$2.6 million.

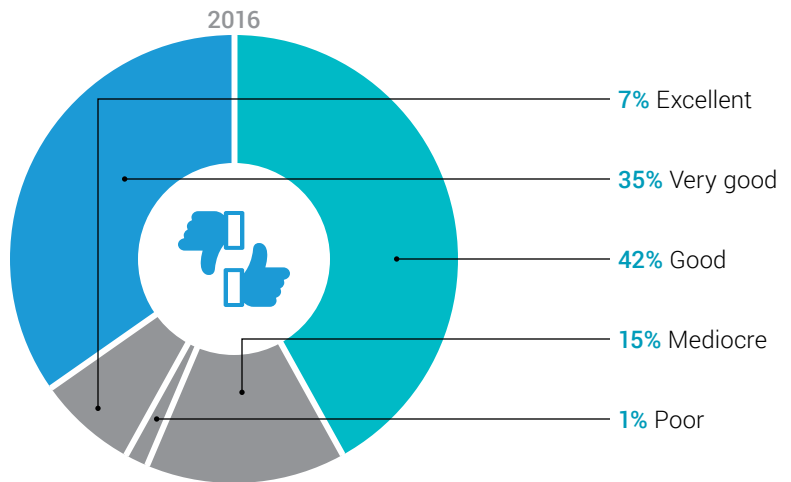
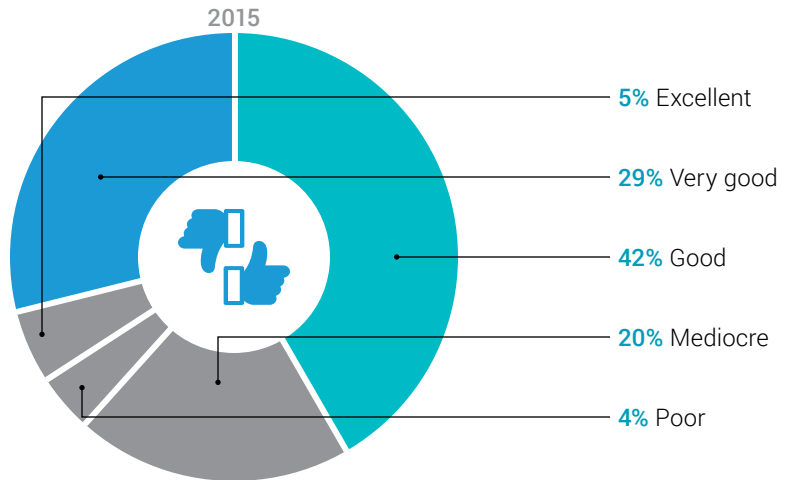
PERCENT OF MENTIONS



How do you rate this year (2015) and what do you expect to rate next year (2016) as a business year for your company?

More than three-quarters (76%) rated this year as good or better, with 5% stating it was excellent. Even more rated next year in a positive light, with 84% expecting it to be good or better and 7% stating it will be excellent.

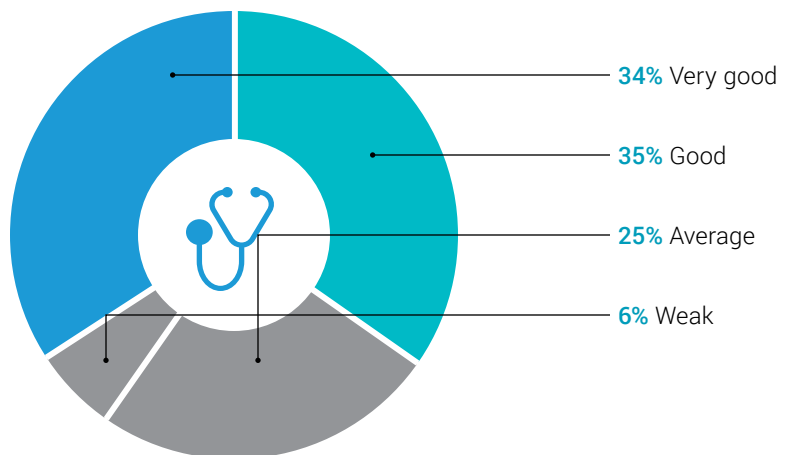
PERCENT OF MENTIONS



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

More than two-thirds (69%) of respondents rated the health of their firms as good to very good. Just 6% thought current firm health was weak, and no one thought current health was very weak.

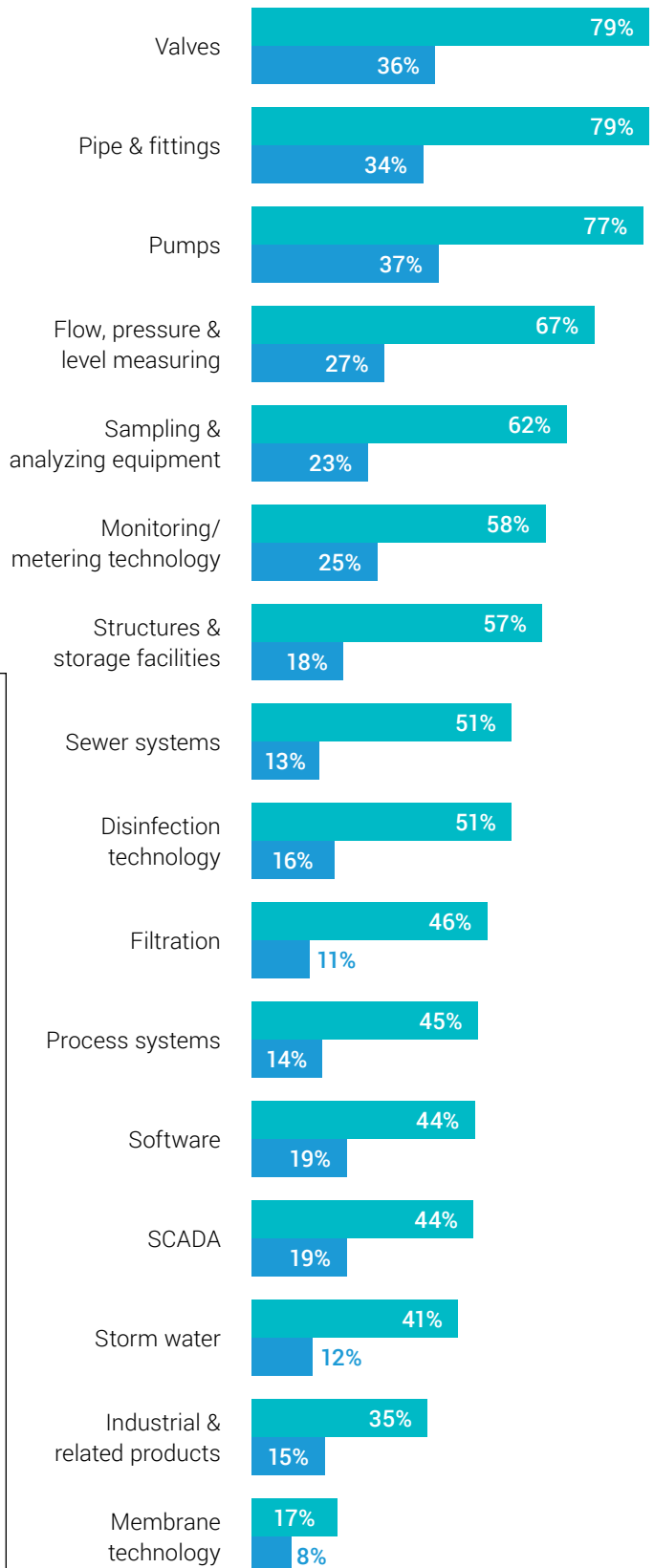
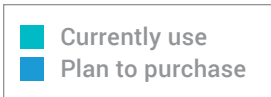
PERCENT OF MENTIONS



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 of respondents are currently using valves, pipe and fittings, and pumps. More than two thirds (67%) are currently using flow, pressure and level measuring equipment, and 62% are using sampling and analyzing equipment. More than two-thirds are planning to purchase pumps, valves and pipe and fittings within the next 24 months.

PERCENT OF MENTIONS



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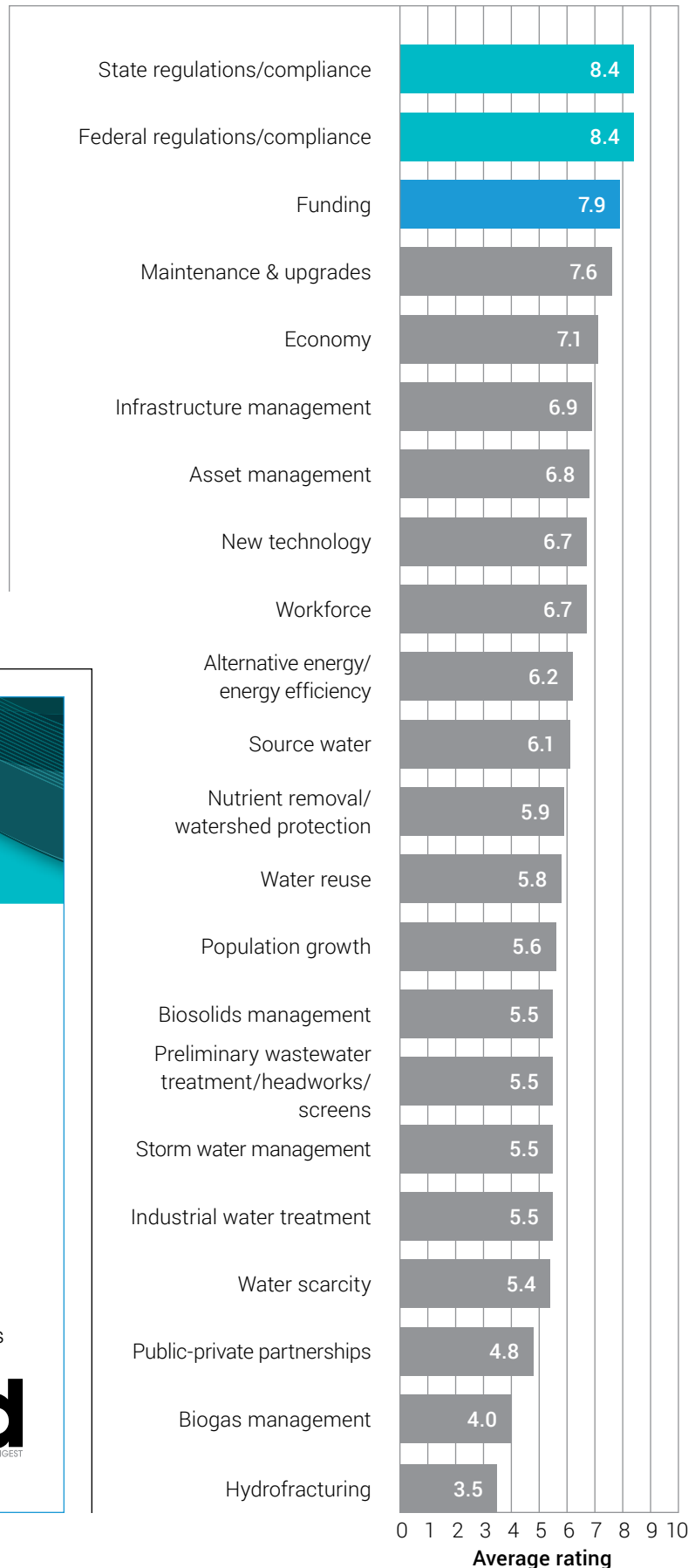


* Offer expires 12/31/15

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/compliance were the highest rated in importance. Each received an average rating of 8.4. The next most important topic was funding, with a rating of 7.9. Maintenance and upgrade received a rating of 7.6, followed by the economy with an average rating of 7.1.

PERCENT OF MENTIONS



W&WD 2015 STATE OF THE INDUSTRY REPORT

IT'S READY FOR YOU AT WWW.WWDMAG.COM

Information you need to know from independently surveyed W&WD subscribers, including:

- Revenue shifts & projections for 2016
- Plans to upgrade existing or build new water/wastewater facilities
- Approximate yearly budget for water-related products/services
- Products planned for purchase within the next 24 months

and much, much more.

The W&WD 2015 State of the Industry Report provides the answers to questions you would want your clients to answer — and it's waiting for you to download now at www.wwdmag.com

