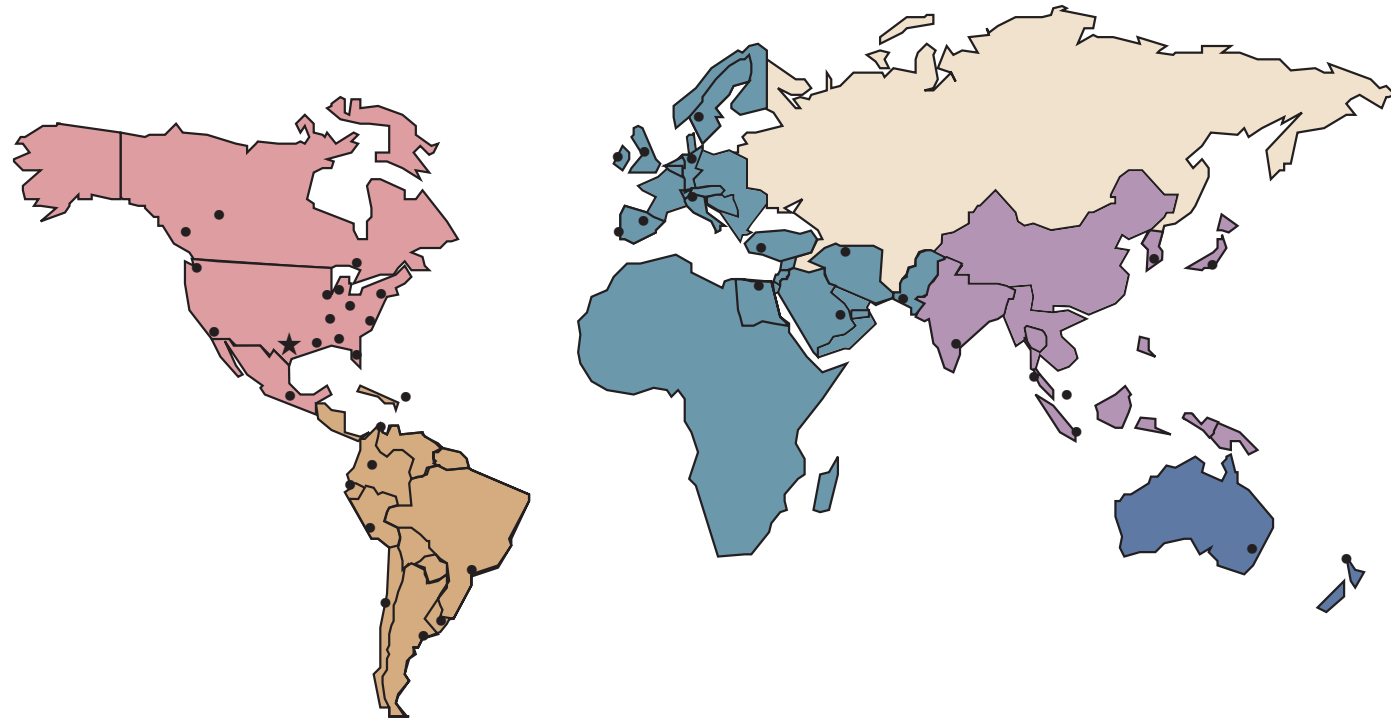




Flow Solutions Division

*BW Seals
Durametallic Seals
Pacific Wietz Seals
Pac-Seal*

Global Presence/Local Support



Take the next step for greater productivity and increased profitability...

Backed by over eight decades of experience in industry, Flowserve Flow Solutions Division is uniquely positioned to help you increase your profitability through strategic alliances worldwide. Our cooperative product and service alliances are designed to increase mechanical seal reliability, reduce long-term plant operation and ownership costs, improve product standardization, inventory and transaction operations. Our ultimate goal is increased profitability for both participants in the alliance. Call us today, or visit our website at www.flowserve.com for further details.



Flow Solutions Division
*BW Seals
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Worldwide Headquarters • 222 West Las Colinas Blvd., Suite 1500
Irving, TX 75039 USA • Phone: 972-443-6500, Fax: 972-443-6800
Quick Response Centers and sales offices located worldwide.



Flow Solutions Division

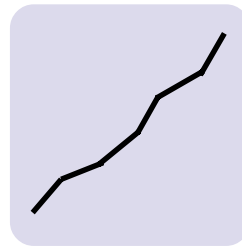
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During the past decade, we have helped over 150 **strategic alliance partners** lower their rotating equipment ownership costs.

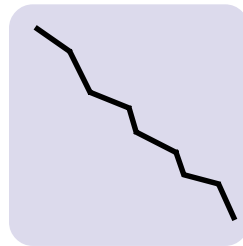


Let us show you how...

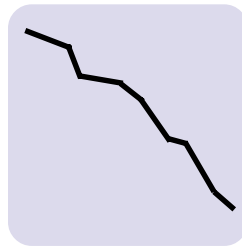
The Flowserve Strategic Alliance Program can correct and prevent unnecessary equipment failures before they impact your bottom line.



MTBF (Months)



Seal Inventory



Maintenance Costs

Flowserve is the proven leader in Total Life Cycle Cost Seal Alliances. And we have the documented results to prove it. Flowserve Flow Solutions Division has helped improve seal performance with more than 150 alliance sites worldwide, providing increased Mean Time Between Failures (MTBF), lower operating costs and a stronger bottom line for our alliance partners.

The Strategic Alliance Program is an “all things considered” maintenance program

Unlike traditional purchasing agreements, the Flowserve Strategic Alliance concept is a reliability-focused process to help keep customer equipment running and plants operating. This alliance begins with a complete survey of all rotating equipment and application variables. The survey, including all equipment numbers, process conditions and equipment failure history, is maintained in Flowserve’s Survey Information System (SIS) for the duration of the agreement.

Following a detailed analysis, and based on mutual agreement, a mechanical seal standardization is developed throughout the alliance location. An inventory management program is also established based on this standardization, which will reduce inventory through just-in-time (JIT) mechanical seal availability. Customized training and technical support round out the total program for improved long-term equipment reliability and increased Mean Time Between Failures.

The result: Fewer equipment failures, less downtime, less inventory, and increased overall profitability.

Key elements of a successful partnership—shared responsibility and mutual goals

Flowserve Strategic Alliance Programs are custom-designed to meet your specific objectives and requirements. It is a joint, cooperative effort in which your plant employees and the Flowserve Flow Solutions Division share responsibility in improving reliability and reducing total life cycle costs.

Strategic Alliance Programs are based on mutually compatible goals established between the plant owner and Flowserve so that both parties perceive the agreement as fair, with the right and responsibility of holding each other accountable. Performance indices are established to measure program success, with regular review of Key Performance Indicators to assure program goals are

met. Within this agreement, both parties focus and commit to reducing costs associated with doing business together.

Unlike traditional vendor relationships, where suppliers try to sell more products and purchasers try to buy fewer products, the Strategic Alliance Program is designed to minimize purchases and reduce costs in exchange for greater product standardization and market share.

Mission Statement:

Flowserve will assist the user in reducing long-term costs of mechanical seals and costs associated with rotating equipment in exchange for a commitment to market share growth.



Select from three source agreement levels

Three agreement levels are available under the Flowserve Strategic Alliance Program:

- Primary Source Agreement
- Preferred (Dual) Source Agreement
- Fixed Fee Source Agreement

All three agreement levels include equipment surveys, mechanical seal standardization plans, performance monitoring, inventory programs, as well as training and technical assistance as required to reduce operating costs. Each agreement level offers unique advantages, opportunities and responsibilities, yet provides a flexible program that is adaptable to your specific needs.

• **Primary Source Agreement**—Includes a JIT seal inventory program, at no extra charge; initial new unit incentive discount; discounts on Flowserve educational services; plus, possible participation in new technology/development projects. Flowserve will also provide an increased incentive for each additional site that signs up for a Primary Source Agreement. *Requirement: commit to increased Flowserve market share over time, with Flowserve products specified on all new purchases and expansions.*

• **Preferred (Dual) Source Agreement**—Inventory program on seals provided for a fee; initial new unit incentive discount. Preferred Source Agreements may be upgraded to Primary Source Agreement programs. *Requirement: commit to increased Flowserve market share over time, with Flowserve products designated as the preferred source under a “one-of-two-choices” policy.*

• **Fixed Fee Source Agreement**—In exchange for a fixed annual fee, Flowserve will manage a site’s mechanical seal program and agree to improve equipment reliability, including committing to an inventory program commensurate with the user’s needs. *Requirement: user agrees to specify Flowserve products on all equipment expansions or new rotating equipment purchases.*