2009: A Look Ahead

Industry professionals share their thoughts on what's in store for the water treatment industry in 2009

Although 2009 is only just beginning, it looks as though it will be another challenging year. But with challenges come opportunities, and there will be plenty in the year to come. *Water Quality Products* asked various industry professionals to provide their insight on the current state of the water treatment industry and issues that will have an effect in the coming year.

Peter J. Censky
Executive Director

Water Quality Association
***tel:** 630.505.0160*
***e-mail:** info@wqa.org*

How to Survive*…and turn a turbulent economy into an advantage*

These are the questions we are all asking ourselves as we face a climate where the only certainty is challenge ahead. Our industry will be confronting not only the same economic realities as everyone else but we will also have to continue to respond to legislative and regulatory threats.

In my travels and discussions with many of you, I've come to believe that now is not the time to simply retrench. Rather than focusing on forecasted economic numbers and revisiting the anxieties many experts have offered, we need to get down to the business of finding solutions.

Many of us have faced troubling times before, and there are strategies for success that can be employed. Through the WQA Aquatech USA 2009 tradeshow and other resources, we are working to help bring you some of these approaches.

Our tradeshow will take place March 17 to 21 at the Donald E. Stephens Convention Center in Chicago (Rosemont), Ill., where we will hear from professionals in our industry who have weathered challenging times in the past. There will be a special focus on diversifying into the commercial and industrial markets and finding other ways to not just survive but to pull ahead.

In addition to the Industrial Speed Dating networking event, an industrial pavilion will also be featured at the show, allowing companies to highlight products for the industrial market. Our business education will focus on thriving in difficult times.

Like most of you, the Water Quality Association (WQA) has been reworking our own operation. You may have seen our new resources to provide you useful information. I invite you to take advantage of our new "News You Can Use" feature for members on our website, www.wqa.org.

We have also begun pulling together an informal focus group for those in the industry to talk about dealing with hard economic times and other issues of importance. A summary of our discussions is available online. Another new tool, WaterLog, offers you a quick, to-the-point look at issues of the day.

One positive development I think we may see for water treatment this coming year is the release of more studies that will educate the public on what is in their water. Pharmaceuticals in the water will likely continue to be an issue. Additionally, the National Ground Water Association is working to educate the public through upcoming studies and media relations.

As you all know, we faced a major threat to water softening with the passage of AB 2270 in California, a bill that would have led to widespread banning of softeners across the state. Fortunately, a coalition of opposition led to the bill being vetoed. The WQA and other industry leaders are now working to face the next threat. We fully expect that California legislators will make another attempt at a bill similar to AB 2270. Instead of constantly responding to new perils, we are shaping a strategic approach to get ahead of the issue.

Through the Water Quality Research Foundation, we are also conducting two major studies to help quantify the benefits of softened water and to provide cost and performance data about water hardness related to laundry detergents and automatic dishwashers. We will also continue to move forward with the joint study looking into what effect, if any, water softeners have on septic systems.

Joe Doss
President

International Bottled Water Association
***tel:** 703.683.5213*
***e-mail:** jdoss@bottledwater.org*

2009: Busy Year for Bottled Water

The outlook for the bottled water industry in 2009 has every indication that it is going to be another busy year at both the state and federal level. Certainly a continuation of environmental issues, which began in earnest in 2007, looms large for water bottlers next year in the areas of labeling, taxes and groundwater resource management.

The International Bottled Water Association (IBWA), in conjunction with the National Recycling Partnership, is evolving into one of the leading voices for encouraging and expanding municipal single-stream curbside recycling. We are active in a food industry pilot program in Hartford, Conn., and preliminary results are promising: intake of recycled materials in Hartford has doubled so far. Full results will be available in May 2009.

Environmental concerns over landfill capacity and oil usage needed to produce plastic containers has instigated a backlash against plastic containers on both a federal and state level, even as the bottled water industry has pushed ahead with light-weighting plastic containers, streamlined transportation and reducing our carbon footprint wherever possible.

In Congress, we expect further consideration of Rep. Edward Markey's (D-Mass.) "National Bottle Bill," which calls for the establishment of a national deposit law of five cents for many beverage containers, including bottled water. Some states, for revenue-enhancement purposes as much as environmental reasons, are looking in 2009 to expand or establish bottle deposit bills. Of the several states looking at this type of legislation next year, some would expand bottle deposit bills to include bottled water and others would institute a new deposit program on many popular beverages including bottled water. IBWA opposes bottle deposit bills because they are costly, place onerous burden on both consumers and merchants, and they are at cross-purposes with more reasonable and efficient recycling efforts, such as curbside.

As in other years, groundwater protection legislation is under consideration in several states. Following this year's successful passage by Congress of so-called "Annex 2001" legislation to protect the Great Lakes basin from large-scale water withdrawals, an issue fully supported by IBWA, we will see four states in the region now move to pass implementation language. Six states are expected to review how they regulate groundwater withdrawal reporting, water management district diversions and moratorium of withdrawals pending local approval.

In 2009, Congress is expected to return to legislation proposed this year by Senators Frank Lautenberg (D-N.J.) and Barbara Boxer (D-Calif.) to mandate that bottled water labels contain information above and beyond the Food and Drug Administration's

Joe Doss
President

current requirements. This legislation is modeled after municipal water systems' Consumer Confidence Reports, an annual report to customers on water quality. The industry fully supports consumers' right to know, but recognizes there is a lack of consumer demand for this information. The better way to make water quality information available is to provide company telephone contact information on the label where concerned consumers can be directed to the data they seek. With continued scrutiny from Congress and environmental groups, additional consumer disclosure and labeling bills in several states should be expected during 2009.

In Chicago, IBWA's ongoing litigation against the city's improperly enacted bottled water tax will continue into 2009. IBWA sees several states that could move toward taxing plastic water bottle containers, some for general revenue, others earmarked for state water programs. IBWA is steadfast in resisting tax proposals and will remain so in 2009.

Jeff Roseman, CWS-VI
Owner

Aqua Ions Plus+ Technologies
tel: *219.362.7279*
e-mail: *jeffrey@aquaionplus.com*

Moving Ahead in '09

This past year was a tough year for many businesses, but with the Presidential election now behind us, and Wall Street being rescued by U.S. taxpayers, maybe the economic downturn in the water industry can begin to flow forward. It will be hard to predict what impact home mortgages will have on our industry, but hopefully new home starts will spur growth.

At the time of writing, the economy was in terrible shape as the stock market had just finished its worst week ever. It would be easy to say that everything will be fine, sales will grow as the housing market will turn around, car sales will rise and the whole economy will jump start and move forward, but at this time it does not look favorable.

We should be optimistic and predict sales increases, but let's also make a few points to understand where more sales will come from with a shift in marketing and what water dealers can do to help tighten costs. I feel that the sales demo is old-fashioned and that customers would rather go to franchises that have set up showrooms and educate consumers from walk-in sales pitches.

Another big shift will be Internet sales and softening systems being shipped in pieces from suppliers and assembled by the consumers themselves. Easy-to-follow instructions and videos will make Internet sales simple and less expensive for dealers because there will be less time in closing the sale, no appointments to set up and time and money savings with no installations.

Another big change businesses will be making—whether they are large corporations or small entities—is down-sizing, or what a friend of mine calls "right-sizing." Businesses will only employ the number of needed employees with no additional baggage. They will be stripping away the fat and run lean, mean, profit-making machines. Employees that do not fit the business and are not producing will be let go because the labor pool will be larger and job hunting will be more aggressive as people look for work and launch new careers.

The economy will eventually prevail and strong businesses will emerge in a new direction. Global markets will open, and imports and exports will play a larger role in a global economy. The stock market will level, housing markets will prosper, the auto industry will materialize and fuel costs will recede. Manufacturers must realize that if their products and services are not affordable, they will lose money. Simple economics of supply and demand will lead the forefront of a recession recovery.

Tom Bruursema
General Manager

Drinking Water & Wastewater Treatment Units Program
NSF, Intl.
tel: *800.NSF.MARK*
e-mail: *bruursema@nsf.org*

The Future of Standards & Certification

Year in and year out we see the interest in drinking water quality and protection remain a key point of interest for consumers worldwide. It is a fundamental issue that will continue to demand greater attention as we understand and appreciate its relationship to our health and environment. This is accelerated more by the continued growth and expansion of previously underdeveloped markets, fueled by information access and thus awareness, introducing new consumer markets. All of this translates into long-term opportunities for the drinking water treatment unit (DWTU) industry. In the rapidly changing market in which we live, anticipating future trends is a challenge, but there are some predictable areas that are of keen interest to the future of the business.

Endocrine Disrupting Chemicals

The March 2008 *Associated Press* article raised new awareness of a relatively old subject. Old in the sense that for many years there has been a growing volume of published research about the presence of these chemicals in drinking water, and new in that few consumers were aware that such chemicals existed in their publicly treated drinking water supplies. The highly publicized article changed the latter very quickly, leading to action by many to understand this issue more clearly.

For the DWTU industry, it became clear that this is a new area of concern among customers. As has happened many times, companies seek to bring rapid solutions to emerging water quality issues. This one is no different, and like in the past, the industry understands the need and value in bringing credible products with demonstrated claims to give consumer confidence in meeting their concerns. This category, however, introduces new challenges, such as:

- Concentrations in the parts per billion, parts per trillion and beyond;
- Analytical methodologies that are not yet well established for many chemicals at exceedingly low concentrations;
- An absence of aesthetic effects, and questionable and undefined health effects;
- A category of chemicals that is likely to number in the thousands; and
- Sparse data to define the scope of occurrence of specific chemicals and their concentrations.

We can expect that these issues will be a continued focus in 2009 as new test methods and standards are considered for this emerging category. NSF has established a Task Group under the NSF Joint Committee on Drinking Water Treatment Units, the committee responsible for development and revision of the NSF/ANSI Drinking Water Treatment Unit Standards, to focus solely on standards for this group of chemicals. The group has met several times and continues to formulate both near and long-term goals for establishing proper test procedures and compliance criteria against which companies can achieve certified reduction claims.

Water Recycle & Reuse

Moderate to exceptional drought conditions were reported in the U.S. during 2008, hitting large areas of the central and southeastern regions. Other parts of the country, particularly the southwest, have long dealt with this issue, as have many countries around the world. The result has been a growing industry that provides collection and treatment of alternative sources of water, including rainwater and direct recycling and reuse of treated residential wastewater.

In the past couple years, it has been the water softener brine discharge issue that has brought drinking water and wastewater treatment industries together. While this issue remains controversial, the same two industries now face another area of potential overlap and opportunities. The DWTU industry is not new to treating water of unknown quality to the point of safe consumption; however, taking that down a notch to treatment of sewage has generally not been a market many have ventured into. Conversely, the onsite wastewater treatment unit industry has long served that need with advanced technology, and with use of treated water in lawn irrigation and other limited reuse applications. Now the question has arisen as to the linkage between the two industries that can span the scope of varying water quality inputs and required outputs that allow for a much broader range of application for recycled and reused water.

NSF has had standards for more than 30 years that deal in both residential drinking water and wastewater treatment technologies and claims. In 2008, the individual Joint Committees responsible for each began a collective effort to consider how a new set of standards can be developed that bridge both industries, and thus the range of recycle and reuse opportunities. This will be a focus for 2009, as driven by many companies already looking seriously at this emerging market.

Sustainability

Green is the color of money, and going green is likely to impact the future of all industries. The pace is hard to predict, but the attention to this subject is gaining momentum rapidly. We have seen it recently in focused areas, such as the EPA WaterSense and the U.S. Green Building Council Leadership in Environmental and Engineering Design (LEED) programs.

The term sustainability is still being defined by many industries as adapted to its manufacturing practices, and the same will be true for this industry. NSF has worked to establish sustainability standards in several areas, including those for furniture, floor coverings and carpet and rugs.

At the most recent NSF Industry Forum and Joint Committee meetings, the subject of sustainability was discussed. It was agreed that a standard for the industry should be considered and a task group was established. Discussions in 2009 will lay the groundwork for what will become an important development in the DWTU industry green initiatives.

Emerging Markets

Each new year brings continued expansion of standards and regulations in new markets. It was no different in 2008. New to the growing list of countries with regulations for DWTUs was Thailand. We can expect more of the same in 2009. Other countries in Southeast Asia are likely candidates to move forward, following in step with Thailand and the Philippines. Malaysia is one such country that is expected to take action soon and met with NSF recently to discuss adoption of the NSF DWTU standards.

Both China and India are markets of current activity. China has efforts underway to revisit its standards and has again sought NSF input. India is less clear on its direction, but momentum is building within the industry for progress, particularly since very few standards exist today for the DWTU market.

While we all look to 2009 for positive economic changes in the global market, many of the issues that affect change remain out of our immediate control. Conversely, the issues discussed above can and will be driven locally by those individuals and companies that see the future trends of the industry. They represent the new driving forces that will impact the DWTU industry directly in 2009 and years to come. They are important developments that NSF will remain at the forefront, and through industry participation and support will meet the new challenges and opportunities of our markets. *wqp*

For more information on this subject write in 1011 on the reader service card.

WEB RESOURCES

Related search terms from www.waterinfolink.com: business, regulatory/legislative, bottled water, certification

For more information related to this article, visit www.wqpmag.com/lm.cfm/wq010901