

A Complete Product Offering

An Interview with Gretchen McClain, President,
Fluid Technology Group, and Vice President, ITT Corporation, White Plains, New York



Gretchen McClain

EDITORS' NOTE A graduate of the University of Utah in Salt Lake, where she earned her bachelor's degree in mechanical engineering, Gretchen McClain began her career in the commercial aerospace industry, and spent nine years with the National Aeronautics and Space Administration as Deputy Associate Administrator for Space Development. There, she was responsible for a \$2 billion annual budget, and oversaw the successful development and launch of the International Space Station Program. In 1999, she joined Allied Signal, Inc., which later became Honeywell International, Inc., and served in a variety of positions, eventually becoming Vice President and General Manager of the Aviation, Helicopter, and Commercial Electronic Systems Group. She joined ITT as President of Residential and Commercial Water in September 2005. In April 2007, she was promoted to her current role as President of the Fluid Technology Group, with responsibility for ITT's \$3.1 billion fluid business portfolio. She is the recipient of many leadership awards, including the NASA Distinguished Service Medal.

COMPANY BRIEF Based in White Plains, New York, ITT Corporation is a global engineering and manufacturing company, offering a range of engineered products and services. Its three business segments are Defense Electronics and Services, which develops, manufactures, and supports electronic and communications systems and applied engineering for worldwide defense and commer-

cial markets; Fluid Technology, a global provider of fluid systems and solutions for the water, wastewater treatment, building trades, and industrial and process markets; and Motion and Flow Control, operating in the leisure, marine, transportation, and aerospace market segments.

Can you give us a brief overview of ITT's Fluid Technology business and your outlook for growth?

ITT Fluid Technology is a leading worldwide manufacturer of water and wastewater products, primarily focused around the business services market. The products also fill the needs of adjacent markets, such as the municipal and general industrial markets, and irrigation. We're excited about our success, which we believe is driven by the strength of our brands, our technology, our channels to market, and our leading positions in attractive markets.

I'm very optimistic about our growth prospects across the board. We think that the strength of our ITT brand, coupled with our very strong product brands and focus on product innovation, will not only allow us to continue providing the most advanced solutions in our established markets, but will accelerate our growth in emerging markets by leveraging our broad product portfolio as well.

Is China a key focus for you?

Yes, we are seeing very nice growth in China. We have facilities in Shenyang and Nanjing, and we are in the process of building a new world-class manufacturing, engineering, and customer-support facility just down the street from our old Nanjing facility, that will give us the room we need to expand in China, as well as all over Asia. We are also focusing on areas in Eastern Europe and the Middle East, which we feel offer tremendous opportunity as well.

Does most of your foreign expansion involve partnerships and joint ventures?

Many years ago, our initial entrance in China was through joint ventures. Today, we are independently investing and are moving exclusively to 100 percent ITT greenfield facilities.

What's the most striking difference between what you do and what your competitors do?

Our product offering is more complete than that of any of our competitors. With the unique mix of pumps that we have, as well as valves; controls; package pumping systems; biological treatment; filtration; and disinfection

systems and accessories; our portfolio is second to none. So that does give us unique positioning in the marketplace. We also offer our customers the opportunity to experience the best training programs in the industry for the proper application and maintenance of those products.

What impact has technology had on ITT's products and customers?

In 2006, 25 percent of our sales came from products that we developed over the last three years. So technology and innovation play a critical role in our growth. Our customers benefit from technology in three areas: energy efficiency, ease of installation, and improved system performance. Looking forward, the need for real time information from our equipment will be key. We have the ability, through integrated control technology, to ensure that the right water quality and quantity is delivered when and where it is needed.

These days, there are many opportunities for top talent. Do you find that talented graduates are attracted to opportunities at ITT?

Attracting new talent is always a challenge. However, our industry is growing, and it's attractive given its global nature. ITT is a top-performing company – we are global, and we are striving to be premier in this exciting market. That sets the stage to attract young, energetic, and strategic thinkers. We are also bringing new talent from other industries that have experienced the changes we are now seeing in our industry, to help lead us successfully into the future.

What are the key challenges you face in your new job?

We are a global business, and our ability to leverage our collective strengths is always difficult, but essential to being the best. Leveraging our supply chain globally, dealing with conflicts in our established channels, and properly aligning our investments are the challenges we face as we transform from several independent businesses to become one integrated global business.

What do you think the people with whom you work closely would say about your management style?

I hope they say that I have a style that attracts people who are intellectually curious, and who want to broaden their thinking, and their passion around continuing to improve. My style is open, designed around people and discipline, ensuring alignment, and pushing people outside their comfort zones. ●