

September 2009 – Houston, Texas

FOR IMMEDIATE RELEASE

PITCO Ships Second Piece of EMI Equipment to WUXI Seamless Steel Pipes – (WSP) Houston OCTG Group, Inc., Houston, Texas

WSP Houston OCTG Group, a major finishing mill for seamless OCTG pipes, is installing their second PITCO EMI machine at their facility in Houston, Texas USA. WSP Houston OCTG Group is currently completing an update to their Houston facility by increasing capacity and manufacturing services. During Phase 1 of the project, efforts have concentrated on the finishing mill and final quality control inspections.

“The PITCO MFL inspection equipment was chosen for the exceptional overall value and performance qualities,” said Mr. Jugin Zhang, chief engineer with WSP Houston OCTG Group, who performed the system evaluations. “We looked at many vendors and many technologies from all around the world and are satisfied that PITCO’s equipment has more advanced capabilities than other similar equipment available to us. Our business is very competitive, and PITCO’s equipment provides us with technological advantages as well as significant cost savings.”

For more than twenty years the OCTG inspection industry has been focused on improving ultrasonic inspection technologies (UT). Improvements to MFL inspection technologies for OCTG pipes were

almost entirely ignored to make way for these advances in the UT industry. As a result, almost all of the MFL inspection equipment in use today still relies heavily on technology that has been around for forty years or more.

Since UT technologies have been the focus of the industry's investment, many OCTG inspection equipment vendors are simply repackaging old MFL technology and offering it as their new version, having made little or no investment to improve the product technology.

PITCO's focus has been exclusively on advancing MFL inspection methods and technologies in the OCTG industry. PITCO engineers have developed improved mechanics, advanced inspection sensors, specialty digitalization systems, sophisticated software algorithms, and the most advanced signal processing system available to the industry today. These milestones, along with a simple desire to provide the best, have allowed PITCO to become the benchmark of excellence in products and services in the OCTG MFL inspection industry.

Danny Uselton, president of Scan Systems Corp., PITCO's parent company, said, "The focus of PITCO for the past ten years has been to evaluate current inspection technologies, research improvements, and apply successful developments to create better products and software associated with Magnetic Flux inspection of OCTG pipes. Due to small markets, some competitors have simply chosen to move

completely away from MFL technologies, and concentrate on the higher-priced, higher-profit UT technologies. This has forced a lot of our competitors' end users to compete in the world market with twenty, thirty, or even forty-year-old MFL equipment.”

All operating companies under the Scan Systems umbrella are dedicated to solving specific problems in very narrow markets. “There are several quality vendors of ultrasonic systems in the world today. However, except for PITCO, we know of no other company that has stepped up to the plate and committed to MFL systems and technology like they have,” said Mr. Uselton.

“We understand you can't be the best at everything you do, no one can. But you can be the best at a few things that you practice and specialize in,” commented Matt Rutledge, vice president of Scan Systems Corp. “As such, we chose MFL and EMI inspection methods as PITCO's primary focus, and to that ideal we committed to be the best.”

“We are very proud of our association with the WSP Houston OCTG Group and their parent, WSP Holdings,” commented Mr. Rutledge. “This is the second of several pieces of equipment PITCO will install in the US, China, and around the globe this year. This technology and product line is having a positive impact on the OCTG industry, and we are working on even more advancements to introduce soon.”

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