



Acquisition without Disruption

Northern Engineering Employees Pleasantly Surprised by Stability and Continuity

Northern Engineering Ltd. was founded in 1983 in Sheffield, England, and has become a leading producer of technical sealing components. The company is known for its encapsulated o-ring products, which are used in a range of chemical and pharmaceutical applications. It also manufactures a wide range of extruded, molded, and custom-molded o-rings that are sold through a global distributor network.

A TRADITION OF TECHNICAL EXCELLENCE

At the beginning of 2006, 76 employees worked at Northern Engineering in its U.K. and Florida, U.S. locations. The company was leveraging its strong technical expertise to continue a tradition of stable, year-over-year growth.

"I had been with the company for almost ten years," said Jayne Atkins, commercial manager for Northern Engineering in Sheffield. "Our employees are close-knit, and when we first learned of the pending acquisition by Sanders Industries, naturally we were a bit apprehensive." Employees were concerned about changes to their job responsibilities, the company, and the possibility of losing their jobs—all legitimate concerns for employees of an acquired company.

THE BEST CHANGE IS NO CHANGE

When Sanders Industries completed the acquisition, the executive team flew to England to meet employees and ensure a smooth integration process. From Atkins' perspective, integrating the two companies' accounting and reporting systems required the most effort. Employees' roles remained virtually unchanged.

"The Sanders team was prepared to listen and work with us to integrate the accounting and reporting processes that were required to support the new acquired company," said Atkins. "Our roles and responsibilities have not changed much since the acquisition—the entire transition was fairly transparent."

Northern Engineering's founder still is integrally involved in managing operations, and the company has added employees, bringing the total to 83 and continuing its tradition of solid growth.

"Morale is very high," said Atkins. "If a company is being acquired by Sanders and employees are worried, my word of advice is 'don't.' Our goals are clear and we are moving forward as strongly as ever."