

ALLIED AP POWERS

An opportunity to acquire an established West Sussex medium sized, profitable, light engineering company specialising in fine limit sheet metal work.



Executive Summary

- ❖ Formed in 1971, the company currently occupies a 22,000 square foot factory in West Sussex.
- ❖ As the company has grown it has consistently invested in the most modern equipment available to provide high quality products at competitive prices.
- ❖ The in house team can assist with design and also provide prototype production together with full tooling and finishing facilities including powder coating, wet spraying, iron phosphate and plastic polymer pre-treatments for steel and aluminium and stove enamelling.
- ❖ The company is fully committed to quality production. BS5750 accreditation was gained in 1994, one of the first engineering companies in the UK to achieve this.
- ❖ ISO 9001:2000 was awarded in February 2002. The company believes that this focus on quality and production accountability has assisted many customers with their traceability requirements.
- ❖ The company has consistently gained a 97%+ rating in terms of timely delivery, quality and minimisation of rejects for five of its major customers, independently assessed by the companies concerned.

- ❖ A purpose built Paintshop has been incorporated to provide customers with a "one stop" facility, to finish metal production, as well as offering a Paint service to other manufacturers.
- ❖ The latest technology has been used to minimise the environmental impact of Painting. The in house team works with each customer to assist with compliance regulations surrounding paint finishes and to ensure that all possible is achieved with emission reduction.
- ❖ There is a significant inventory of equipment
- ❖ Fully integrated design through production system.
- ❖ A large proportion of the UK customer base lies within 100 miles of the factory.
- ❖ The company has customers from many industrial sectors and is therefore not exposed to the potential downturn in any particular sector.

Products and Services

- ❖ As well as fine limit sheet metal work, the company can provide silk-screening, laser profiling, spark eroding, electroplating, plastic moulding tools and casting, as well as bar-coded labels.
- ❖ The company currently produce a wide range of products for their customers, including:
 - Fascias, frames, chassis and brackets for the electronics industry
 - Stainless steel ovens and cleaning equipment
 - Frames for consoles and combustion units
 - Sub-contract work for MOD suppliers
 - Cabinets, desks and trolleys
 - Power press tools
 - Heat exchangers
 - Security guards
 - Air conditioning units
 - Medical Equipment
 - Scientific research benches
 - Filters
 - Acoustic Suppression units
- ❖ The company operates a Kanban system.

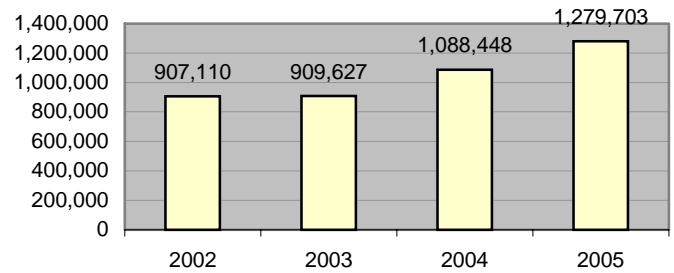
- ❖ Additionally the company has a collection and delivery service available within the main catchment area covering East and West Sussex, Hampshire and Surrey, as well as the London area.
- ❖ The CAD/CAM programming facility is able to receive data in Drawing Exchange Format (.dxf), via the internet or disk, enabling the information to be printed as full engineering drawings in house. It is also possible to receive drawings in many other formats including .dwg .idw .pdf .tiff .jpeg. This provides a virtually instant service for issue changes and quotes.



Current Position

- ❖ Having built the company to its current level, the owners now wish to retire and offer another company or person the opportunity to continue to grow the profitable operations from a very solid foundation.
- ❖ It is envisaged that as part of this transaction the business would be moved and or integrated with that of the acquirer.

Annual Sales (£)



Y/E 30 November	2002	2003	2004	2005
Turnover (£)	907,110	909,627	1,088,448	1,279,703
Gross Profit (£)	209,469	240,275	282,919	410,709

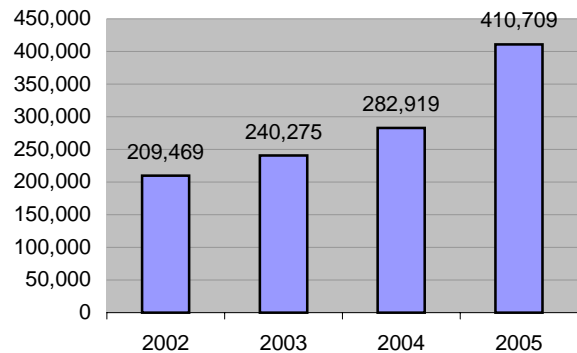
Staff

- ❖ There are 35 staff whose length of service varies from 31 years to a few months, the average being 5.8 years.
- ❖ The operation is run by the current owner who is seeking to retire as part of this transaction but would be available for a smooth transition to the acquirer.

Market Opportunity

- ❖ The company has built a solid business over the last 35 years by addressing consistent quality of output and investment in modern plant.
- ❖ The business would be attractive to either a local company looking to expand its customer base, equipment and workforce, or a company located elsewhere looking to grow its customer base and geographical position.

Annual Gross Profit (£)



Purchaser sought to acquire the existing company, comprising the reference and customer base, staff, physical assets and inventory.

**For further information
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