

TEAM ETHIC FINDS ITS BEARINGS

For Exalto UK, global manufacturer of quality marine bearings, takeover by a US company brought fresh investment and new attitudes. “The major strength I think I have brought to the company is the concept of working as a team,” said Business Manager Mark Chesher. Report from Colin Chinery.

18 months on from its US take-over, a radical combination of new investment and cultural shift has seen Derby-based marine and pump bearing manufacturer Exalto Bearings UK returning a 2017 Q1 sales increase of 54% and with standard lead times halved.

“We have changed our workforce’s attitude towards the business, while the introduction of manufacturing optimisation projects has had a significant impact on our ability to reduce our lead times,” said Business Manager Mark Chesher. “Our sales are the highest they’ve ever been and awareness of our business is growing.”

Exalto UK manufactures bespoke and standard sized high quality rubber-lined and composite cutlass bearings for use in rudder, shaft and stern gear applications. Since its formation in 1996, it has built a reputation for product quality and reliability, and a friendly and professional service with businesses in over 40 countries worldwide.

Acquisition triggers change

Then in January 2016 (when known as Exalto UK), it was acquired from its Dutch owners by Graphite Metallizing Corp (GMC). A specialist in tough bearings for the harshest operating environments, the

New York company added a new dimension to Exalto’s portfolio of bearing products.

And with Mark Chesher now installed as Business Manager, the trans-Atlantic take-over saw the rapid implementation of further fresh dimensions; new machinery – a Panstone 350-tonne compression press, a Colchester 1400 lathe, an XYZ CNC bed mill – DPM 4000, and a Cincinnati internal grinder and Herbert long bed lathe – improved production processes and a new marketing strategy.

And there was another component of change; the restructuring of the 20-strong workforce.

“Getting the right people doing the right jobs has led to improved morale and efficiency,” said Mr Chesher. “When I came here, I saw there was quite a cultural issue. The staff were isolated from the management and regulations necessary for the business to function in the correct manner were not taken seriously.” The business manager’s response was to pin a metaphorical ‘Enter’ notice on his office’s open door and start talking.

“First I got the team on board through a series of one-to-one interviews, getting to know each person’s strengths and weaknesses, listening and getting their input. In the past, they felt if they had put ideas forward they had not always received a response.”

“So I made sure when I took over that I would listen to their ideas and respond to them irrespective of whether we went with them or not. I gave them feedback on everything. This won their respect and got them on board with me. I also re-shuffled the team and assigned roles according to individual’s strengths not just experience.

“The major strength I think I have brought to the company is the concept of working as a team,” said Mr Chesher, a former Barrow-in-Furness shipbuilding engineering apprentice who moved on to work with light and heavy engineering companies in Britain and abroad. ▽



“We work and discuss things together. And while I have to make the ultimate decisions, I make sure every member of our team is involved, whether it’s the guy in despatch or one of the senior managers. Sometimes the best ideas are from people you don’t expect them to come from.”

Exalto Bearings UK’s clients range from major marine chandleries, leading propulsion manufacturers and ship repair yards to small marina shops and individuals needing a single bearing for their leisure boat.

“We supply customers of all shapes and size the world over and get new enquiries from new markets every day via our website.”

While standard marine bearings are stocked in a range of sizes for rapid despatch, Exalto also manufactures special non-standard sizes upon request, with ISO quality management – including the use of precision measuring equipment – ensuring rigorous pre-delivery inspection. A modular tooling system and the latest machinery means Exalto can respond speedily to urgent requests.

“We keep our stock shelf full and we’ve turned bearing orders around within 24 hours,” said Mr Chesher. “Stock is treated as a customer in its own right by our production staff, which means we have standard size bearings ready to go. We can respond to standard bearing requests with same

day despatch – essential for vessels paying dry dock fees which can be in their thousands per day.”

While the pump industry, which Exalto also serves, calls for bespoke, custom-made bearings, the marine sector requires more standardised cutlass bearings available quickly. “Because of this, we keep a large stock of marine bearings in naval brass, phenolic and GRP to ensure quick delivery.

Bearings for every occasion

“GMC manufactures bearings made from Graphalloy®, a self-lubricating graphite/metal alloy which thrives in the harshest operating environments where other bearings will fail – in the extremes of hot, cold, wet or dry – this adds another dimension to our bearing portfolio. As a result, we can now offer customers a bearing solution to suit any requirement.”

Beyond the traditional brass, phenolic and GRP rubber lined bearings, Exalto also offers composite Maritex, perfect for applications where rubber lined bearings aren’t appropriate such as for slow moving vessels with frequent stop-starts or the silt waters found in an estuary.

“Maritex is used industry-wide for its genuinely superior performance in high load/low speed applications,” affirmed Mr Chesher. “It’s not as well-known as



other composites having been developed and sold by a small Australian business not unlike ourselves. But its performance speaks for itself and as awareness grows so does its popularity.

“With Exalto – in contrast to the big international brands that we compete with – you get the personal service of a small business team committed to fulfilling your order. You only deal with one of two or three people, and once your enquiry has been quoted, they stay with you until you are happy with the bearing you’ve received.”

Exalto’s culture and values, said Mr Chesher, are formed around team work, a customer-first mindset, and honesty.

“We won’t give unrealistic delivery estimates so we won’t let you down. We would risk not securing an order by giving an accurate picture of a delivery rather than committing to a required delivery date we know is unachievable.”

Looking at market conditions recent and emerging, Mr Chesher is cautiously positive.

“It was very difficult during the last recession as the pump side of our business is reliant on the oil and gas industry which was massively affected.

“In turn, this impacted on the marine side of our business, since shipbuilders were not commissioned to make as many new builds. Oil platforms for example, require a number of support vessels so with these out of commission it affected the need for marine bearings. This took some time to recover from, but both industries are now moving forward again.”

Triple sales projected

Currently at a record high, Mr Chesher is aiming to triple sales by 2020 through a combination of manufacturing optimisation projects and continued investment in modern machinery, with cost savings from production efficiencies passed on to customers.

“We will continue with our apprenticeship programme to bring new thinking and talent

into the business; expanding sales and with a marketing strategy that includes new markets and distributors.

“Our sales are the highest they’ve ever been and awareness of our name, products and capabilities is growing.

“We are a small fish in a big market dominated by big American brands, but growing internationally every year in size and also reputation for quality, price, delivery and service – the kind of personal service that can only be delivered by a small business team.”



Mark Chesher, Business Manager

