

Magic touch

Beaufort International transformed Potter Electric Signal Company into a global wizard of fire and security power supplies. How? By implementing a sound acquisitions plan – and sprinkling a bit of magic dust!



During the Dark Ages, it was not uncommon for mysterious events to be attributed to spells and incantations cast by wizards and sorcerers. Today, however, the manifestation of magical occurrences in the fire and security industry can often be explained by two words: 'Beaufort International'.

In April, security industry watchers were astonished by the acquisition of Elmdene International by Potter Electric Signal Company of St Louis, Missouri. The deal was 'conjured' by Beaufort International, the global consulting firm specialising in initiating and executing strategic transactions in the fire and security industry.

Elmdene International, a British company based in Portsmouth, Hampshire, excels in the design and manufacture of vibration detectors, sounders and specialised power supplies used in CCTV, access control, and detection control panels. The company has grown strongly over recent years, as a result of the increasing importance of sophisticated power controls used in fire and security equipment.

Potter Electric Signal Company is a privately held US manufacturer of complementary fire and security products such as panic buttons, magnetic contacts and shock sensors made in

the US. The company also manufactures a well-known line of fire sprinkler monitoring systems and components, as well as fire and safety products marketed under the Amseco brand.

The financial consulting firm responsible for putting the deal together was Beaufort International, a major international player in the consolidation of the global fire and security industry. In the past, Beaufort has been behind a number of major transactions involving international fire and security companies such as Kidde (now part of UTC), Edwards Systems Technology (now owned by GE) and Novar/Caradon (now part of Honeywell). Like Elmdene, Beaufort was also responsible for the divestiture of other leading companies specialising in sounders and shock detectors, including Manchester-based Texecom Limited.

Beaufort initiated the divestiture of Texecom to Halma plc (the parent company of Apollo Fire Detectors) in November 2005 for £26 million and also facilitated the sale of ADE and Bardic, which included the Viper shock detection business.

With increasing pressure on fire and security equipment manufacturers to improve the electrical efficiency of their products, power supply manufacturers such as Elmdene are becoming more important to the makers of CCTV, access control and fire and security control panels.

Daniel E. Lach, Managing Director of Beaufort International, has been involved in many transactions in the fire and security industry over the past two decades. He said: "The strength of global system suppliers is in their well-developed sales and distribution networks. They don't want to reinvent the wheel. Our clients, such as Elmdene International, have made it their job to transform generic products by making them far more technologically sophisticated. Beaufort International's job was to identify the most effective strategic fit for Elmdene so that we could maximise the return on our client's efforts for the benefit of its investors, customers, and employees."

With further technical advances being driven by tightening legislation related to fire and security products, Beaufort International remains extremely optimistic about future opportunities for mid market companies in the safety industry. ■