

Ebac weathers worst business conditions in 50 years to launch new products

The boss of white goods manufacturer Ebac has said recent years have brought some of the worst trading conditions he has ever seen in 50 years of business.

John Elliott, chairman of the County Durham-based maker of washing machines, dehumidifiers, heat pumps and ventilator systems, said long-term impacts of Covid and the ramifications on his company's supply chain had caused poor results. The longstanding firm has published delayed accounts for 2021 in which it posted widened operating losses of £3m, from £2.3m the year before, on higher turnover of £20.1m, up from £16.7m previously.

Profitability came under pressure following increased research and development spending on an office water cooler product which remained unsold as the work from home trend took hold during the pandemic restrictions. And widespread problems in sourcing components – including washing machine motors – had meant Ebac was lumbered with incomplete stock at a time when there was demand.

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Mr Elliott said there had been a restructuring of the business in response to the poor results, including cost cutting across its workforce and production and refinancing comprising a new £2.5m invoice discounting facility and £1.5m of bank debt. Now, despite the challenging period, Mr Elliott said the

business was now facing a brighter future with investors looking to back it.

The accounts talk of a significant trading improvements since the changes, including a strong order book for its core dehumidifier products and increased demand for water coolers. In October, the firm revealed details of a [£4m finance deal](#) to support development of its heat pumps line.

Writing in a review published with the accounts, Mr Elliott said: "Although 2020, 2021 and the first six months of 2022 have been the worst conditions I have experienced in 50 years, I now believe our future is very good and in fact we have investors wanting to invest in the business.

"Our own investment in new products is now paying off, leading to opportunities in new markets. These products are designed to support customers that need to heat homes in an efficient and environmentally friendly way. They include our British designed, and soon to be manufactured, heat pumps and a new home ventilation and dehumidifier system which will be of great interest to landlords with stock requiring a solution to damp and condensation issues.

"Our new products will be competitively priced yet deliver excellent margins. They will complement the product range of dehumidifiers and building dryers, for which Ebac has created an effective UK market. Ebac is now more than 50 years old, it has been flexible, innovative and determined to create products that can be made in North East England, providing employment and economic activity in the important manufacturing sector. I am confident that the difficulties of recent years can now be put behind us as we manufacture and sell some brilliant products that will secure our future in the years to come."