

Port Talbot engineering firm acquires premises to combat rising rental costs

An engineering, fabrication and machining business in Port Talbot has acquired its current premises to combat rising rental costs following a financial package from Barclays. Foredowel at Seaway Parade, which employs 12 staff and has over £1.2m in turnover, secured £400,000 from the bank to purchase the unit as it continues to grow and expand.

Originally established 41 years ago to provide site engineering services to the steelworks in Port Talbot, the business now offers structural steelwork, heavy duty and machine shop engineering. Managing director Robert Jones said acquiring the premises gives security for the company and puts a valuable asset on the balance sheet.

“With rising rental costs, it seemed logical to approach Barclays to generate a funding package to purchase the unit, after their support in 2020 on a management buyout,” he said.

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“Investing and expanding post Brexit and during a pandemic might seem strange but we have continued to grow, investing in new technologies and automation allowing us to meet these challenges head on. Acquiring the premises provides security for the company and the employees and places a valuable asset on the balance sheet. Win, win.”

Mr Jones added: “We are well positioned within a growing market, with a loyal client base and have used the investments supported by Barclays to secure our future, retain valuable local jobs and diversify our services offered.

“Running a business can be tough but it’s a pleasure to employ a very skilled workforce that holds the same values and principles as the company. We continue to invest in new technology and in the last twelve months added a new CNC milling machine & CNC Lathe, to complement our conventional manual operations.

He said the firm has also recently acquired a second unit for its newly incorporated sister company, Laser Profiling Limited, to offer sheet metal works including CNC laser cutting and CNC folding.

“This investment has allowed us to remove the subcontract works on a large portion of our work and will allow us to offer this service to other engineering companies in our local area. I’m sure as Laser Profiling Limited grows over the coming years, Barclays will be there to support us”.

Sophie Shrimpton, Barclays business manager, said: “As champions of local business, it is essential that we support local growing businesses such as Foredowel Ltd which are so important in local communities. Robert is a third-generation family member who works in the company and understands the tradition and responsibility that carries. By really understanding the sector and the individuals involved, we have been able to create a funding package to support the business throughout the acquisition.”

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