

No More Cookson

Written by Mike Buetow

Thursday, 01 November 2012 15:23 - Last Updated Thursday, 01 November 2012 15:30

If you read [this announcement about Cookson splitting in two](#) the first question must be, what will this mean for the Alpha Metals and Enthone organizations?

My take is, not much. Here's why:

1. The company will remain public, and the shareholders are the same. (Under the proposal, Cookson shareholders get one share in each of the two new companies.) Had this been an MBO or private equity group, I would expect slash and burn. But the transition as planned should bring much-desired stability to the new organization.
2. The upper management isn't changing. Had Cookson Performance Materials group CEO Steve Corbett left, I might think differently. But Corbett, who joined Cookson in 1990 and has run Enthone since 2002 and both companies since 2004, is highly responsible for the existing management and operational structure. He knows what he is doing, knows the markets and understands the brands.
3. The debt is manageable. Alent (the new name of the former Cookson Performance Materials) will "get" about one-third of Cookson's £451 million (\$727 million) worth of debt. Given the new company's sales of £418 million (\$675 million) and profitability, it should be able to swallow that meatball.
4. The brands are intact. The Alpha Metals and Enthone brands are well-recognized and respected worldwide. Indeed, after spending some time trying to beef up the somewhat unwieldy Cookson Performance Materials name, the company reversed gears and has been working over the past year to rebuild those individual brand names. Perhaps this was in anticipation of the demerger, but either way, the strategy was well-timed.

In fact, the only casualty I see in all this is the Cookson name, which is, believe it or not, more than 300 years old. One wonders whether the Cookson name was seen as a negative by either of the spinoff companies.

And so goes Cookson. From its founding by [Isaac Cookson](#) in 1704 as a collection of metal and glass businesses to its aggregation of a herd of electronics assembly equipment and materials companies in the 1980s and 1990s to the respective divestitures of Speedline, then Polyclad and its Precious Metals business, Cookson has always been in a transition of some sort. It's hard to believe, though, that this is its final move.

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