



The Belting Association 2004 Convention San Diego

Passaic's owners take over Paterson Rubber

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The owners of belting producer Passaic Rubber Co., along with other members of a small investors group, have purchased Paterson Rubber Co. to expand their base in the rubber industry.

The group bought Paterson's equipment, products, technology and customer list for an undisclosed amount and moved the business to Passaic's 70,000-sq.-ft. belt manufacturing facility in Wayne, N.J. The firm's name has been changed to Paterson Rubber Products L.L.C., according to Jeffrey E. Leach, Passaic chairman and CEO, who along with partner J.D. Mathey are among the new owners. Mathey is president of Passaic.

Paterson's five employees have been retained, Leach said, and moved with the company to Wayne. Frank Good, former owner of the firm, also has remained with Paterson as director of sales and engineering design.

"One of the many things we have to offer is our state-of-the-art equipment and this improves the quality and capabilities of Paterson," Leach said at the NIBA annual convention, held Sept. 15-18 in San Diego. "And it greatly improves their curing capacity."

Paterson's factory in Haledon, N.J., was not purchased. The firm, founded in 1952, is leasing about 10,000 square feet at Passaic's facility, where warehouse space was cleared to create a new production area, Leach said.

The purchased firm bonds rubber to metal parts, primarily lining pipes and pipe fittings to protect against corrosion, he said. The company uses natural rubber, neoprene, epoxy and Hypalon to coat a variety of other products, including centrifuge baskets, tubs, pulleys,



Cheryl and Jeffrey E. Leach of Passaic Rubber Co. meet with visitors during the conference booth program on Sept. 18. In addition to serving as chairman and CEO of Passaic, Jeff Leach is one of the new owners of Paterson Rubber Products L.L.C.

rolls, valves, wheels and agitators.

Sales are going up for the company, the official said. "It looks like it's a profitable venture for us, so we're excited about it. It's a business with very few players in the game."

Passaic officials are in the process of streamlining the new business to concentrate on what it does best,

which is lining pipes and other products, Leach said. That won't involve reducing personnel, he noted, and in fact could lead to additional workers being hired as Paterson prospers.

"We do the same with Passaic," he said. "If it's not our specialty, we don't want to get into it." Passaic concentrates on endless belting, rubber-covered rollers, and specialty supported and unsupported calendered product. It also is a major producer of rubber tape.

Leach said the purchase will benefit both companies in another way. "We can make Paterson's offerings available as part of our mix. And Passaic's products can become part of their mix. There is a lot of overlapping between the two companies so the customer base from each company helps the other."

Passaic, with a work force of about 40, beefed up its manufacturing last September when it purchased a 66-inch, three-roll calender and an 80-inch, two-roll mill, which allows it to manufacture wider-width goods. The new equipment alleviated the strain on the firm's two 52-inch calenders and seven mills.

It's likely Passaic will purchase additional equipment within the next year if business continues to grow, which it has in the last year, he said. The addition of a slitter is a strong possibility as are high-speed grinding machines for rubber rollers.

The company also is building rubber endless belt-making machines to handle wider widths and higher tolerances. "We have a lot of irons in the fire right now," Leach said. "We're constantly working on new products. Our belts have no seams, no splices, no mechanical fasteners and are made to the size required by the customer."