

New Way Air Bearings

www.newwayairbearings.com

Nick Hackett – President and CEO

The Air Bearings industry is very diversified with applications ranging from automotive testing, medical scanning, flat panel display manufacturing, electronic assembly, and many more. New Way Air Bearings is providing significant solutions and leading the way with the application of air bearings in many diverse industries.

Nick Hackett is an avid sailor and came to know the founder of New Way, Drew Devitt, while racing on the Delaware River. Drew would frequently mention the business he had founded in 1994 with its unique technology and his need for help with business development. Following up on an invitation to visit, Nick toured the small facility of the young company and immediately felt like he was supposed to be there. Drew had developed a very unique technology to create films of air on the surface of porous media bearing components, providing a means of eliminating friction in precision machines and processes. New Way provides an enabling technology in several markets including medical CAT Scan machines, the manufacture of semiconductors and flat panel displays, and precision machine tools and inspection equipment. It was clear to Nick that his experience and skills were exactly what New Way needed to compliment what was already in place and allow the company to reach its potential. In 2002 Nick joined New Way as a partner and was chartered by the founders to lead the company to the next level.

Since that time Nick has quadrupled the size of the business. New Way has been an Inc. 5000 business for three consecutive years, and a Deloitte Fast Fifty Technology Company for the last two years. They have also been the recipients of an American Business Award for the last two years, and were awarded the Technological Excellence Award from the Greater Philadelphia Chamber of Commerce in 2008. The company has been transformed from a small start up shop, lacking focus and discipline, to a fully integrated ISO 9001 company with the systems, people, and infrastructure in place to handle present and future growth.

Nick is a firm believer that quality of life is an extremely important factor to consider when one is deciding what to do in life. With several offers from business consulting firms as he completed his mechanical engineering degree in Bath, England, Nick recalls realizing that he did not want to trade the quality of life that Bath offered for the “big money, big city” life in London that typically defined ‘success’ at that time. Having dared to break with the traditional fast-track career option, Nick quickly identified a local business that offered interesting work and the opportunity for advancement, and started what would prove to be a rewarding and satisfying career without selling out to “the man”. Nick’s background includes engineering, operations, finance, and business development in small and large companies. In the UK Nick developed explosive systems and markets for the aerospace and defense industry, and later, commercial applications. After coming to the US in 1993, he has directed parachute guidance system projects for the military and NASA, completed an executive M.B.A. degree, run operations for the banking industry and an Internet startup, and most recently led the growth of a niche manufacturing technology business.

Nick has found that regardless of the industry or business, many of the challenges within companies are the same. Managing work, resources, and understanding requirements are key factors whether in the business of credit cards or parachutes. Spending the time upfront to understand requirements is critical. Once this is accomplished, and after you get top rate people on board, the rest becomes easier.

At New Way, Nick and his team placed significant effort on defining the focus of the company. Saying no to new projects outside their focus was a big challenge. The management team spent about six months developing an ‘honest’ mission statement for the business. Nick saw that a critical part of the process was to define what they would ‘not’ be as much as what they would be. For example, although New Way has developed some significant and valuable precision machining capabilities to support the manufacture of air bearings, they do not offer these capabilities to customers on a job shop basis. Over the years they have stayed focused on the development of porous media technology for air bearing use and worked cohesively to build the necessary operational infrastructure,

formalized processes, ERP systems, supply chain, and ISO certification.

Culture change is a long process and once Nick joined New Way he immediately instituted communication with the employees. Quarterly employee meetings were held with open discussions regarding the direction and performance of the company, investments of the company and why this new focus was important for future growth. Coincidentally, Nick met Spencer Hoos from ESCO, a company that has been written up in another Executive Leaders Radio Case Study. Nick saw ESCO as a role model for where he wanted New Way to be and asked Spencer if New Way could adopt them as a local “big sister” company. New Way would send quality control people and supervisors over to ESCO to talk to their managers; they could see what a successful company looked like, and more importantly how and why they were successful.

Staying true to the importance of communication at all levels of the organization, New Way now has quarterly employee meetings, and once a month employee groups have pizza with Nick where no subject is off the table. There is also a quarterly newsletter and quarterly letter from the president. The objective is to communicate and share information between the employees and management on a regular basis.

As far as advice goes, Nick Hackett believes you need to be honest with yourself and ask yourself what you want out of life, and don’t always blindly follow the ‘established’ path to success. There are many different opportunities in life: different geographies, countries, life styles, and people, and you should figure out what you are good at, and enjoy doing, and pursue that with passion. Also, always be open to evaluate and take advantage of unforeseen opportunities when they arise. They always do, and circumstances change, so you don’t want to be so inflexible that you miss the opportunity of a lifetime.

In business it is the same. You need to understand the values of your business and honor those values on a daily basis. What do you want your business to be? The purpose of the business reflects these values. Nick believes the purpose of his company is to benefit all the people that are involved in the success;

shareholders, customers, vendors, employees, and the community. He believes if you benefit everyone, everyone is better off at the end of the day. Goals can change frequently, purpose may evolve over time, but the values don't change. Nick's and New Way's core values are boiled down to the core phrase: "Do what you know you should do". There's a lot in that simple statement.

Nick has developed a very positive work environment. The employees are committed and they know why they are doing certain things and the direction the company is taking. Nick believes his employees are very aware and intelligent, and should always be respected. You have to build trust with employees and that takes time. When mistakes are made they are discussed openly with the employees.

Nick's philosophy about culture change, growth, and people is that in general people don't change on their own. So when change is needed, or a new function is needed, then it is essential to get new blood into key positions. In growth mode that means adding the right people in the right places to help bring the whole organization on board with the new vision. Recognizing the right person for the job is key. Never hire someone just to fill a position, rather take the time to find the right person in terms of skills and chemistry. Nick feels that following this patient discipline in recruiting, while also seizing the opportunity to hire people of excellence on occasions when not actively recruiting, has blessed the company with a world class team.

Based in Aston, PA., New Way currently sells into thirty countries around the world. Due to their technical advantages they have focused on key markets and developed products to fit the specific needs of the products in those markets. Good marketing research has benefited them by visiting international markets and understanding their unique needs. Yet having a disciplined approach in developing new products is always a challenge in a company that is emerging from startup mode. They have to balance their inventor start up background and blend this with a more disciplined bigger company approach.

The future for New Way looks bright, with new product applications and new markets around the world coming to light as global economic recovery takes shape. Over the next few years New Way will move into more high volume manufacturing. It will be another significant change for the company, but they have the leadership, vision, people, and systems in place to do this.

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