



News Release

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FOR IMMEDIATE RELEASE

**BENDIX DIVESTS R.H. SHEPPARD CO., INC. OPERATIONS TO
AN AFFILIATE OF BALMORAL FUNDS LLC AS PART OF A
PORTFOLIO ADJUSTMENT AND OPTIMIZATION**

- *Strategic alignment and growth potential prompts the portfolio transition.*
- *The company will concentrate more strongly on its core competencies of braking systems, vehicle dynamics, air and energy management, and innovative driver assistance systems, which remain essential parts of Bendix's portfolio of integrated solutions.*

AVON, Ohio – Dec. 20, 2024 – Bendix Commercial Vehicle Systems LLC (Bendix), a North American subsidiary of Knorr-Bremse, today announced the company finalized the sale of its wholly owned subsidiary, R.H. Sheppard Co., Inc. to an affiliate of Balmoral Funds LLC (Balmoral), a Los Angeles-based private equity firm. The transaction encompasses the entire Sheppard business, including Sheppard's branded products, production equipment, sales and service companies, and interests in joint ventures relating to sales and production.

The transition involves approximately 680 employees across North America, including 600 at Sheppard's longtime headquarters in Hanover, Pennsylvania, all of whom will continue as employees of R.H. Sheppard Co., Inc.

The divestiture reinforces Bendix's continued desire for increased focus on its core competencies – in particular, braking systems, vehicle dynamics, air and energy management, and innovative driver assistance systems – essential parts of Bendix's portfolio of integrated solutions. Balmoral will continue to offer Sheppard and its integration with Bendix ADAS and brake systems.

“The divestiture is a vital part of the BOOST program in place worldwide at Knorr-Bremse. It enables us to align our business with even greater focus and profitability,” said Piotr Sroka, president, CEO, and chief operating officer at Bendix. “While Sheppard is one of the leaders in safety-critical steering, we believe the operation can grow faster and be better aligned with market needs under a new owner who can provide greater expertise in deeply vertically integrated operations.”

“We are thrilled to lead R.H. Sheppard into its next chapter as an independent company,” said newly appointed CEO Kevin Stevick. “Sheppard has built a legacy of trust by delivering reliable, high-quality solutions that our customers depend on. As we move forward, our first priority is to uphold and strengthen that reliability, ensuring we continue to meet and exceed customer expectations. At the same time, we’re committed to investing in the business – empowering our employees, enhancing operations, and driving innovation to unlock Sheppard’s full potential. Together, we will build on Sheppard’s strong foundation and position the company for long-term success.”

“We are excited to partner with and support R.H. Sheppard as the leading U.S.-based provider of steering technologies for commercial vehicles,” added Richard Levernier, Board Member of Sheppard and Principal at Balmoral Funds. “As a standalone company, Sheppard now has the freedom and focus to chart its own path – investing in its employees, strengthening operations, and delivering the reliable, high-quality solutions customers deserve. We look forward to providing management with the resources needed to secure the bright future we envision for the Company, its employees, customers, and all stakeholders.”

Bendix, the North American leader in the development and manufacture of active safety, air management, and braking system technologies for commercial vehicles, acquired the Sheppard system and operations in February 2020.

Sheppard is one of the leading manufacturers of commercial vehicle steering systems in the North American market. The company develops and manufactures commercial vehicle steering systems, as well as adjacent products and services, to the utmost quality standards.

Effective with today’s sale close, Bendix and Balmoral will begin a detailed, phased shift of operations and systems. The full changeover is expected to be completed over a period of up to one year. During this time, Bendix will provide marketing, data, and product integration support to Sheppard under a transition agreement between the two organizations.

“While it will initially be business as usual, our transition goal is to help mitigate and minimize upfront risks, establish and maintain momentum, and complete an intelligent transfer

with nominal impact to our customers and our suppliers,” said Nicole Oreskovic, Bendix vice president of sales and marketing.

Oreskovic added, “The move allows Sheppard to continue to partner with the full range of OEMs on effective steering solutions across a range of braking systems.”

About Bendix Commercial Vehicle Systems LLC

Bendix Commercial Vehicle Systems, a member of Knorr-Bremse, develops and supplies leading-edge active safety technologies, energy management solutions, and air brake charging and control systems and components under the Bendix® brand name for medium- and heavy-duty trucks, tractors, trailers, buses, and other commercial vehicles throughout North America. An industry pioneer, employing nearly 4,000 people, Bendix is driven to deliver the best solutions for improved vehicle safety, performance, and overall operating cost. Contact us at 1-800-AIR-BRAKE (1-800-247-2725) or visit [bendix.com](https://www.bendix.com). Stay connected and informed through Bendix expert podcasts, blog posts, videos, and other resources at [knowledge-dock.com](https://www.knowledge-dock.com). Follow Bendix on X, formerly known as Twitter, at https://x.com/Bendix_CVS. Log on and learn from the Bendix experts at [brake-school.com](https://www.brake-school.com). And to learn more about career opportunities at Bendix, visit [bendix.com/careers](https://www.bendix.com/careers). Houlihan Lokey acted as the financial advisor and Cravath, Swaine and Moore LLP acted as the legal advisor to Bendix for the sale of R.H. Sheppard Co., Inc.

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