

Merger: The National Equipment Finance Association

The National Equipment Finance Association (NEFA) is a national association serving small- to mid-size independent equipment finance companies, lessors and sophisticated brokers. Formed through the strategic merger of two dynamic organizations, the United Association of Equipment Leasing (UAEL) and the Eastern Association of Equipment Lessors (EAEL), NEFA is a strong association offering enhanced programs, premium networking opportunities and geographic and industry segment diversity.

Challenge:

Merge two legacy organizations based on opposite coasts into one national organization. Numerous challenges were defined as the integration plan developed, including: 1) downsizing a board of directors that represented not only the membership types, but also geographic locations, 2) developing a membership dues structure and categories which were equitable to both legacy organization memberships, 3) whether or not to combine two major regional events, 4) combining committees, development of bylaws, policies and procedures and 5) ensuring that the overall legal incorporation process ran smoothly. In addition, the value proposition of this newly formed entity needed to be properly communicated to current and prospective members and sister industry organizations.

Solution:

A task force consisting of three representatives from each legacy organization and staff from ACI was used to develop an integration plan. The task force carefully analyzed each challenge, established solutions and successfully executed the merger beginning in October 2008, with an official legally merged organization commencing operations on January 1, 2009.

Results:

As of June 30, 2009, the organization completed its legal merger, obtained federal tax-exempt status and appointed an equitably represented board of directors. NEFA is currently growing its membership and establishing key industry relationships/partnerships with sister organizations. In addition, they have hosted six regional events and established a staff of six, integrating three staff members from the legacy organizations (including their former respective executive directors) who now report to the new executive director. NEFA also hosted its first annual conference, which exceeded projected profit by \$35,000 and sold out all sponsorship and exhibit opportunities. The organization is now focused on even larger future events to increase revenue.

For more info:

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