

Opening the Door for Growth

The Company

The company is a manufacturer of garage doors and home access products, servicing both the commercial and residential markets. The company decided that the best way to reach its top line strategic objective was through acquisitions.



The Situation

The company targeted a direct competitor. This acquisition would establish them as the largest garage door manufacturer in the North American market.

Competitors, customers and suppliers were monitoring the deal closely. While the companies had similar business philosophies, their cultures and day-to-day operating models were very different. There were significant risks in customer and employee retention, go-to-market strategies, and cultural integration.

The company's top priority was to make sure both businesses would work seamlessly up to and after the close. In addition, the team planned on capturing synergies equivalent to 5.5% of their combined annual revenue to make the deal a success.

The Approach

Keystone coordinated all the due diligence efforts, including working closely with the company's auditors as well as other specialized advisors (e.g. environmental firm). As part of this process, Keystone led the client's functional teams through a detailed synergy evaluation process and risk assessment.

The primary objective of the integration planning phase was a seamless transition for both organizations and their customers. Achieving this required thorough communication from the moment of the announcement through closing, and careful preparation for successful integration and rapid synergy realization.

Key steps included:

- Driving a pre-close planning process to ensure a proper balance between (1) running the day-to-day business, and (2) aggressively going after the identified synergies.
- Evaluating key differences in the companies' cultures and developing action plans for each functional area to address identified gaps.



- Executing a tightly coordinated communications plan for employees, customers and suppliers.
- Preserving the top line for multiple and potentially competing channels and brands.

- Managing critical operational synergy projects including multiple plant consolidations, sourcing decisions, and spend consolidation.
- Optimizing the combined product portfolio through product rationalization.
- Leading weekly Steering Committee and Team Lead meetings to effectively communicate and quickly address all integration issues.

The Results

The first day of business for the combined organization was flawless. The company received tremendous positive feedback from customers, employees, and senior management.

- Customer orders were processed and shipped with no disruptions.
- Within 30 days post-close, synergy capture teams were delivering the planned savings.
- Original synergy estimates were exceeded for the sales, operations and procurement teams. The company is on track to achieve its annual run-rate target.
- Key employees knew their roles and responsibilities from the first day, resulting in no unplanned turnover.
- The future product portfolio was in place to allow manufacturing to begin implementing its network optimization initiative.

"You guys did great! I am impressed and amazed on how well everything is going from my seat in the ball game. This deal looks better every day."

- Chief Executive Officer