

# Case Study: \$30MM Frozen Baked Goods Manufacturer

Focusing on opportunities for material improvements in profitability and enterprise value.

**Goal:** Rapidly improve growth, profits, and enterprise value.

## Situation

- Family owned and operated for three generations
- Stagnating sales—\$27MM for 5 years—but a desire to grow
- Facility issues including layout, production, and freezer capacity
- Organizational and leadership issues

## FortéONE Process

After initial diagnostic phase, FortéONE presented detailed recommendations and a prioritized Action Plan to drive profitable growth. We then assisted with:

- Significant organizational change. Higher level skills were needed in many key areas
- Improvements to financial group, with focus on delivering information to support a “culture of performance” throughout the company
- Operations cost reduction and capacity increase, including product sourcing and scheduling changes. Long-term, low margin products were phased out.
- Market penetration strategy for current and new products—to move beyond the current regional focus and client concentrations
- A participative go-forward plan. All key players had defined roles and project deliverables.

## Establishing a Foundation for Performance

- New sales were achieved outside the regional markets and through new distribution channels
- Lower margin business was “traded out” for new higher margin sales

## Results

- Firm grew from \$27MM to \$33MM in 18 months
- Profits in 2014 were at historic highs
- Plan, and supporting elements, in place to grow to \$40MM+
- Expansion of physical plant underway to support \$50MM capacity

