

POWERING REVENUE ENGINES

Growing Revenue in a Declining Market While Facing Increased Off-Shore Competition

Top-line revenue growth is frequently the most powerful lever for increasing a company's value. We are specialists in finding new ways for companies to accelerate profitable revenue growth. This is one in a series of case studies that describes our work and demonstrates the value we create.

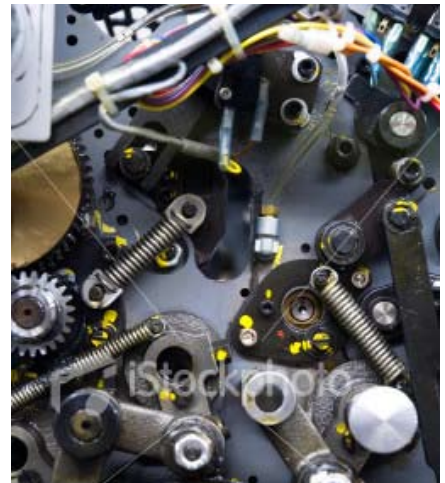
A manufacturer of high volume, high quality, complex assemblies used primarily in small engines faced a daunting triple challenge:

- Revenue was declining
- Their dominant customer was in decline and moving production offshore
- Competition from low cost offshore suppliers was commoditizing the market

Historically an "order-taker" dependant on long term supplier relationships, the company needed to rapidly overhaul their go-to-market strategy to adjust to the changing competitive environment.

The private equity firm sponsor asked Blue Ridge Partners to work with the company to quickly develop a new approach to the market. We analyzed the current and adjacent end markets; interviewed current customers, lost customers and prospects; and examined potential customers in different end markets to identify how competitive strengths could be leveraged into new industries and applications. Our recommended growth strategy included immediate actions to quickly begin to reverse the revenue declines as well as the longer term actions needed to generate and sustain profitable revenue growth.

"Blue Ridge Partners helped us develop a new view of ourselves and a new approach to the market. Through their ability to find decision makers in complex organizations and create immediate short-term sales opportunities they have provided us with fantastic opportunities." —Company leaders

**What we recommended for accelerating revenue growth**

- ▶ Reorient the company from a reactive supplier of small engine components to a proactive specialist in high value added, complex assemblies within focused geographic markets
- ▶ Pursue eight immediate sales opportunities that were uncovered during the review process
- ▶ Focus sales teams on the most attractive geographies and industry segments within them, doubling sales productivity
- ▶ Aggressively pursue new industries and customers with needs similar to current customers to increase market breadth
- ▶ Modify legacy pricing models to better reflect current economics and increase the win rate

HEADQUARTERS

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INFORMATION

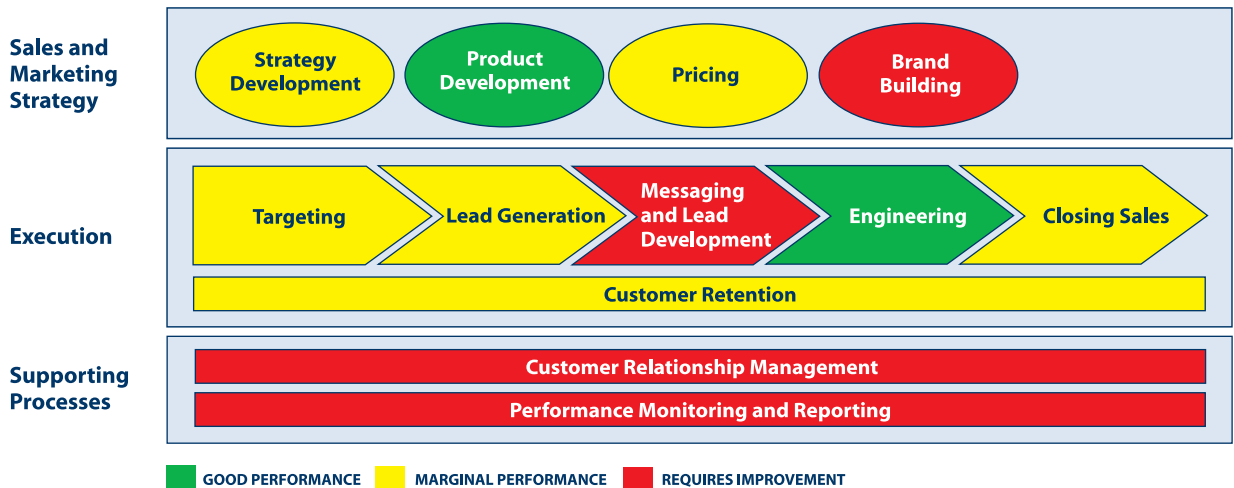
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Tools we used to improve their revenue growth

- ▶ *The Nine Voices of the Market™* to:
 - gather critical perspectives from current, former and prospective customers
 - develop profiles of potential new target industries
- ▶ Analysis of company capabilities against industry profiles to identify new targets
- ▶ *100 Behaviors of High Performing Revenue Engines™* as the basis for measuring revenue engine performance and identifying specific areas of strength and weakness (see schematic below)
- ▶ Detailed analysis of alternative geographic markets to assess revenue potential and profile key potential customers

We reviewed marketing and sales strategy and practices....



....and found several key performance issues, including:

- ▶ The company had not identified its competitive differentiators and structured sales messages and brand building around them. The web site, collateral, and presentations reinforced a commodity positioning, the very opposite of what was necessary
- ▶ Key sales personnel were handling customer service and administrative tasks that were keeping them from spending time with prospects and customers
- ▶ There were no periodic outreach programs to existing or previous customers to identify quality, service, pricing issues, etc.
- ▶ There was no measurement of sales team or individual performance in targeting, lead generation or sales
- ▶ Model customer characteristics were not defined and used effectively in targeting sales opportunities

If you aren't seeing superior growth in profitable revenue, contact us for an actionable evaluation of your company's revenue engine.

