



Confidential Retained Search Assignment©S#965

Position: INVESTOR CEO & PRESIDENT

Client: Leading Building Products Company, Eastern MA

Brief Company History:

Our client, a leading Building Products Company, Eastern MA, is a privately held established company whose market niche is interior building products including millwork & trim sold directly to residential builders, remodelers and finish carpenters. The company developed a reputation for top notch service and quality products.

This company grew from its small, local roots into a significant interior building products supplier in the Eastern New England region. As the company penetrated more markets and the workforce grew, this company never lost its dedication to superior quality and service that have been the company's hallmark for many years.

Today, this company is proud to serve some of the finest builders, remodelers, architects and finish carpenters in the region from its multi regional locations. In the early 1990s, this company was acquired by a distinguished private equity firm.

This small to midsized company has consistently been a strong profit generator. They are poised for rapid growth, with significant excess capacity, a strong financial position and an aggressive ownership desirous of capitalizing on the company's strengths.

Investor CEO and President Summary

To succeed in this position, the Investor CEO and President (CEO) must first get up to speed and understand the company's culture and heritage. Our client company is an entity that has historically emphasized profits over growth. It has generated profits at the top of industry comparables as it has grown its sales line by emphasizing the right way to conduct its business, rather than the easy way to conduct its business. Heavy promotional discounting is not part of the company's culture. Superior customer focus and service, consultative selling and high quality merchandise in stock with quick availability is the company's hallmark. Emphasis on relationship selling and customer service distinguish the company in its industry. This company has emphasized building a sustainable, profitable business model that has performed well in periods of growth and contraction in this cyclical industry.

The new CEO must get up to speed and fully understand our client company's business, its organization, markets, competition, strengths and weaknesses and uniqueness. The CEO must be customer focused and build on our client company's solid foundation to lead it to meet and/or exceed its targeted sales and EBITDA goals. The CEO must be a strategic thinker who is experienced in growing an organization in a

relationship driven industry. Must be experienced in building and maintaining successful sales force.

The CEO needs to motivate, manage and upgrade where necessary, his direct reports (and their indirect reports through her/his subordinates) and promote teamwork and accountability throughout our client's organization to help the attainment of targeted goals and objectives.

The ideal CEO will have a balanced multi-functional background with emphasis on sales and marketing in designing and implementing strategic and operating plans that meet the critical needs and focus of our client company. The CEO must be a people person, a listener, a good communicator internally and upward to the Chairman and Board, hands-on but not a micro manager. The CEO will track the company's key metrics on an ongoing basis to nip operating performance problems in the bud and help her/him in tactical planning and decision making. The CEO will review all key areas of our client company from 1-3 year business plans, overall operating performance, costs, margins, staffing, training and development, to new product inventory as well as new and existing markets, customer issues and systems and procedures.

Ideally, CEO candidates should come from another reputable company whose products (such as windows, millwork, hardware, lighting, trim, cabinets, and flooring) are sold to residential builders, remodelers and finish carpenters.

The CEO will do her/his part to continue our client company's long history of outstanding customer service and identify and make needed changes and improvements throughout our client company as well as aggressively spearhead the pursuit of profitable new sales opportunities. This individual will consistently reinforce a new sense of pride and high employee morale through her/his leadership, improved results and by being accountable and expecting it of our entire client company employees.

Duties and Responsibilities of the Investor CEO and President

1) After extensive review of the company's operations, personnel, customer base and industry status, formulate, in conjunction with the employees, Chairman and Board, a long term strategic plan for the company's future development, including:

- Personnel plan
- Sales and Marketing plan with specific goals as to people, territories and sales objectives
- Industry organization participation
- P+L forecasts, with clear focus on EBITDA and Cash Flow performance.
- Product / Capability roadmap for the future

2) Plan to address all employees or as many as possible communicating your vision, explaining your optimism and your goals in order to motivate them with your sincere enthusiasm. Consider maintaining an open door policy.

- 3) Meet with all direct and indirect reports to ask and answer questions, and to exchange mutually helpful information while soliciting their ideas, areas of concern and suggestions for dealing with them. Review analyze and revise specific job duties and responsibilities where required. Manage through mutually establishing goals and objectives while insuring subordinates have necessary tools to achieve them. Establish relevant metrics for each department and monitor progress holding managers responsible for results. Learn the names of as many employees as you can.
- 4) As part of developing a detailed sales and Marketing plan, formulate an organizational plan moving forward with clear description of CEO's role in sales development, existing customer sales management and new sales growth efforts.
- 5) Visit all facilities and review business plans, goals and objectives and historical performance. Develop with GMs an operating plan moving forward with specific goals and objectives and with a clear focus of how satellite operations interact with headquarters.
- 6) Travel with each sales person to visit with customers and make cold calls with them reinforcing their sales effort. Determine and begin implementing appropriate group sales training and development for those most in need utilizing various company top salespeople.
- 7) Visit company's major customers with incumbent President as soon as possible.
- 8) Investigate internal client company cross selling opportunities and how to improve them.
- 9) Review customer service organization and plant operations to ensure customer service levels are adequate. Implement an objective quality control system with metrics, transparent reporting and incentives to align entire organization around Van's stated service levels.
- 10) Set up appropriate metrics to keep abreast of business performance in terms of sales forecasts, sales, shipments, pricing, margins, DSO, and measure progress. Insure appropriate steps are taken in a timely manner to correct unsatisfactory situations.

Investor CEO and President Position Qualifications:

- 1) Undergraduate degree a plus.
- 2) Several years or more of successful complete P & L experience leading a mid-sized company that sells products to Van Millwork's (ideally) New England customers base of home builders, remodelers and finish carpenters.
 - Sensitive with and comfortable operating in this cyclical industry.
 - Experienced in strong relationship selling environment within the construction industry.
 - Ability to communicate, net work and build relationships with the range of customers in the residential construction industry (sole proprietorships to large corporations).
 - Demonstrated service sensitivity a must.
 - Proven capability as financial manager • demonstration of bottom line performance.
 - Demonstrated performance of growing sales and selling organizations.
- 3) Proven, results-oriented track record of hiring, managing, working closely with and retaining capable subordinate managers in Sales and Marketing, Operations and

Finance. Capable of managing internal issues arising between departments-acting as moderator and decision maker to resolve conflicts and move organization forward.

4)Needs broad based multi-functional background with emphasis on sales and marketing management skills to work closely with the sales force on new customer acquisition, training and development, new market expansion and internal product cross selling efforts.

5)Needs financial skills to develop plans, understand the details of a financial statement, understand and monitor daily cash flow status and contribute to product costing and quoting.

- Strong demonstrated margin achievement
- Demonstrated true, full profitability by product and customer understanding

6)Must be a hands-on manager who is good at using appropriate metrics to keep abreast of business performance in terms of sales forecasts, sales, shipments, pricing, margins, DSO, and measure progress. Operates on a daily measurement basis.

7)Should be skilled at providing written and analytical communication to Board of Directors.

8)Must be team-oriented up and down the chain of command, from the plant floor to the boardroom.

9) Must relocate within commutable distance to Client Company's main facility in MA.

Short-Term Objectives (within first 6 months)

1) Accompany incumbent President to major customers and be introduced to their key people. Reinforce that relationship between yourself, our Client Company & customers.

2) Develop comprehensive Sales and Marketing plan with specific goals and objectives for sales, profits, customer base, personnel and marketing expenditures.

3) Completion of long term strategic plan.

4) Develop complete personnel plan.

5) Plan , schedule and go out on sales calls with each sales person to new, current and former customers and cold calls to educate yourself, reinforce their sales effort and get to know each salesman individually. Provide some training and development to those Territory Sales people most in need involving client company's top sales people to collaborate with you.

6) Evaluate company's internal sales support efforts to determine and rectify any programs or issues retarding sales efforts.

7) Analyze sales territories and identify and structure ideal sales organization for our client company markets and revise maximum sales targets, review sales force bonus plans and insure necessary sales training.

Longer Term Objectives (within first 12-18 months)

- 1) Explore other market opportunities and reinforce cross sales opportunities.
- 2) Explore appropriate potential acquisition(s) with private equity ownership
- 3) Maintain appropriate industry visibility through industry associations including BAGB, NARL, BSA and IFDA etc.
- 4) Consider ways to recognize achievements of top sales people in Client Company.

Compensation, Benefits and Relocation Information

Salary range is \$140K to \$150K base, plus a bonus potential of up to 20% of base salary with achievement based upon meeting specific financial targets. There is a 401(k) Savings Plan, Medical Plan and Group Life insurance. Some relocation assistance is available.

Equity Investment Opportunity

Upon hire, the Investor CEO and President will be given the opportunity to invest up to \$100,000 in client company's stock for approximately a four to five percent interest in the common stock. This ownership right will vest over a five year timeframe.

Philosophy

The philosophy behind this equity opportunity is straightforward: our client company's ownership wants the Investor CEO and President, to be their partner, motivated by the same things they are, without any inherent conflicts.

To apply for this Investor CEO & President opportunity, EMAIL your r_sum_ with most recent salary & bonus info to S965@gilreathsearch.com or FAX your r_sum_ in confidence to 1/978/287/4431 Attn.: Jim Gilreath, President, Gilreath Consultancy. Or mail your resume to PO Box 310, Concord, MA 10742. CONFIDENTIALITY ASSURED. Web Site:www.gilreathsearch.com NO PHONE CALLS PLEASE!!