

Case Study | \$300M B2B Industrial Manufacturing Company

+17.4M EBITA improvement through new pricing strategy and process redesign



BACKGROUND

- Client was a PE-owned \$300 Million division of a manufacturer and distributor of chain saw and tractor attachments and parts. Company was facing profit pressures from rising steel costs. Client reached out to Maple Street for pricing optimization strategy and execution in 2021 and 2023.

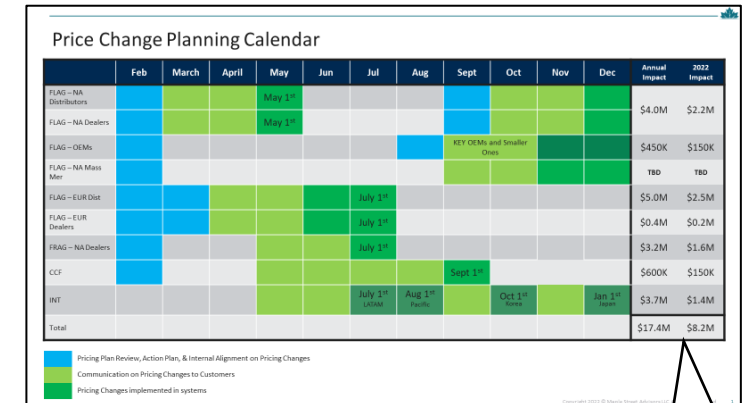
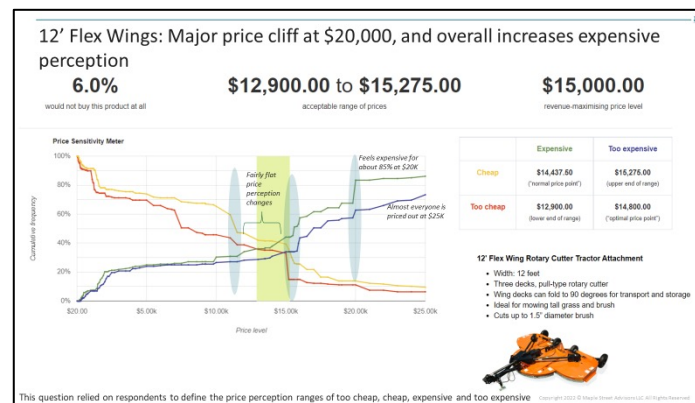
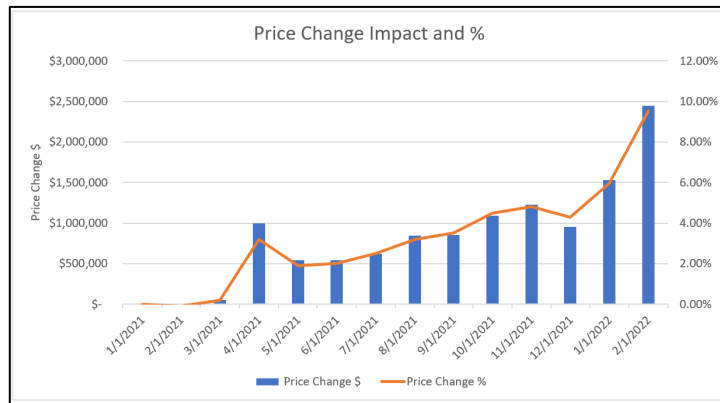
SITUATION

- The client was experiencing EBITDA compression and could not identify whether this was market related or being driven internally
- There had been no formal process for pricing improvement in the past, and management did not have easy access to pricing data at the customer or product level.

SOLUTION

- Maple Street implemented our PricingRx Power BI stack to analyze and monitor pricing.
- Created a price optimization model to identify areas of opportunity within the business and mitigate risk.
- Established a go-forward process for increasing prices for existing customers and rolling out these changes as a sales team.
- Trained and enabled management and sales team members to ensure successful execution.

RESULTS



- EBITDA increased by \$17.4M on a 12M rolling basis for 2021.
- Margin increased by 5.8% with no drop in revenue or volume. In fact, sales increased YoY after launch of new pricing
- Going forward the client has a repeatable process to monitor and update pricing with their customers.
- This data driven approach will allow management to make better decisions faster as industry and market conditions change.

\$17.4M \$8.2M