

Global Specialty Chemicals Manufacturer: BU Strategy

Developed go-forward commercial and network optimization playbook based on expected changes to supply/demand dynamics and competitive positioning

Project Overview

Deliverable Examples

Client Context

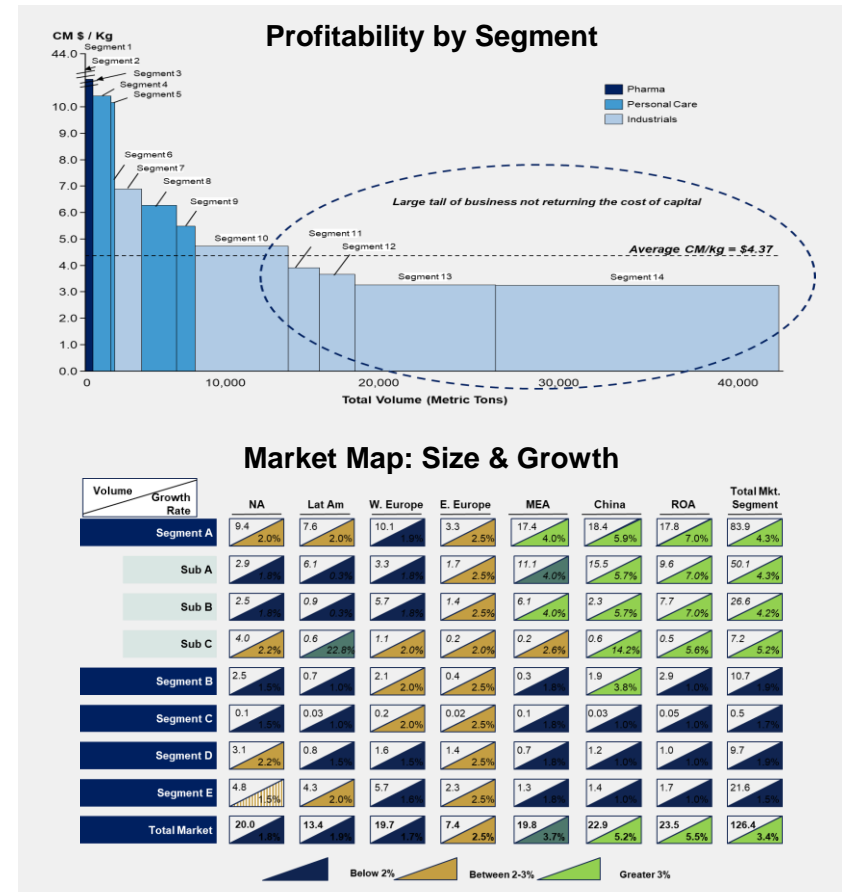
- Highly profitable segments represented disproportionate amount of total company profits and enterprise value
- Historically advantaged in the market – share of profit pool higher than share of volume
- Competitors adding capacity and closing the gap on product and service
- Client needed to redefine its forward asset and commercial strategy in order to re-ignite profit growth despite increasing market and competitive headwinds

Approach

- Conducted detailed assessment of current portfolio economics to understand the nature of the 'tail'
- Drove analysis of current and prospective supply/demand dynamics
- Linked market and competitive dynamics to expected changes in market pricing, relative client performance and share of the profit pool
- Defined alternative commercial (mix) and asset (plant configuration/capacity) options going forward
- Assessed relative value creation across those alternatives and defined specific playbook of key actions

Outcome

- BU 'playbook' worth 20M+ in EBITDA improvement over 3 years
- Impact thus far:
 - 2018 YTD volume up 7%, rev up 12%, GP up 8%
 - Growth in high margin segments well ahead of plan
 - \$1M in executed price increases



Note: Full case studies available upon request
Names & Numbers Modified to Maintain Confidentiality