



LUMERIC™ Project Summaries

Project Type:

Growth / Acquisition Strategy

Sector: Industrial / Flow Controls

Company Size: \$30M division of \$12B global manufacturer

Company Position:

Market Challenger

Client Level:

VP Strategy

The Critical Decision:

Should client expand into another segment in the market organically or through acquisition?

The Answer:

Acquisition would be more effective as the targeted segment had several technology leaders that would be hard to emulate organically and a few of these leaders would likely be receptive to an acquirer

The Discussion:

The client was a second tier player in the global market niche for advanced flow controls for use with gases. The company had established a strong position with several customers in the segment of the market the firm targeted but needed to expand to other segments in order to become a first tier player. As the first step in this strategy, management wanted to understand if they could capitalize on their technology to easily migrate into a specific segment organically or if acquisition made better sense.

Through an extensive set of in-depth qualitative interviews with industry experts and prospective customers, Lumeric determined that the targeted market segment was ripe for consolidation, a few technology leaders in this segment would make ideal acquisition targets and that customers were very satisfied with their current product sources making it difficult to for a new entrant to capture share. Lumeric further ranked potential acquisition candidates based on overall attractiveness, synergies and receptiveness to a potential acquirer. 