

## POST-ACQUISITION INTEGRATION – DRINKS' MANUFACTURER

### CLIENT'S SPECIFICATION

Following a major acquisition by a rapidly expanding drinks' manufacturer, Harold Whitehead & Partners (HWP) were asked to assist with the integration of the £235m turnover combined business.

The integration involved significant rationalisation of staff, facilities, products and customers, with the intention of realising over £17m in cost savings.

### APPROACH AND METHODOLOGY

The scale, complexity and tight timetable of the integration plan put a premium on effective planning and management of the various activities. HWP were brought into the planning



process prior to the acquisition and proposed a functional structure to control the project.

Overall control lay with the Steering Group made up of the CEO and respective functional directors. Those directors, supported by an HWP consultant, were responsible for their sub-groups of Finance, Production and Customer Service. Human Resources and Systems were coordinated across sub-groups.

HWP were responsible for producing the project plan for each sub-group and for its ongoing project management. Progress was monitored fortnightly by the Steering Group and on an ongoing day-by-day basis by the respective directors.

Production was a major area of concern. With a £15m capital budget, involving the closure of 3 production sites, the relocation of 5 bottling lines and the installation of a new keg racking facility, winery and cider production facility, it was crucial to a successful integration. In addition to an HWP consultant, a dedicated project engineer was used.

The Customer Service Group was charged with integrating the complete order cycle from receipt to delivery, including all supply chain activities. The major opportunity lay in rationalising and simplifying the combined product and customer portfolios, to concentrate on high volume, efficient production and distribution.

The evaluation and development of the combined business' IT systems to provide operational and financial control was critical to all groups. With a 47% reduction in staff from 950 to 563, HR issues were of paramount importance

### RESULTS

The two businesses were integrated ahead of schedule and forecast savings were exceeded. Both internal and external service levels were maintained during the integration, forming a more efficient and competitive business.

#### Harold Whitehead & Partners

Harold Whitehead & Partners enable our clients to achieve their strategic objectives and improve their operational effectiveness and profitability, by successfully implementing their change initiatives.

Founded in 1929, we are the longest established, independent, professional management consulting firm in the UK. The profile of clients and consulting activities has changed over time but our commitment to harnessing expertise, delivering client-focused results and applying acknowledged standards has remained constant. As Harold Whitehead himself put it in 1923, focused professionalism and the positive qualities of "service and constructive suggestion" still hold true for us today.

Another of his principles that has stood us in good stead is to never pre-judge or assume. Every organisation is unique and the decisions they face are specific to their particular situation. This precept is central to our approach and, based on it, we have delivered benefits worth many millions to our clients and provided savings many times in excess of project costs.

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