

## Acquisitions

### **The Bolt Supply House**

Calgary, Alberta, Canada  
October 2017

### **Mattic Industries**

Vancouver, British Columbia, Canada  
October 2016

### **F.B. Feeney Hardware**

Mississauga, Ontario, Canada  
May 2016

### **Perfect Products Company of Michigan**

Clinton Township, Michigan, USA  
March 2016

### **West Coast Fasteners**

Vancouver, British Columbia, Canada  
October 2015



***“Lawson Products  
doesn’t acquire  
companies; we  
invite companies  
to join us.”***

— *Mike DeCata, President &  
CEO, Lawson Products*

## **Lawson Products’ Acquisition Playbook:**

### **Thoughtful Integration of Employees and Customers**

Excellence in service and a belief that people make a business successful—these are hallmarks of Lawson Products, and they reflect the vision founder Sidney L. Port instilled in the company more than 65 years ago. This tradition holds true today, even in Lawson’s approach to mergers and acquisitions, which focuses on companies that are like-minded in values, ethics and business philosophies, where there’s an excellent cultural and organizational fit.

As part of its growth strategy, Lawson seeks to combine with well-run, respected organizations, acknowledging their customer relationships and investment in their employees. Our acquisition strategy emphasizes a well-defined, efficient and collaborative process from which all parties benefit. At the center are the people who are guided by clear communications, agreed upon timelines and pre- and post-acquisition plans centered on leveraging the best of two successful companies.

In the last few years, we’ve taken deliberate steps to ensure our future success by:

- Adopting Lean Six Sigma methodology and tools.
- Transitioning the sales force from an independent sales agent model to company employees.
- Investing in a new enterprise resource planning system.
- Opening a state-of-the-art distribution center.

These actions have created a stronger foundation for sales growth and make it possible for us to ensure the successful integration of new employees and customers.

### **Acquiring Talent, Enhancing Customer Relationships**

Lawson Products is not solely acquiring assets or books of business with acquisitions. We’re acquiring talent -- individuals with sales experience and the motivation to take advantage of additional product offerings, develop underserved territories and accelerate growth. New sales team members are welcomed into the Lawson culture, which offers the stability of a legacy organization combined with the energy and heart of a startup.

With the support of local sales management, new sales representatives are encouraged to leverage our extensive product line and make an impact on their customers and their own success.

Our approach results in retention of sales representatives and customers, enthusiasm, enhanced sales and service performance, and a customer service model without compare. Sales reps and customers benefit from access to more high-quality MRO consumables, including a vast selection of highly engineered, high-performance private-label products.

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***“They made themselves completely available to us. They answered every question or concern and they walked us through transition and integration plans. They were really invested in the people side of the process, which said a lot about Lawson. I knew this was going to be a good move.”***

***— Sales Representative who joined Lawson Products as part of F.B. Feeney acquisition***

Lawson Products has successfully combined with five organizations in just over two years. Take a closer look at what our formula for acquisition integration success has produced to date:

#### **West Coast Fasteners**

The founder and CEO of West Coast Fasteners took the opportunity to retire from the business once he saw his employees and customers would be in good hands. He feels so strongly about Lawson's people-first acquisition process and post-acquisition integration, he insists on serving as a reference when other potential sellers want to know more.

From a sales representative: “I've spent most of my career here, and I had initial concerns: an American company acquiring a Canadian company – what would customers say? Deciding to join Lawson Products was a leap of faith for me. It looked right and felt right, though, and it couldn't have worked out better. My customers are happy, and my sales are up.”

Since joining Lawson Products, one sales rep has close to doubled his sales by having access to more products that he could sell to his customers.

#### **Perfect Products Company of Michigan**

Like Lawson's Kent Automotive brand, Perfect Products serves automotive repair shops, body shops and industrial customers. With its outstanding reputation for high-touch, customer-focused service, the small, family-owned auto parts distributor was an excellent strategic fit. Lawson gained four more Kent sales reps with industry expertise. The reps worked together to ensure a smooth transition for our customers. In doing so, they have steadily increased sales post acquisition. The sales reps are finding success selling from the company's catalog and access to private label, high performing chemicals they did not have access to before.

#### **F. B. Feeney Hardware**

From a sales representative: “We're not a big company, so Lawson seemed like a giant. But they made a point of visiting us in person, so we could talk and ask questions face-to-face. That was impressive. They made themselves completely available to us. They answered every question or concern, they walked us through transition and integration plans. They were really invested in the people side of the process, which said a lot about Lawson. I knew this was going to be a good move.”

With this acquisition, Lawson also gained additional segment specific industry knowledge regarding truck and trailer repair services. Lawson Products has since added new SKU's as a way to better service the unique needs of truck and trailer repair customers.

#### **Mattic Industries**

Like Lawson, Mattic Industries distributes rivets, fasteners and other industrial components throughout Western Canada while providing vendor managed inventory (VMI) services to customers. Impressed with Mattic's robust, long-lasting customer relationships, particularly within fleet management and the oil and gas industry, it was important that Lawson demonstrate its shared values to Mattic's employees. Doing so resulted in Lawson gaining 18 employees, including 10 sales representatives, with in-depth product knowledge of fasteners and applications for the trucking industry. The sales reps quickly embraced Lawson's technology and systems that enable 24/7 knowledge sharing and problem solving as well as efficient order placement.

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***“I appreciate Lawson Products’ problem-solving culture that helps our customers and our company continuously improve. Recognition for exceptional customer service, technical support and product expertise from the outset of our partnership also did not go unnoticed.”***

***— A Branch Manager of  
The Bolt Supply House***

## **The Bolt Supply House**

Lawson Products’ fifth and largest acquisition that more than doubles its sales in Canada is a partnership with The Bolt Supply House, a company with a similar history and culture. John J. McCann, chief executive officer and principal shareholder of The Bolt Supply House, said, “We selected Lawson because of their industry leadership, commitment to operational excellence and their focus on both employee and customer relationships.”

From a branch manager: “I appreciate Lawson Products’ problem-solving culture that helps our customers and our company continuously improve. Recognition for exceptional customer service, technical support and product expertise from the outset of our partnership also did not go unnoticed.”

Operating under its brand as a subsidiary corporation of Lawson Products’ Canadian operating company, The Bolt Supply House has provided Lawson Products with 13 branch locations and 24 sales territory managers serving companies and professional tradespeople in Alberta, Saskatchewan, and Manitoba, Canada. The Bolt Supply House also operates a packaging and distribution center in Calgary, which had excess capacity. Lawson Products saw this as an opportunity to leverage this capacity and will be operating their own Western Canada distribution center under the same roof. By doing so, Lawson Products will improve its delivery time to customers in the region.

## **Leading together**

Our goal is to make every acquisition a success for the people and companies involved—that means owners, sales representatives and customers.

Lawson Products has gained annual industry recognition including Modern Distribution Management’s Top 40 and Industrial Distribution’s Big 50 lists for its leadership in helping customers increase productivity and profitability with Lawson managed inventory services.

An employer of choice with a collaborative, inclusive culture; an industry leader with a comprehensive line of products and technical expertise that drives customer relationships. That’s Lawson Products.

## **Learn More**

To learn more about Lawson Products’ acquisition strategy, contact Shane McCarthy, Senior Vice President of Supply Chain and Business Development at 773-304-5442.

## **About Lawson Products, Inc.**

Founded in 1952, Lawson Products, Inc., headquartered in Chicago, IL, sells and distributes specialty products to the industrial, commercial, institutional and government maintenance, repair and operations market (MRO). The company is dedicated to helping customers in the U.S. and Canada lower their total cost of operation by increasing productivity and efficiency. The combination of Lawson Managed Inventory and the company’s problem-solving professionals ensures customers always have the right parts to handle the job. Through The Bolt Supply House, customers in Western Canada have access to products at several retail branches. Under its Kent Automotive brand, the company provides collision and mechanical repair products to the automotive aftermarket.

Lawson Products ships from several strategically located distribution centers to customers in all 50 states, Puerto Rico, Canada, Mexico, and the Caribbean.

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