

# ACQUISITIONS



## Description

*Trifast* has shown it is capable of delivering a firm trend of healthy organic growth. However, this is not enough to maximise the opportunities available to us in what is a very fragmented industry, with no one player having more than 5% of the market share.

The acquisition of *TR Kuhlmann*, although small, exemplifies what constitutes an ideal target for the business, namely knowledge and skills, capable self-managing and ongoing management teams, niche market positioning, growing revenue, profitability and earnings enhancing.

## Performance so far

*Kuhlmann* has integrated very well in its first full year with the Group and their performance is ahead of expectations having generated

£6.0m of revenues, £1.3m of operating profit and £1.2m of the Group's cash from operations. Whilst new business plans, taking advantage of *Kuhlmann's* geography and the network of existing customers, have already been developed and are progressing well.

## Plans for the future

Looking ahead for the medium term, a detailed acquisition strategy has been developed to identify key criteria and geographies, which is driving our proactive search for the next acquisition. To better aid this process, we have set up an internal acquisitions team to allow us to focus on not just finding that next acquisition opportunity, but also to help build up a pipeline of potential businesses that in time may come to fruition.

This team, although based in Uckfield, is truly global, receiving input from all of our local Managing Directors and key people in the market place to aid our ongoing search in this very important market for us.

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Read about **Investment driven growth** on page 23

# STRATEGY IN ACTION

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### TR VIC'S VIEWS OF JOINING TRIFAST



After the acquisition finalised on 30 May 2014, the next milestone was a management change on 1 June 2016 after an era of family managed business.

With some resistance and doubts from the team, we started the journey towards a corporate structure and all its advantages. With a significant investment plan, unleashed human potential and willingness to change, the conversion wasn't hard or painful. We have defined the objectives, united and focused on the target, and results are visible; stable growth, production cost reduction, increased capacity, new projects and more possibilities.

The team effort resulted in the award of the ISO/TS16949 certification and many new automotive projects. In 2016 we were audited seven times, all with excellent scores.

Cooperation with demanding automotive businesses is providing a great lesson to all of our team members along with the chance to have our products inside high end automotive manufacturing.

Being part of *Trifast* gave us an opportunity to understand the organisation of other Group manufacturing sites and to adopt this at VIC. All of the changes have been implemented and has made VIC a better place to work. Constant change and continuous improvement has become our new philosophy.

Nevertheless, we cannot forget all the heritage of the Perini family who laid a solid and strong foundation for the application innovation, finding not obvious but smart solutions for our customers and the curiosity to understand all the aspects of the fastener business.

All this together gives us a right to see the future in bright colours where, with a great team, we can reach new goals.

**Karol Gregorczyk**  
Sales and Development Director  
TR VIC

### TR KUHLMANN'S VIEWS OF JOINING TRIFAST



Since October 2015 we are a *Trifast* company – and this is great.

We have got a lot of new impressions and new opportunities. One of the most impressive points is the support from the *TR* Family.

Together, after only a few months of being with *Trifast*, we achieved the target to secure *TR* Kuhlmann as the first nomination from the automotive industry in Germany. This is just one example of how many great new wins *TR* could achieve in Germany in the near future.

It was also fantastic to see that, from the first day, every employee in *TR* Kuhlmann was absolutely committed to *Trifast*, and for this, we would like to say a 'big thank you' to the Board. The Board spoke personally to every single employee and, as a result of those conversations, everyone understood that *Trifast* is one big strong family team.

It is wonderful to see how strong the global structure inside the Company is. To work as one team globally in 18 countries, sharing the huge knowledge around the world is an amazing achievement. All these different parts to the puzzle make us very optimistic for the future.

We are happy to say that we are proud to be a part of the *Trifast* family.

**Peter Henning**  
Director  
TR Kuhlmann