

## Case Study



### Company Overview

Designer, manufacturer, and marketer of premium shower products including frameless glass shower doors, shower enclosures, and acrylic shower bases.

### Transaction Overview

DreamLine's founding entrepreneurs were seeking a partner to help accelerate the company's growth, professionalize the organization, and assist in management succession. MPE Partners emerged as management's preferred partner due to its clear understanding of the company's digital go-to-market strategy, experience with entrepreneur owned companies, and plan to facilitate the entrepreneurs' retirement.

### Transaction Outcome

MPE's Investment Professionals worked with management to professionalize the organization through implementation of best-in-class systems and processes, while also working with the founders to transition to strategic advisory and board member roles, before selling the company to a private equity backed strategic buyer in late 2020.

### Original Investment Thesis

- Leading position in online frameless shower door market
- Leverage market-leading, technology-driven capabilities in new product design, process technology, and digital marketing
- Capitalize on industry trends, including the shift from tubs to shower stalls, from framed to frameless shower doors, and the growth of the online building products channel

#### Headquarters:

Warminster, PA

#### Sector:

Commercial & Industrial Services  
(Residential Services)

#### Transaction Type:

Leveraged  
Recapitalization

#### Investment Date:

June 2017

#### Status:

Exited December 2020

## Company-Building Approach

### Human Capital Development

- **Facilitated succession plan** of founding entrepreneurs from day-to-day execution to strategic advisory and board member roles
- **Recruited new CEO and CFO** as well as several VP- and Director-level personnel
- **Facilitated organizational assessment and design** to unlock efficiencies
- **Aligned interests** through rollover investments, co-investments, bonus programs, and incentive units

### Operational Improvements

- **Restructured Asian supply** to dramatically improve capacity, quality, and inventory planning systems
- **Deployed a hub-and-spoke distribution model** which enabled reductions in shipping time and cost to customers
- **Implemented new ERP system** which enhanced business intelligence, operational KPI tracking, financial reporting, and inventory planning

### Strategic Growth

- **Achieved strong organic growth** through capitalizing on attractive sector tailwinds as eCommerce continued to take market share from brick-and-mortar retail
- **Expanded product and end market breadth** through product configurator capabilities
- **Completed strategic acquisition in the Western US** to expand DreamLine's product line, geographic presence, and customer diversification

### Financial Enhancements

- **Employed conservative capital structure** for flexibility to invest in the business through Value Creation initiatives and add-on acquisitions
- **Implemented first ever annual audit, operating plan, and forecasting process** to better assist with financial planning
- **Developed tracking tools** for capital and operational spending, as well as payback period and ROI hurdles