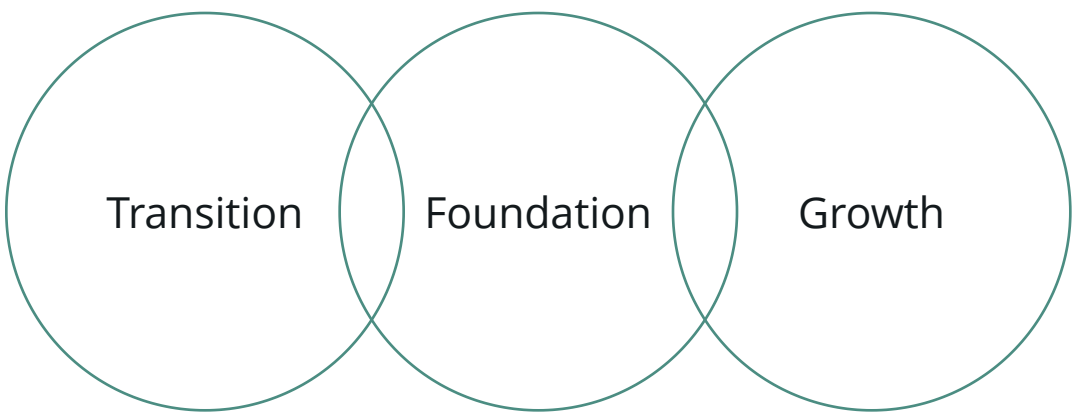


## From Transition To Transformation: a Hadley Ownership System™ case study

Learn more about how the Hadley Ownership System helped a founder and his team achieve success for all stakeholders.

The process includes three overlapping phases of development that are designed to improve results along Five Dimensions of Value Creation™ — Team, Growth, Systems, Competitive Advantage and Quality Earnings.



**Let more about how we get it done.**



### About GT Golf

GT Golf Supplies sources and sells grips, tees and other accessories to golf courses, golf course management companies and off-course retailers. GT Golf Supplies is known for its broad product offering, short lead times, competitive pricing and excellent customer service.

The Company’s customers include some of the most recognized and sophisticated golf course operators and retailers in the world including Worldwide Golf, Pebble Beach Resorts, ClubCorp and PGA Tour Superstores.



**1991**

Year Founded



**Founder-Led**

Business Type



**2016**

Year of Hadley Partnership

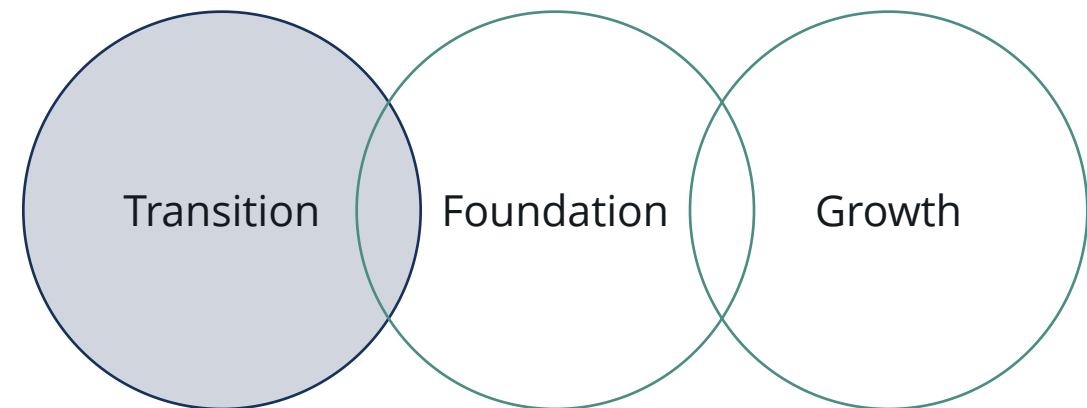
GT Golf Supplies is headquartered just north of San Diego, California with additional locations near Charleston, South Carolina and Dallas/Ft. Worth, Texas.

## Transition

**Honor and support the existing business to keep it stable and profitable.**

Craig Pollard built GT Golf Supplies from a one-man traveling sales effort into the nation's leading distributor of golf accessories. After 20 years of hard work he was ready to spend time on new opportunities, including a charity that he founded.

Craig was still instrumental to GT Golf and was leading the business day-to-day.



## Enter Hadley

Through an ownership transition, Craig sold a majority of GT Golf to Hadley. The sale helped solidify Craig's nest egg and provided some additional capital to support his charity. He also gained an experienced partner to help him develop a Transition plan for the company and its leadership.



*Craig Pollard*

At the closing of the sale, we got to work on the Transition, using the following playbook:

- Let the dust settle. First, do no harm;
- Spend more time getting to know the team, business and industry;
- Install baseline financial reporting capabilities, monthly financial statements, weekly flash reports, etc.;
- Prioritize initial Foundation investments;
- Identify a successor within or outside the business;
- Implement a management transition plan.

## Delivering Results

The Transition plan was completed over a period of 18 months inclusive of identifying a new President (from within the business) and completing the handoff from Craig to Brian Van De Veere. Brian knew the company well, had ten years of experience with it, wanted to see it succeed, and had ideas for growth.

Following a successful Transition, Craig was free to pursue his other passion while Brian and the rest of the management team, along with our support, got to work laying the Foundation required to support future Growth.



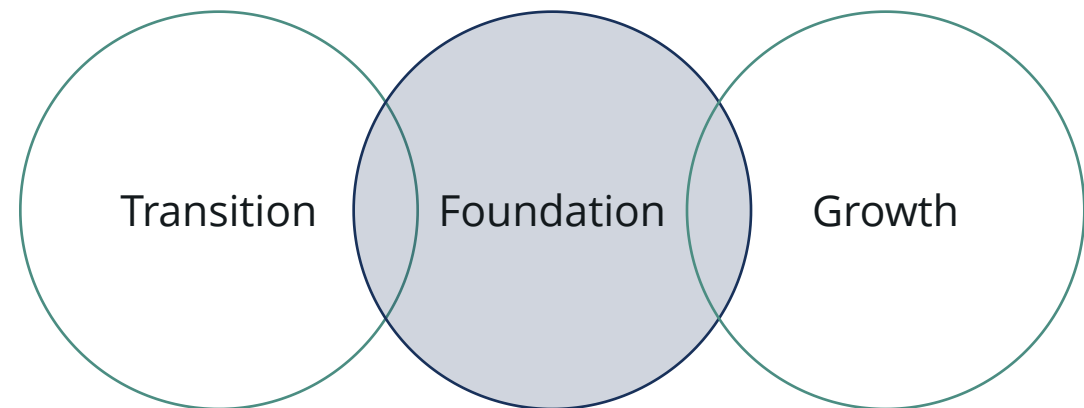
## Foundation

**Add systems, processes, and staff to support additional growth without sacrificing quality or service.**

Once it is clear that a Transition is successful, we begin to work on designing and implementing the Foundations required for future Growth.

Over the past two decades, we have witnessed the paradox of growth: what made you successful at one level, holds you back from getting to the next level.

For example, systems and processes designed for \$5 million of revenue can become a tangled mess as complexity increases at higher revenue levels. As a result, small companies often struggle to scale.



## Enhancing Capability

Foundations provide critical support for long-term scalability, stability and profitability. At GT Golf, we worked the management team to enhance the Foundation:



*Brian Van De Veere*

- Address the paradox of growth;
- Supplement the team with key hires;
- Upgrade critical business systems;
- Introduce new business processes;
- Implement decision making models;
- Formalize comprehensive capital budgets and financing plans;
- Create organizational development plans;
- Develop strategic Growth plans for the next 12-24 months.

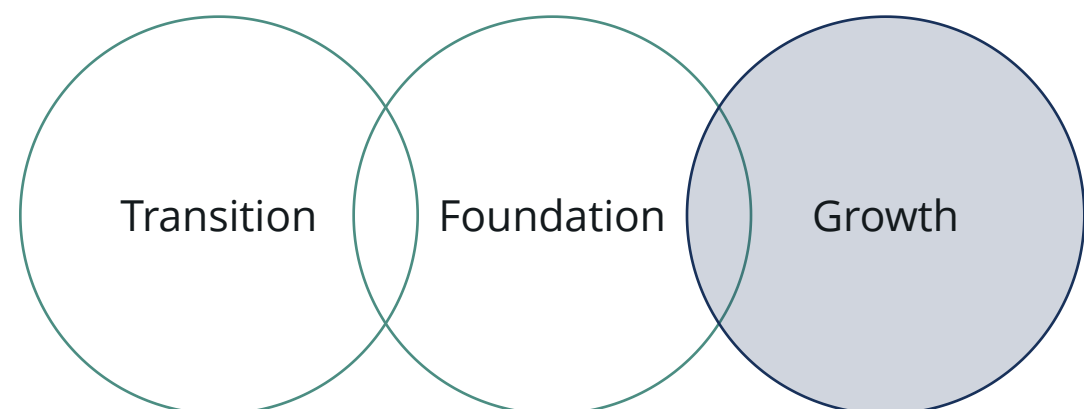
## Positioned for Growth

After 36 months — 18 months in Transition and 18 months building Foundation — GT Golf was well positioned to pursue an aggressive Growth plan in the final phase of the Hadley Ownership System.

## Growth

**Develop new customers, products and services to drive consistent revenue and profit growth over time.**

The third, and final phase, of the Hadley Ownership System follows success in Transition and Foundation. In our experience, the three phases overlap but they need to be completed in order – Transition, Foundation, Growth.



The Growth phase is rooted in strategic planning priorities each year. As these priorities are realized, the result is Growth. We like to say we hit lots of singles and doubles and eventually score a lot of runs.

## Expanding Opportunity

Strategic plans vary from company-to-company but, in the case of GT Golf, several critical priorities drove the company's Growth including:

- Investing in team development and growth;
- Opening new channels to market;
- Expanding geographic reach with new hires and new locations;
- Access to capital to support working capital needs;
- Introducing new products;
- Identifying low-risks complimentary acquisitions.

### From Transition to Transformation

These strategies led to a five year revenue CAGR of 11%, well ahead of industry growth rates and roughly doubled the size of the business in five years.

Over a five year horizon, the Hadley Ownership System has provided GT Golf and its management team with a robust framework for succeeding in Transition, establishing a strong Foundation and realizing significant, profitable Growth.



## Transform Your Company Challenges Into New Success

The Hadley Ownership System was developed specifically to assist small companies achieve success in one of the most challenging periods in a small company's lifecycle – a transition from a founder/owner to a new phase of leadership and ownership.

Once the Transition is a success, the Hadley Ownership System is focused on orienting small companies towards a Growth model that creates greater opportunities for all its stakeholders – employees, customers, vendors, partners and owners. Interested in learning more?

**Let us help you get it done.**

Contact us today to start the conversation at [www.hadleycapital.com/contact-us](http://www.hadleycapital.com/contact-us).