

CASE STUDY

Gammill Inc.

Interim Financial Management



Our Client: Gammill designs and markets high-end quilting machines, known as “longarm” quilting machines, to quilting enthusiasts and entrepreneurs through a network of independent dealers.

Situation: After developing and introducing the first longarm quilting machine and spending 20 years building the Company, the founder and sole shareholder was ready to retire. With no partners or management succession plan in place, the founder knew he needed help to realize the full value.

Challenge: The Fortune Group saw a couple of significant challenges in this transaction. The longarm quilting machine market was a small, niche market and most potential buyers were unfamiliar with this unique consumer product. The owner had grown the Company by devoting his time to product development and sales and marketing. Considerably less attention had been given to financial management, industry intelligence and dealer relationships.

Solution: The Fortune Group identified key strategic areas the Company should focus on, and provided the following assistance:

- Developed an overview of the quilting market to establish its size and growth;
- Hired an experienced CFO on an interim basis to produce timely and accurate financial statements; and
- Created a dealer survey program for use in designing new product offerings and forecasting future sales

Results: The Fortune Group conducted an aggressive, managed sale process that generated a large number of proposals from qualified buyers to buy the company. Ultimately, the Company was sold to a private equity group in an all-cash transaction for an amount that was considerably higher than the owner’s initial expectations.

About The Fortune Group: Founded in 1987, The Fortune Group is a mergers and acquisitions advisory firm serving middle market companies considering a sale or recapitalization of their business. With over 200 years of combined dealmaking experience, the firm has established itself as a leader in creating value for its clients by completing transactions that meet both financial and strategic objectives. Learn more at fortunegrp.com.

For More Information:

Paul C. Schnoebelen III, Managing Director, Direct: 314.881.1181, Cell: 314.608.7826, pcs@fortunegrp.com
John H. Hull, Managing Director, Direct: 314.881.1188, Cell: 314.608.2198, jhh@fortunegrp.com