

## **Chief Financial Officer (CFO) Opportunity, Mearthane Products Corporation, Cranston, RI**

### **About the Company:**

Mearthane Products Corporation (MPC) is a privately-owned global technology leader in the development and manufacture of advanced polyurethane and precision metal components, headquartered in Cranston, RI, with additional facilities in Bristol, RI, E. Cranston, RI, and Winchester, VA. MPC was founded in 1965 in Rhode Island, and has continuously operated since that time. Starting in 2010, MPC began its transformation to a higher-growth market-driven company, and in 2016 the Leadership Team was overhauled to accelerate that effort. CEO/Owner Kevin Redmond brought in President Pete Kaczmarek, a proven manufacturing CEO with international experience, to develop and implement a higher-growth strategy.

Since 2017, MPC has completed and integrated 4 acquisitions, building on its core polyurethane molding business and creating an associated Precision Metals business. A fifth acquisition is underway and expected to be completed in the 1<sup>st</sup> quarter of 2020, which will add revenue and strategic market and technology diversification to the company.

MPC currently has over 100 employees, most of which are in Rhode Island. The company is organized around 3 main business areas:

- MPC Precision Polymers – custom-developed and manufactured components based on patented and proprietary polyurethane chemistry. Key markets for these products include Automated Teller Machines (ATMs), postal handling, sorting and metering equipment, digital color printers, copiers, scanners and other imaging equipment, nuclear submarine components, and a wide range of other industrial applications. Typical applications last at least 5 years and often 10 years or more.
- MPC Wheels – sports and recreation wheels based on patented and proprietary constructions and chemistry. The largest application is for professional inline skate racing, where MPC holds an estimated 70% market share and is considered the fastest and best-constructed inline wheel in the world. Other applications include street hockey wheels, fitness equipment components, and skateboard wheels.
- MPC Precision Metals – custom designed and manufactured metal components used in defense, research, retail displays, electrical equipment, manufacturing equipment and many other applications. MPC's metal-working capabilities include CNC milling, grinding, drilling, high-speed stamping, and sheet metal forming.

Through organic growth and strategic acquisition, MPC's revenue has more than doubled since 2016, with Gross Margins and EBITDA Margin well above industry averages.

MPC has created an external, non-fiduciary Board of Advisors to support the owners in development and execution of a 3-year strategy, intended to optimize the company's value for an eventual sale or other structural transaction.

An estimated 35% of MPC's 2019 revenue was directly exported outside the United States, to over 25 countries. MPC works closely with Rhode Island's Commerce Corporation, the U.S. Small Business Administration, local universities, the Rhode Island Manufacturers' Association (RIMA), Polaris MEP, and the Southeastern New England Defense Industries Association (SENEDIA) to promote and improve manufacturing in Rhode Island.

### **CFO Position Overview:**

The Chief Financial Officer (CFO) will be responsible for the day-to-day administrative and financial operations of the company. This includes the ongoing development and refinement of financial and operational strategy, and the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results.

The CFO will serve as a strategic advisor and partner to company ownership and leadership helping to drive the company's performance by providing fact-based analysis and strategic financial direction. As an integral member of the Executive Team, the CFO will support the organization in improving sales and profit growth through financial analysis and functional support.

The CFO will oversee the company's banking and tax/auditing relationships and will lead efforts to develop and refine the company's debt and tax optimization strategies.

Finally, the ideal candidate will have significant experience in acquisition evaluation, due diligence, transaction processes, and integration, and take a lead role in key aspects of the company's acquisition and consolidation activities.

### **Key Responsibilities:**

- Ensure that financial information, analysis and reporting is accurate, timely, reliable and relevant.
- Manage financial and business performance by refining appropriate metrics on which to measure the Company's business, monitoring variances to forecasts, and developing action plans to address variances. Work with operating team to identify and address trends, implement corrective actions and performance improvement actions.
- Provide consistent and accurate financial forecasting for company.
- Monitor capital requests and expenditures to ensure within budget and plan.
- Oversee all accounts, ledgers, and reporting systems, ensuring compliance with appropriate Generally Accepted Accounting Principles and regulatory requirements.
- Maintain internal control safeguards and coordinate all audit activities.
- Ensure that the Company is in continuous compliance with all statutory, regulatory, banking, tax, and other external and internal operating, reporting and record keeping requirements to which the company is subject.

- Manage the Treasury function, including cash management, cash forecasting, accounts receivable and accounts payable. Develop a reliable cash flow projection process and reporting mechanism to meet operating needs of the company.
- Manage tax statement preparation with vendors as needed, for all related company and shareholder activities.
- Maintain key relationships with insurance broker, ensuring awareness of all significant business developments and maintenance of appropriate coverage.
- Maintain key banking relationships, ensuring bank is aware of all significant business developments and partner on strategies to ensure company is always adequately funded.
- Analyze and value opportunities to sell or acquire business units. Facilitate due diligence reviews should these transactions proceed beyond initial review, facilitating smooth transition should transaction close. Ensure rapid and accurate financial integration of acquired entities.
- Oversee budgeting and the implementation of budgets to monitor progress and present financial metrics internally.
- Mentor and develop Finance team, managing work allocation, training, problem resolution, performance evaluation, and the building of an effective team dynamic.
- Support all company initiatives by process and procedure as communicated.
- Other duties as assigned

#### **CFO Qualifications:**

The CFO will be an experienced leader with at least 10 to 15+ years of broad finance experience in a Business-to-Business (B2B) manufacturing setting, ideally beginning in accounting, followed by significant experience in development and oversight of Finance functions and processes, including at the CFO or equivalent level. The CFO will have experience managing all Finance activities (accounting, budgeting, control, and reporting) within a multi-location entity. The ideal candidate will have had successful experience in targeting and making strategic acquisitions, business integrations and consolidations, and will have had experience in a Private Equity setting.

The CFO will have the following qualifications and experiences:

- BS in Accounting, finance or business administration
- Demonstrated senior-level experience within a B2B manufacturing company
- Excellent, hands-on working knowledge of financial planning and analysis, budgeting and forecasting, cost accounting, risk management, and tax and treasury
- Proven ability to develop and lead a professional Finance team, including members who work in other locations
- Advanced Excel and PowerPoint skills,
- Success in managing additional functions such as IT and Administrative activities
- Technical knowledge of various business information systems and ability to leverage to deliver impactful data to organizations, as well as experience in implementing, upgrading, or merging business information systems in a manufacturing setting

- Experience and comfort managing banking relationships, tax/audit relationships, and external vendors
- Creation, review and management of legal contracts
- Experience and comfort working with B2B customers
- Oversight of physical facilities including property, plant and equipment
- Private Equity backed business experience strongly desired
- CPA strongly desired
- Operations management experience strongly desired

**Critical Personal Attributes:**

- Ability to form positive and productive relationships with owners, key leaders and key external stakeholders
- Demonstrable passion for driving results and achieving goals
- Demonstrable attention to accuracy and detail, especially with respect to financial information
- Impeccable ethics and integrity
- Able to work independently and demonstrates good judgment in decision-making
- Desire to work in a dynamic environment and flexibly adjust style and priorities as required
- Ability to summarize data into critical insights and share with owners, advisory board members and key leadership
- Strong analytical skills interpreting a strategic vision into an operational model
- Ability/willingness to travel and oversee remote locations as needed
- Effective communication skills at all levels in the organization, with strong oral and written skills and a willingness to share information
- A collaborative and flexible style, with a strong service mentality

**Compensation:**

- Competitive base salary commensurate with experience
- Annual incentive bonus opportunity commensurate with experience
- Long-Term Incentive target to be paid upon sale of company or other transaction event
- Healthcare plan, Life Insurance, 401K plan with match and Paid-Time-Off