



Bio-Techne Accelerates Business Growth

biotechne[®]

We have helped Bio-Techne to:

- Take a market-led view of the business
- Develop a Strategic Plan
- Develop an aligned Operating Plan
- Achieve the objective of accelerated business growth

Client background

Bio-Techne is a global life sciences company providing innovative bioactive tools and resources for the research and clinical diagnostic communities. Bio-Techne products enable scientific investigations into biological processes that elucidate both the nature and progress of specific diseases. They also aid in the drug discovery efforts and provide the means for accurate clinical tests and diagnoses. With over 275,000 products in its portfolio, Bio-Techne generated approximately \$358 million in net sales in FY 2014 and has over 1,300 employees worldwide.

Client challenge

Bio-Techne had enjoyed robust, double digit growth for many years but following the financial crisis its annual growth had slowed to the single digit range. The Bio-Techne board wanted to accelerate top line growth while retaining the already impressive profitability of the business. Achieving the objectives would mean carefully targeted acquisitions alongside accelerated organic growth in order to control any margin erosion. A Strategic Plan was urgently needed; one that could handle the underlying complexity of a business with hundreds of thousands of products in multiple market sectors and territories, along with the need to target and rapidly integrate acquisitions.

How Catalyze helped

The Catalyze Strategic Portfolio Management approach is designed to support organisational alignment and business growth, providing a methodology and a toolset that can be adapted and applied to a specific context such as that faced by Bio-Techne.

The initial requirement was a Strategic Plan, and the first steps were to understand the current situation and get clarity of the strategic objectives (where are we now?, where do we

“Catalyze has become a key part of our management team, helping us develop a great strategy and plan to achieve our aggressive top and bottom line objectives.”

Chuck Kummeth,
CEO Bio-Techne

want to be? and how do we protect and gain market shares?). The Bio-Techne senior management already had very clear financial objectives and had identified and ranked a number of acquisition targets that would complement and fill any business gaps. Initial efforts were rapidly focused on collecting current business performance data for each part of the business, along with market size, market share and competitor data.

The Catalyze software tools were then used to produce a range of strategic market perspectives. These perspectives were used in facilitated workshops with the management team to enable them to define the potential strategies for each product group, in each market sector, in each territory. Software modelling allowed different scenarios to be considered before final decisions are made on prioritization strategies, so that the management team could commit to a plan with confidence. Throughout the process, Catalyze played an active role with the senior management and their teams to familiarize them with the entire process. The overall timeframe to develop and agree on the initial Strategic Plan, complete with high level P&L projections, was less than 3 months.

The next stage was to translate the Strategic Plan into an implementable Operating Plan, a process that took place over a further 3 month timeframe. Each of the business units was tasked with using 1-page templates to produce one or more business cases for each of their strategic initiatives, spanning Research, Product Development, Sales and Marketing, and Acquisitions. Any proposal that had resources allocated and that could in any way be considered optional was treated the same way. All business cases were then subject to a management and peer review and challenge process to ensure they were realistic, unconstrained, robust and based on a consistent set of assumptions. Once complete, current activities and new investment opportunities could be compared and contrasted using financial and strategic criteria directly derived from the Strategic Plan. This enabled investment proposals to be made on a consistent basis across the whole of the business. These proposals were then prioritised to form an Operating Plan, with clear alignment to the Strategic Plan.

Enabling Effective Decisions

Bio-Techne has begun to realize improved growth consistent with the Strategic Plan. The business has already grown by more than 30%, through a combination of organic growth and three carefully targeted acquisitions.

Bio-Techne is now better prepared to analyze its business needs and aligned with its Strategic Plan. Catalyze provided some of the tools for an in depth analysis of the business which allowed it to implement an agile and effective operating plan with a stronger customer and market oriented focus. The scene is set to meet the objectives for future growth.

info@catalyzeconsulting.com

www.catalyzeconsulting.com

Catalyze is a strategy consultancy, helping clients to prioritise and make robust sustainable decisions. We believe the best results are delivered through effective decision-making that engages people and aligns organisations. We have an established track record of enabling our clients to achieve results, whether it's improved shareholder value, a better planet or both.

Catalyze was founded in 2001 in conjunction with the London School of Economics and Political Science, applying techniques built on robust and validated decision theory. We support global clients from offices in the UK, USA, Australia and New Zealand.