

Small Buyout of the Year

Baird Capital Partners Europe receives award for Paddock investment



Baird Capital Partners Europe (BCPE) was honored with the Unquote British Private Equity Award for "Small Buyout of the Year" on Sept. 22 in London. BCPE was recognized for its investment in portfolio company Paddock Holdings Limited and its 2010 sale of the company to ASSA ABLOY, the global leader in door opening solutions.

Based in Walsall, England, Paddock is the UK's largest manufacturer of multipoint door locks. Fundamental to the success of the business was the application of Baird's international operating resources, which facilitated the development of Paddock's Asia sourcing capabilities, the outsourcing of engineering design and development functions to India and, ultimately, sales into the Chinese market. During Baird's ownership of Paddock, employment at the company increased from 83 employees to 124, despite the economic downturn.

"At the time we invested, Paddock had already started sourcing components from China and was seeing some cost savings, but the company was experiencing issues related to quality and delivery," said Simon Havers, Chief Executive of BCPE. "Our team in Asia played a critical role in enhancing their supply chain as well as beginning to generate revenue from Asia."

In addition to enhancing Paddock's engineering, supply chain, and sales and marketing strategies, Baird also helped the company further develop its management team, including recruiting new sales staff, technical and finance directors, and an operations director.

Over the course of Baird's involvement, the operational improvements and offshore savings drove record profits at Paddock, including a significant increase in gross margins from 33% to 40%.

"The Paddock exit demonstrates our ability to deliver value through our international operating resources, even in a tough economic environment," Simon said. "We are very pleased that others in the private equity community have honored our success with Paddock, and that we were able to deliver returns to investors in spite of the economic challenges we faced."

"Congratulations to the entire BCPE team on this award."

