

# CF Stinson® + Arc-Com BRANDS

## How to Execute a Sales-Led Integration to Maximize Acquisition Value

*A case study on integrating sales organizations following the merger of CF Stinson and Arc-Com*

## The Context

Founded in 1952 and still managed by two of the founder's grandsons, CF Stinson is the epitome of stability. With over six decades of steady growth and continuous improvement, the company has become a leader in performance textiles, with designs that have delighted customers for three generations.

M&A, while done in the past, was never central to Stinson's growth strategy. Until Arc-Com.

Together, the two companies, built on innovative design and rigorous performance standards, formed the most comprehensive and respected textile

portfolio in the healthcare market, with expanded reach across the hospitality, education and corporate verticals.

The opportunity to acquire Arc-Com represented a rare chance to accelerate the trajectory of a 74-year-old company.

This is how CF Stinson, with support from APG, planned and executed the integration of the Arc-Com sales organization - ensuring customers from both companies experience more beautifully designed fabric without disruption.

## CF Stinson's Path to 1+1 = 3

The seeds of successful mergers are planted long before a deal closes. Speed, clarity, and fairness must drive decision-making and communication before, during, and after closing.

### Pro-Tip:

How you decide who stays matters as much as who stays. Fairness signals cultural integrity to both retained and departing team members.

### 1. BUILD THE ALL-STAR TEAM

A merger of like-sized companies presents a rare opportunity to redesign the sales organization from the ground up.

#### The objective was clear:

Put the best possible talent in each territory regardless of legacy affiliation.

This required disciplined data collection through interviews and historical performance metrics. Decisions were made deliberately and thoughtfully to identify the strongest performers across both organizations.

## 2. DETERMINE THE COVERAGE MAP

Sales teams hate ambiguity.

Day 1 account ownership and territory definitions were non-negotiable.

Fitting the entire all-star team into the coverage map, however, was complex. Inevitably two high-performing salespeople covered the same territory.

Rather than defaulting to a single selection, leadership asked a different question: If the territory performs well with one salesperson, could it perform even better with two?

Time and again, the analysis said yes.

The combined sales team ultimately increased by 50% - a depth of sales talent neither organization had achieved independently.

### Pro-Tips:

- ✓ **If sales reps don't understand how they make money, they stop selling.**
- ✓ **Fairness is not only the right approach – it is the foundation of trust and retention.**
- ✓ **Most compensation failures stem from misunderstanding, not poor design. Confusion breeds rumors, rumors create misinformation, and misinformation leads to turnover.**

### Pro-Tips:

- ✓ **Rationalize accounts and relationships with care. Customers like change about as much as salespeople do.**
- ✓ **Protect relationships and territories that are working. Where change is necessary, utilize joint account planning and warm handoffs to transfer trust - not just CRM data.**
- ✓ **Build a credible reporting structure. Salespeople know who the strong performers are. Choose regional managers based on performance, not legacy. Give them authority and hold them accountable for revenue continuity, team development and growth - not integration milestones.**

## 3. THE COMPENSATION PLAN

Compensation missteps are the fastest way to lose talent.

We had the benefit of leveraging CF Stinson's long-standing, well-understood compensation plan. But structure alone is insufficient – comprehension is critical.

Each Arc-Com salesperson received a one-on-one review of the compensation structure prior to close. Historical performance scenarios were modeled to demonstrate earnings potential and ensure transparency.

## 4. COMMUNICATION

People want to know what is happening. Communicating what might be happening, however, creates unnecessary uncertainty. For that reason, communication followed a disciplined plan – beginning only once the acquisition closed – and not a day earlier. Employees first needed to understand the big picture. Then they needed clarity on what it meant for them.

The team implemented a cascade approach:

1. CEO delivered big picture and vision
2. CRO outlined sales organization structure
3. Regional Managers conducted one-on-one conversations with sales reps

At each step decisions were clearly communicated, along with timelines for those still in progress.

### Pro-Tips:

- ✓ Measure success beyond revenue to develop a feedback loop directly to the sales training curriculum. Ramp time, rep attrition, pipeline coverage, customer churn and cross-sell attach rates should all be elements used to measure integration success.
- ✓ Salespeople don't resist change, they resist unpaid learning curves. Train hands-on, not through PDFs.

### Pro-Tips:

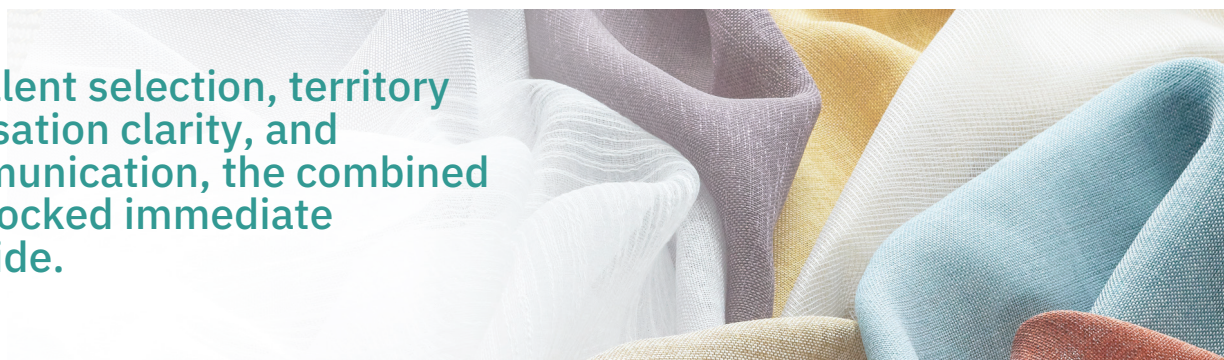
- ✓ Over-communicate with honesty. Address areas of fear directly and quickly. Roles, territories, compensation, and layoffs must be decided before the acquisition closes.
- ✓ Silence breeds rumors and rumors kill acquisitions.

## 5. NEVER STOP TRAINING

Don't expect a good salesperson to sell something they don't understand. A unified value proposition, clear competitive positioning, and structured cross-sell plays across the combined portfolio were essential.

Shortly after close, we brought the entire sales organization together for immersive, multi-day training. It was expensive and well worth it. The team left connected with a deeper understanding of the expanded portfolio, team structure, warehouse operations, pricing, and the broader strategic direction.

Eight months post-acquisition, and our training team continues to develop and deliver training based on field feedback and performance data.



By prioritizing talent selection, territory design, compensation clarity, and structured communication, the combined organization unlocked immediate commercial upside.