

CASE STUDY

Strategic Themes for Growth

A ChemicalCo's Corporate Journey

MONITOR

Client Situation

ChemicalCo is a mid-sized commodity and specialty chemical company that was emerging from a period of turnaround and investor confidence building to address poor performance due to adverse industry structure shifts and underperforming portfolio investments. They had been focusing mostly on cost and capital management, pricing discipline, and investment rationalization for the prior couple of years, and believed the next critical step was to begin to address what their portfolio evolution must look like over the medium-term to build on the change momentum and create a path to sustainable growth.

ChemicalCo had many diverse investments in growth 'activities', but no clear guiding direction around how they fit together, and lacked a cohesive "story" and investment plan around the critical platforms that would underpin, and inform choices about their growth drivers in the medium and longer term.

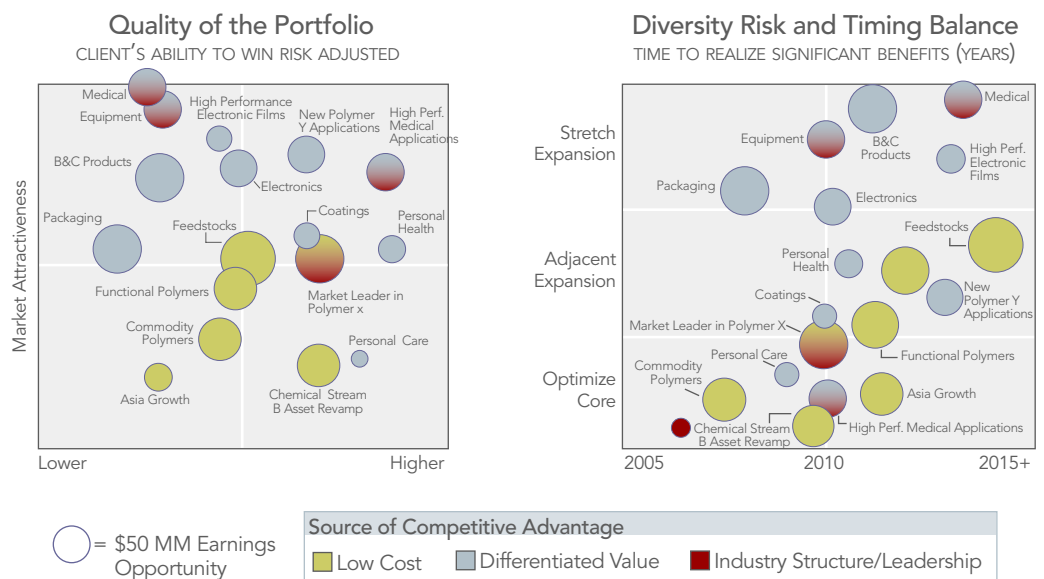
What We Did

Monitor was asked to help develop a growth strategy for ChemicalCo—to help write the next chapter in the corporate journey and provide the choice framework for how to make strategic resource investments and tradeoffs going forward.

Monitor worked closely with the line and functional management to identify and inventory the ideas, opportunities, capabilities and sources of advantage and value creation available to ChemicalCo. We organized and framed the opportunities into Growth Platforms, and evaluated the relative strength, sustainability, materiality and reinforcing logic across and between them. We then structured the platforms into distinct and viable strategic themes for ChemicalCo, and worked across the organization at all levels to engage each of the key stakeholders in the choice process.

EXHIBIT 1

Opportunity Portfolio Evaluation



All data has been disguised.

Monitor
 Two Canal Park
 Cambridge, Massachusetts 02141
 USA
 Phone +1 617 252 2000
www.monitor.com/casestudies

Results

ChemicalCo made a clear choice around its corporate growth strategy that was embraced by all stakeholders. As a result, they shut-down several non-core businesses, made divestitures of non-strategic businesses and assets, and focused investments of growth resources (human and financial) predominantly on the core Growth Platforms. Additionally, they were able to articulate a clear and compelling strategy to the investor and employee communities that markets responded to extremely well, rewarding ChemicalCo over the 2 ½ years that followed with a 20% increase in share price.

EXHIBIT 2

Integrating Portfolio Choices Into Strategic Themes

