



Journey of a Start-up through Acquisition

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RESTRICTED

INTERNAL

EXTERNAL

Background



- Small Energy Management Company - Plymouth
- Began in 2007 – grew organically
- 8 employees at point of Acquisition (Dec 2015)
- Data driven approach – installing metering and analysing data using software
- Primary assets of the business were the C3NTINEL software, and the Team

C3NTINEL[®]



ENGIE Group Operates in 74 Countries Worldwide. Geographic Business Units form the Global Organisational Structure either by country or continent.

No.1
in district and
industrial energy

£2.8bn
UK turnover

25m
m² of space
managed

20,000
Employees

5GW
of power
generation
capacity

27,000
Customer sites



Build-up to Acquisition

C3 Resources Ltd

Commercial Factors

Fundamental

- Understand ENGIE's key drivers and pain-points, and how we can meet these.
- Build a strong proposition – Financial and Technical potential!
- Do due diligence – both ways. Did ENGIE meet our desires and ethical alignment?
- Make C3NTINEL look pretty. Pictures and colours go a long way!

Human Factors

Critical

- Engage with the right Champions and Stakeholders
- Energy and Expertise
- Make sure you have the right people on your side of the table.
- Whilst ENGIE were buying the software... the reality was... the Humanware was more important!
- Manage feelings and concerns within the team
- Everyone wants success



Let the ride begin...!

Underlying risk...

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Appreciate the risks...

...Sometimes you can sit in 14 meetings of people saying 'Yes', before anything happens, and only 1 meeting of someone saying 'No' before the idea gets canned.

Post-Acquisition

ENGIE

The hard work begins now!

- Original promises change – reporting lines
- Prepare to be drowned
- Expectation management
- Educate, Educate, Educate
- Battle to demonstrate value
- Internal growth – the sell continues
- Staying agile in treacle

Post-Acquisition

Success

4 years on....

- Performance targets were hit!
- There are still 6 of the original 8 C3 Resources employees working at ENGIE in the team!
- Grown the data points on C3NTINEL by 2,200%
- International presence
- Broadened scope from Energy Management to Smart Buildings IoT
- Our C3NTINEL baby has flown the nest!

Ownership
Pride
Adventure
Expectations
Invested
Exhaustion
Expert
Excitement

Post-Acquisition

Lessons learnt *for* the acquiring Company

How to do it right...

- Due diligence is essential – use it not to just check the value of the prospect, but also to understand the early years investment requirement
- Protect and incentivise the key people
- The small company is probably working at capacity at point of acquisition, they will need more resource to support education, integration, growth
- Ensure an Integration Manager has clear targets and understands the business case
- Minimise distractions from the core service, allowing 3 months for the integration of the support functions before Sales
- Communicate a clear vision, but remain flexible



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