



# OC&C strategy consultants

## Company presentation

Trentino Sviluppo S.p.A.

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**OC&C**  
Strategy consultants

uncommon sense™

# Our principles

## About Us



### We know what we're great at

We're built on sectors and specialisms where we excel. So we can pick the right battles for us and for you. Quality is something we won't compromise on.



### We're relentless in our pursuit of the right answer

Agile thinkers, intellectually curious, up for a challenge. We're not afraid to tell you what you need to hear. We'll have brave answers that set us – and you – apart.



### We're surprisingly human

We're diverse but united by a common purpose – working together with our clients and colleagues to build relationships that last.

# OC&C helps management devise winning strategies and translate them into action

## OC&C's Fields of Expertise

### Board

#### Corporate Strategy

- End Game thinking / strategic vision
- Portfolio strategy
- Shareholder value creation
- Role of the centre

### Executive Management

#### Business / Product Market Strategy

- Growth strategies and international roll-out
- Market / brand positioning
- Product and pricing strategies
- New business development
- Competitive economics
- Customer relationship management / CRM
- Investment evaluation

### Operational Management

#### Strategy Realisation

- Margin realisation - price and cost optimisation
- Organisational alignment and design
- Process re-design
- New business testing and launch
- Programme management / PMO
- Transformation programmes
- Post-merger integration

### Transaction Management

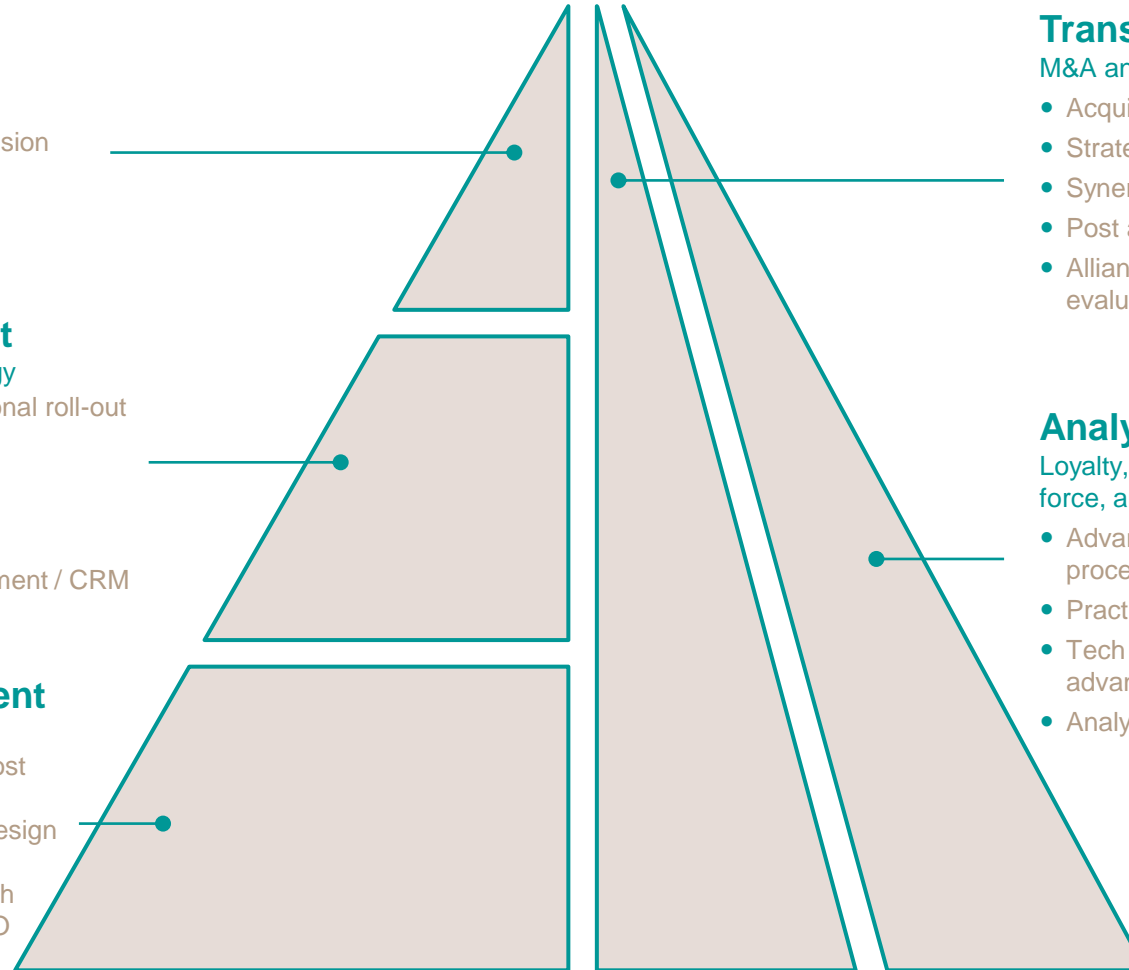
#### M&A and Private Equity

- Acquisition search, screen and evaluation
- Strategic and commercial due diligence
- Synergy evaluation
- Post acquisition planning
- Alliances, JVs and partnerships: selection, evaluation and negotiation support

### Analytics

#### Loyalty, pricing, location, sales force, and marketing effectiveness

- Advanced analytics and AI strategies, process and organisational design
- Practical roadmaps for implementation
- Tech stack for big data and advanced analytics
- Analytics capability building



# We work with a broad range of players within our industries of expertise – working with a broad range of players

## OC&C's Sector and Client Coverage

### OC&C Sector Coverage

#### B2B

- Built Environment
- Industrial Products
- Science & Compliance
- Testing, Inspections, & Certifications
- Logistics
- Outsourcing
- Automotive Services

#### TMT

- **Software & Technology**
- B2B Info & Publishing
- Telecoms & Infrastructure
- Media & Entertainment
- **Marketing Services**
- Digital Platforms

#### Retail and Leisure

- E-commerce
- Grocery
- Apparel
- Specialty & Luxury
- Accommodation, Parks, & Resorts
- Entertainment
- Gambling & Gaming

#### Consumer Goods

- Food & Drink
- Health & Beauty
- Alcohol
- Agri-Business
- Auto Products & Accessories
- Household Products
- Electrical Products

Combining Expertise  
in Relevant Sectors

### Range of Clients



**Leading multinationals**



**National champions**



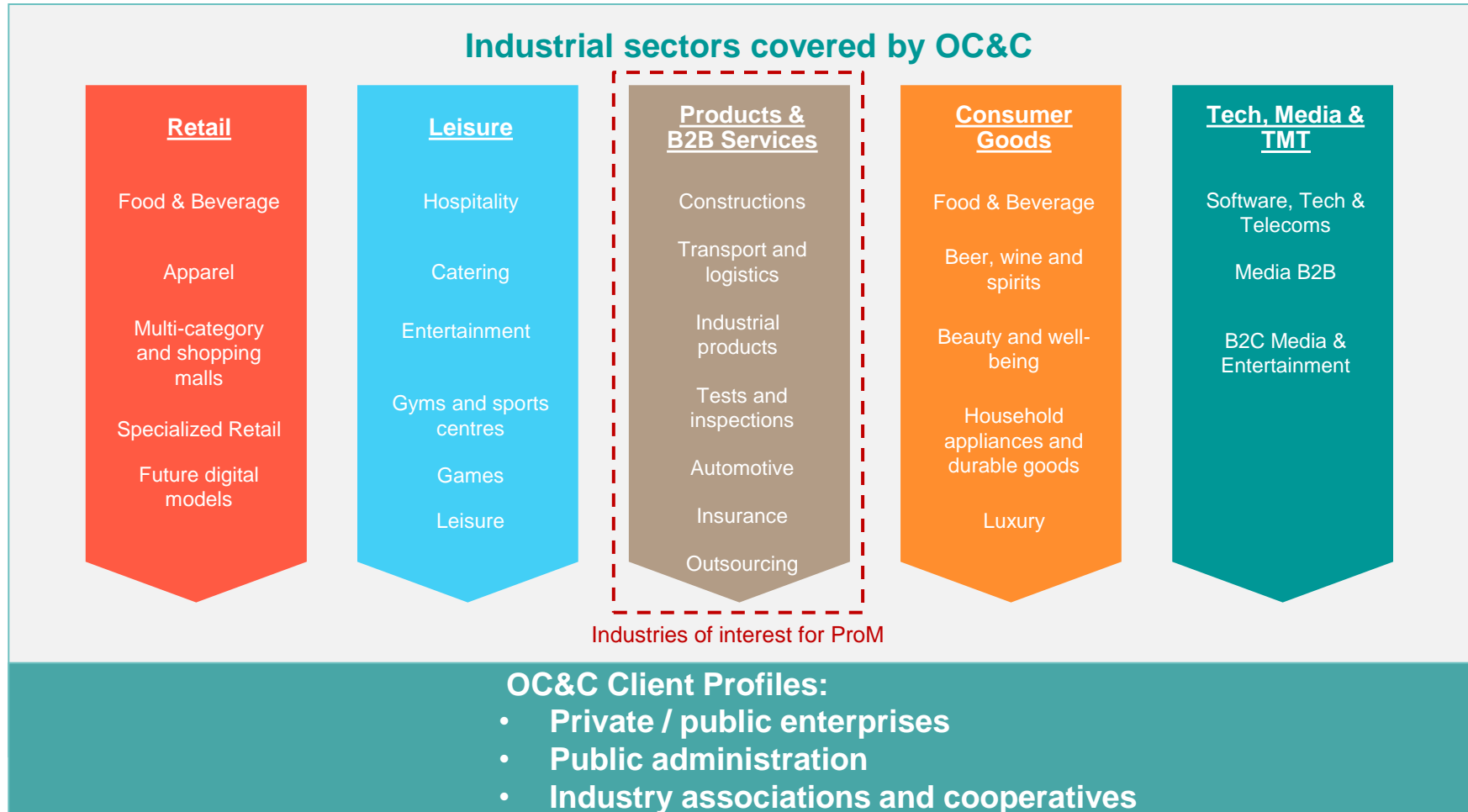
**Challengers and disruptors**



**Private equity**

# OC&C has extensive experience in B2B (manufacturing and services) and across-sectors with private companies, public administration, industry associations, consortiums / NGOs and cooperatives

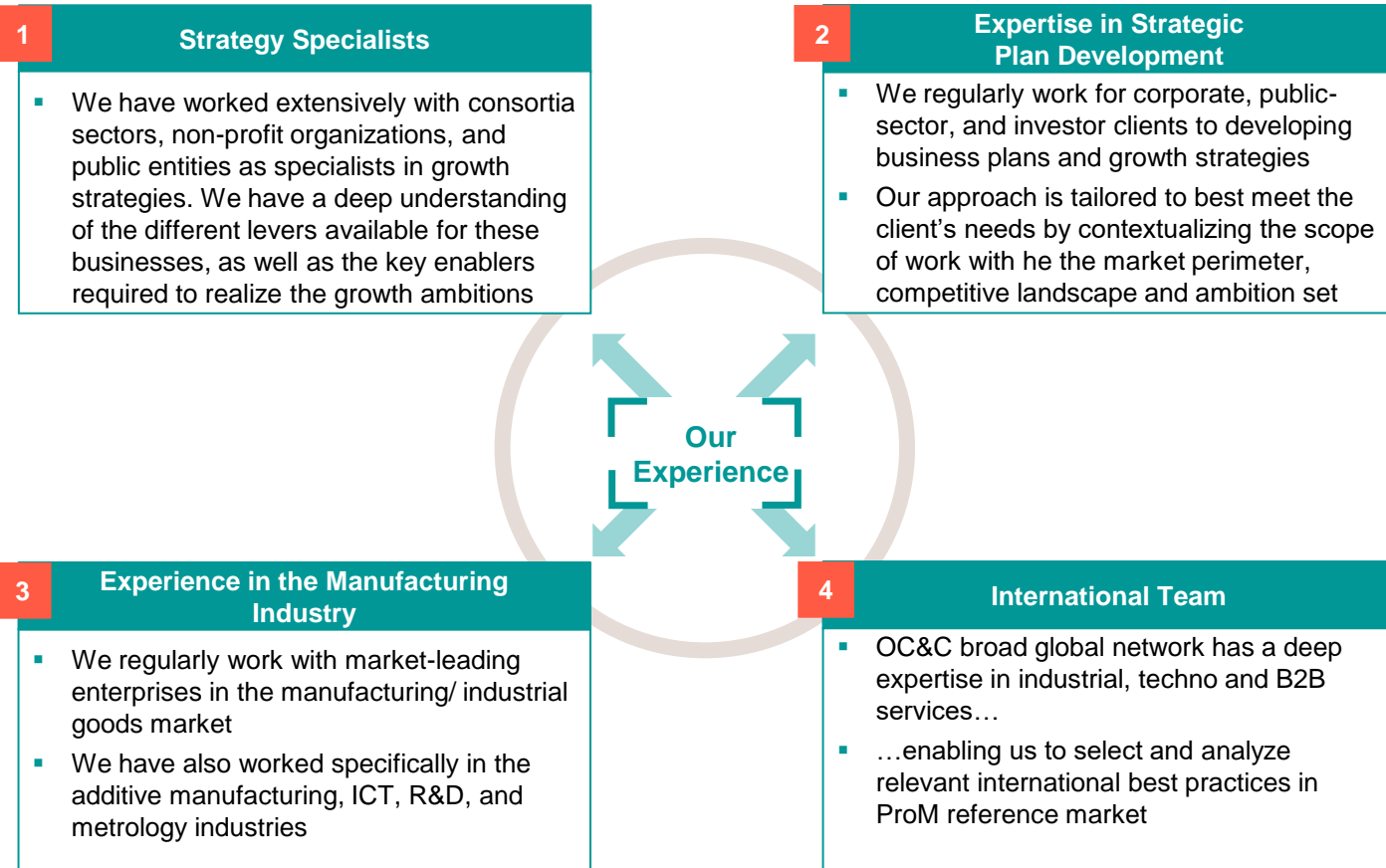
## Sectors covered by OC&C



**We have specific experiences in the most relevant sectors as well as in projects specific to consortiums and non-profit enterprises**



# We are strategy specialists with experience in the public sector specific to the development



## Examples of Companies/ Entities we supported:



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# Agenda

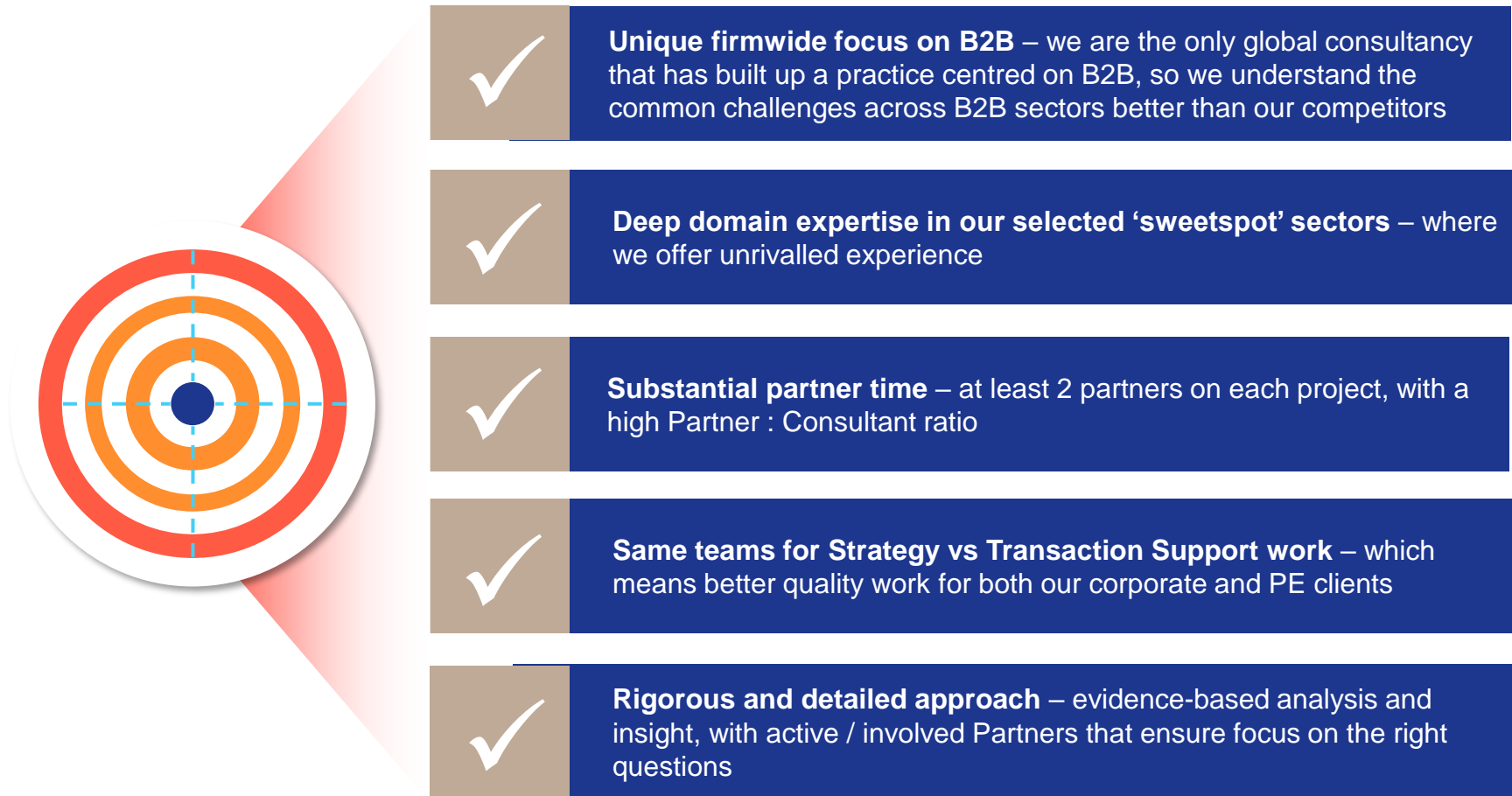
**B2B / Services sector – overview of expertise and credentials**

**Subsector profiles – key credentials and perspectives**



# OC&C's proposition is anchored around our firmwide focus on B2B, our domain expertise in specific verticals and unique working approach

The OC&C Way' – How we are different from Competition

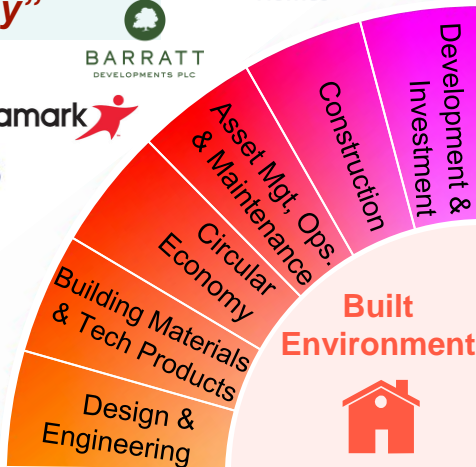


# Our expertise clusters around 4 areas with coherent business models and fundamental themes around how people and businesses impact the world

***“The future of housing, infrastructure and the circular economy”***



BARRATT  
DEVELOPMENTS PLC



***“How the world moves: Getting people and products from A to B”***

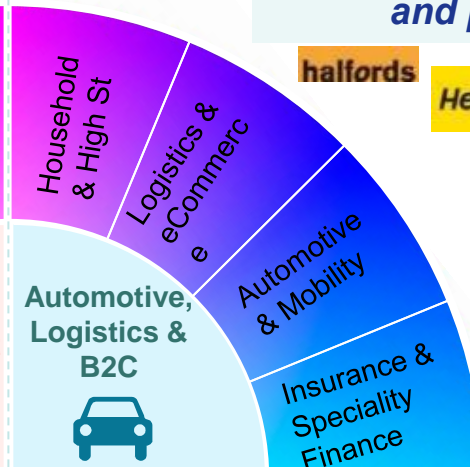
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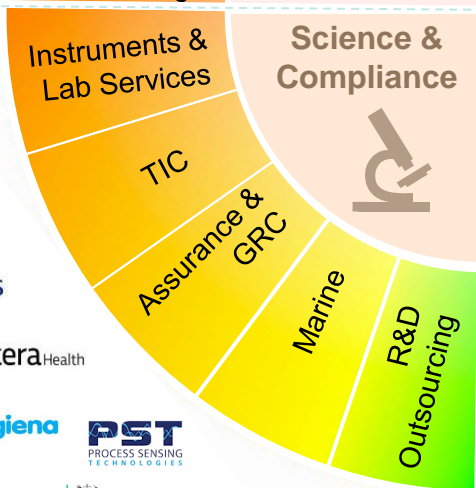


ADDISON LEE

Parcel2GO.com



***“The future of innovation and risk: making the world safer, more innovative, more sustainable”***



***“The future of work: White collar solutions for businesses, consumers and government”***



# Sustainability is at the heart of the proposition of many of our B2B Services clients and investors – and therefore key in answering any strategy question

## OC&C B2B Sustainability Credentials

For our B2B client, questions of sustainability are often at the heart of strategy...

### Recent Strategy Questions

**What is the future of plastic recycling?**

### OC&C Support

- OC&C supported a leading UK waste management company on identifying and assessing the UK market potential for its plastics (and other materials), recycling business

**How can we create a path to carbon neutrality?**

- Plotting a path to a carbon neutral future for a leader in infrastructure focused on railways, airports and roads (e.g. carbon capture, electrical charging)
- Supporting a leading construction company in identifying homes consumers will want in 10 years' time, and how to deliver zero-carbon housebuilding

**What is the next-gen of electric vehicles?**

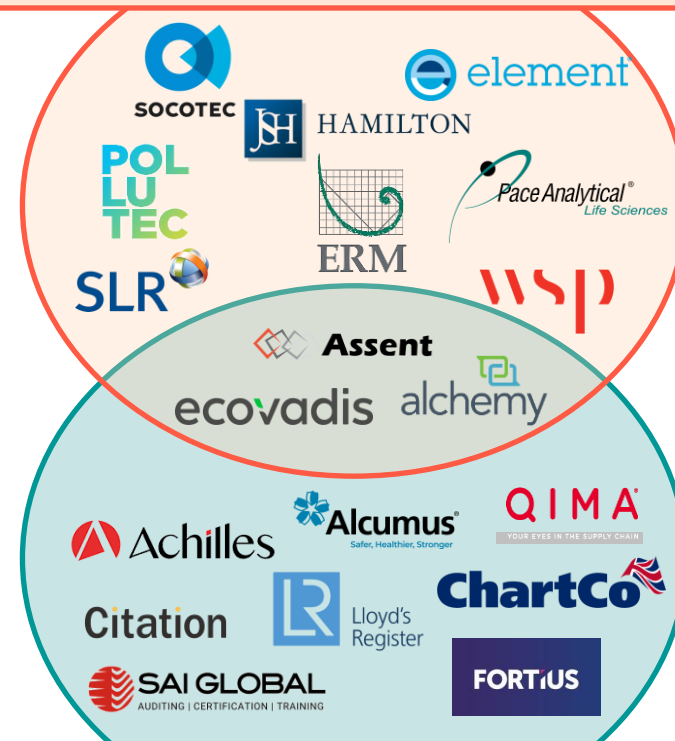
- Strategy work for several auto R&D providers helping to design and test the next generation of low emission and electric drivetrain cars

**How can we ensure an ethical supply chain?**

- Supported tech platform that helps companies audit and improve their supply chain (including Modern Slavery, Conflict Minerals and other Fair Labour practices) get investment for international expansion

...and many of our B2B clients (and investment targets) have ESG at the heart of their proposition

### Environmental & Sustainability Services



### Assurance & Supply Chain Accreditation

# From our work in sweetspot sectors, we have experience within supply chain ecosystems across a range of end-user industries

## OC&C Familiarity with End-User Industries

Not Exhaustive

	Oil & Gas	Aerospace & Defence	Automotive	Marine	Life Sciences	Education & Healthcare	Public Sector
Data Services	argus Wood Mackenzie		Autodata CAP TOURING point S cartrawler epyx	ChartCo IBM Inchcape Shipping Services	THOMSON REUTERS	Springer	
Engineering & Compliance	Technip Exova element	spectris Exova element	TRIGO MILLBROOK spectris	SK Drew Marine survitecgroup	LGC Setting standards in analytical science Exova spectris	hygiena	
Outsourcing	Balfour Beatty		Hertz NSL AA Tusker. RAC Zenith	Shanks G4S		aramark ISS sodexo NSL	
Infrastructure Services	aramark Shanks Making more from waste		RAC BELRON Royal Mail	V.Ships UNIFEEDER		MEARS Balfour Beatty aramark	amey
Distribution	GDF SUEZ centrica	survitecgroup	Auto Trader THE CAR FINANCE COMPANY	CMA CGM survitecgroup	spectris deb claris	deb	

- Supply chain players, in contrast to the OEMs themselves, often have some specific challenges, eg:
  - Whether to focus on specific capabilities or customer segments?
  - How far up or down the value chain to participate?
  - How to improve customer propositions to affect end-user outcomes?
- Understanding the dynamics within these ecosystems requires both the end-vertical dynamics and the supply chain structure and behaviours

# Technology increasingly underpins strategy and the economics of B2B Services – with some highly disruptive trends and questions across sectors

## Services Focus on Technological Change

	Disruption	Example Questions We Are Addressing
<b>Automotive &amp; Logistics</b>	<ul style="list-style-type: none"> <li>• <b>Digital retail of cars</b> is taking off with &gt;65 new entrants to the UK market in 2020 – threatening the ecosystem</li> <li>• <b>Electric vehicle take up is accelerating</b> – with differing demand for auto services</li> <li>• <b>Explosion in demand for ecommerce</b> driving innovation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>How are EVs and autonomous cars</b> changing needs for auto services and infrastructure to support them?</li> <li>• <b>What does it take to succeed in selling cars online?</b> Is Amazon a threat to the auto market? How?</li> <li>• How will the <b>impact of COVID-19</b> and shift in delivery technologies and remote services play out in logistics?</li> </ul>
<b>Professional Services</b>	<ul style="list-style-type: none"> <li>• <b>Data and analytics</b> increasingly core to even ‘old school’ professional services (Engineering, Consulting)</li> <li>• <b>Technology shifts</b> what requires people to deliver, and what people require from outsourcers to do their job – historically creating paperless offices, now creating digital offices</li> <li>• The ways in which companies interact with their clients has had to change – but the best model varies significantly</li> </ul>	<ul style="list-style-type: none"> <li>• How can our clients best access their customers in an increasingly digital world?</li> <li>• What is best practice in digital offices? What tech is vital?</li> <li>• Where can new businesses improve on the current offerings? How can we protect against that?</li> </ul>
<b>Science &amp; Compliance</b>	<ul style="list-style-type: none"> <li>• <b>Cyber security</b> the fastest growing area of compliance</li> <li>• <b>Digital inspection</b> now is 50-60% of TIC – vs &lt;5% in 2019</li> <li>• <b>Automation and smart applications</b> have been the fundamental driver of consolidation &amp; supply structure change</li> <li>• <b>Supply chain accreditation</b> infinity more insightful and secure with new tech offerings (not just blockchain)</li> </ul>	<ul style="list-style-type: none"> <li>• Where is ripe for further disruption through digitalisation or new tech? What does this mean for investments?</li> <li>• Where will in-line or remote monitoring replace the need for physical inspection?</li> <li>• How can data and analytics provide insight above and beyond ‘ticking the compliance box’?</li> </ul>
<b>Built Environment</b>	<ul style="list-style-type: none"> <li>• Industry norms are changing as consumers and clients continually demand higher <b>ESG standards</b></li> <li>• <b>Technology and innovation is enabling product offerings which were never possible before</b></li> <li>• B2B Product distribution increasingly following the path of B2C retail with digital purchase and customer service</li> </ul>	<ul style="list-style-type: none"> <li>• What will be the impact of IoT and remote technologies across infrastructure build &amp; mgmt?</li> <li>• How is Geospatial Data transforming the propositions of Architecture, Engineering and Construction?</li> <li>• Will Amazon disrupt and dominate B2B distribution?</li> </ul>



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# Agenda

**B2B / Services sector – overview of expertise and credentials**

**Subsector profiles – key credentials and perspectives**



# C&I continues to offer growth opportunities, albeit against a backdrop of increasing competitive intensity and margin pressure

‘Sweetspot’ Sector: 1. Construction & Infrastructure Services

Select Experience – Not Exhaustive



## Common Misconception

- ✗ Excellence in bid & sales is critical to win
- ✗ Economic uncertainty and public sector cuts are certain to damage growth

## Reality

- ✓ Winners need to be excellent on general capabilities
- ✓ Reduced budgets may actually increase the trend to outsource

## Key Industry Dynamics

- Intense and continued margin pressure due to increasing competitive intensity, cost pressure and increasing buyer sophistication
- Buyer focus on outcomes, rather than service inputs – and increasingly demand complex multi-service bundles
- Public sector outsourcing is accelerating due to budget cuts, creating further opportunities for private sector service providers

## Potential Investment Theses

- Drive scale by expanding through consolidation and entering adjacencies
- Develop differentiated capabilities (eg analytics or deep specialism)
- Invest in technology to improve operational efficiencies
- Opportunity to professionalise to improve margins and enhance value proposition

# Strategic investments into industrial products have the opportunity of transformational change, international success, and additional revenue streams

‘Sweetspot’ Sector: 2. Industrial Products

Select Experience – Not Exhaustive



## Common Misconception

- ✗ Diversified industrials are significantly disrupted by new technologies
- ✗ Industrial products face oversized risks from low-cost, international competitors

## Reality

- ✓ Private companies and corporate carve-outs can adopt agile business models
- ✓ Untapped international opportunities typically outweigh risks

## Key Industry Dynamics

- Companies rapidly shift from manufacturing to sourcing products which ‘appear’ to have become commoditized
- Increasing competition and customers’ cost sensitivity challenge margins and require improved operational and sourcing efficiencies
- Specialization is more important than ever, offering competitive advantages and potential for adjacent services to companies focusing on their vertical

## Potential Investment Theses

- Build platform of innovative and agile company driving transformational change
- Unlock international potential and lift synergies of low-cost manufacturing and high quality customer relations
- Invest strategically into additional revenue streams by enhancing offering with adjacent services



# The TIC market remains highly attractive, with clear growth opportunities via building customer centric organisations and targeted technology investment

‘Sweetspot’ Sector: 3. Testing, Inspection & Certification (TIC)

Select Experience – Not Exhaustive

## OC&C Experience



## Common Misconception

- ✗ Diversified global players offer the winning proposition
- ✗ Buy and build targeted at the right areas is the main driver of growth

## Reality

- ✓ Being 'spread too thin' can constrain growth
- ✓ Organic growth is becoming increasingly importance – more proactive engagement of customers is required

## Key Industry Dynamics

- Historically strong (but now slowing) growth given good end user growth in end user markets and increasingly complex regulation –but going forward, growth will require proactively engaging an increasingly demanding customer
- Buy and build, traditionally a strong source of growth, now more difficult to maintain as large players have already gained scale and 'over-stretching' across sectors has dampened growth for some players

## Potential Investment Theses

- Strong growth remains – with continued opportunity to build out central customer centric organisations (eg Key Account Management) as TIC Cos' 'central backbones' are still underdeveloped vs broader B2B services
- Scope to boost growth by investing in technical expertise in most highly critical / technically complex areas (good scope for targeted M&A remains given often fragmented markets), and by leveraging new technologies (eg to automate workflows)

# The B2C Services sector is expanding due to changing consumer behaviours, with opportunities for consolidation across a number of verticals

‘Sweetspot’ Sector: 4. B2C Services

Select Experience – Not Exhaustive



## Common Misconception

- ✗ It's a simple buy and build thesis
- ✗ You can aggressively centralise to drive profits

## Reality

- ✓ Buying right isn't easy and the best B2C businesses make material improvements to the sites they buy
- ✓ Giving the local professional selective control is critical to maintaining site performance

## Key Industry Dynamics

- Cash-rich but time-poor and well-informed consumers are increasingly outsourcing home services, demanding high quality service provision
- B2C services are being transformed by technology, increasing the accessibility of low-cost logistics and commoditising professions
- A changing regulatory landscape and a failure of state provision in public services are opening up opportunities to private sector eg legal services

## Potential Investment Theses

- Consolidation across a number of sites to allow development of uniform operating model and unlock economies of scale in middle/back office functions
- Create a vertically integrated supplier, allowing for significant proposition economies of scale as well as cost economies

# The Auto Services ecosystem is undergoing rapid change as a result of technological innovation and shifting consumer buying behaviours

‘Sweetspot’ Sector: 5. Automotive & Mobility

Select Experience – Not Exhaustive



## Common Misconception

- ✗ You win through being cheapest
- ✗ This business will outperform if we just hire some best practice sales people

## Reality

- ✓ You win through reducing the consumer's total cost of ownership
- ✓ Automotive is insular, and sales people from eg, IT/Telco have struggled to build relationships

## Key Industry Dynamics

- Hotbed of R&D/technological innovation (eg shifts towards low-emission, electric and internet-connected vehicles, advanced in-car entertainment)
- Greater vehicle reliability reducing number of traditional customer touchpoints
- New models of ownership and buying behaviours in the market (eg online channels/aggregators; car clubs/pooling, salary sacrifice schemes)

## Potential Investment Theses

- Invest in technology, data and software: arbitrage inefficiencies in traditional operating model and leverage data capability
- Opportunity to aggregate and roll up auto services
- Create innovative propositions based on customer segmentation (eg differentiated service packages, non-ownership models)

# Outsourcing has evolved over the last 10 years into more complex, diverse models that offer exciting opportunities to invest

‘Sweetspot’ Sector: 7. Outsourcing (BPO & Professional Services)

Select Experience – Not Exhaustive

## OC&C Experience



## Common Misconception

- ✗ Outsourcing should be segmented into distinct blue- vs white-collar markets
- ✗ BPO is for non-core activities only

## Reality

- ✓ The provision of blue- and white-collar is converging
- ✓ BPO is not for core competencies but can be core processes

## Key Industry Dynamics

- Increasing focus on “transformation” rather than “transaction” is growing the scope, depth and length of outsourcing projects
- Growing diversity in operating models and providers including capability and vertical specialists as well as generalist players
  - This has increased the importance of brand differentiation

## Potential Investment Theses

- Opportunity to build capabilities towards more integrated and complex projects that have higher margin potential – aiming to extend service offering beyond traditional areas (eg to consulting)
  - Facilitated by data driven insights and application of new technologies
- Potential starting points for a strong platform to build from include a strong or distinct brand, vertical specialisation, or blended labour + technology models



# In all our sub-sectors we worked on a variety of functional themes to shape our client's strategy and improve operations

	Example Focus Areas (Not Exhaustive)	Examples
1. Sales Force Effectiveness	<ul style="list-style-type: none"> <li>B2B customer segmentation and resource alignment</li> <li>Account growth and retention</li> <li>Sales KPIs and dashboards</li> </ul>	
2. Pricing	<ul style="list-style-type: none"> <li>Pricing architecture and bundling</li> <li>Customer level discounting and re-pricing</li> <li>Price/value communication design</li> </ul>	
3. Workforce Scheduling & Optimisation	<ul style="list-style-type: none"> <li>Workforce design and structure</li> <li>Workload forecasting and resource planning modelling</li> <li>Flexible contracting models</li> </ul>	
4. Operating Model & Overhead	<ul style="list-style-type: none"> <li>Local / BU / Centre roles and responsibilities</li> <li>Cross-BU synergy capture</li> <li>Alternative warehousing / transport configurations</li> </ul>	
5. Procurement & Sourcing	<ul style="list-style-type: none"> <li>3<sup>rd</sup> party spend reviews</li> <li>Procurement operating model</li> <li>Spend policies and compliance</li> </ul>	
6. Manufacturing Footprint	<ul style="list-style-type: none"> <li>Post-merger factory integration / rationalisation</li> <li>Long-term capacity planning</li> <li>Technology investment cases</li> </ul>	
7. Automation & Process Optimisation	<ul style="list-style-type: none"> <li>Economics of automation vs. labour at assembly-line level</li> <li>Benchmarking competitor economics and technologies</li> <li>Optimising manufacturing process by product type/use</li> </ul>	
8. R&D Approach	<ul style="list-style-type: none"> <li>Accelerating design and development process</li> <li>Initiative prioritisation</li> <li>Testing and inspection</li> </ul>	
9. Working Capital Optimisation	<ul style="list-style-type: none"> <li>Mapping SKU and individual customer level profitability and working capital intensity</li> <li>Customer and supplier trading terms reviews</li> </ul>	