



Rawlings Transitions from a Shared Services Model and Prepares a Foundation for Future Growth

Customer Profile

Rawlings Sporting Goods Company, Inc. is an innovative global brand and manufacturer of premium baseball and softball equipment. Rawlings turned to Armanino to lead its divestiture and transition project after being purchased by a private investment firm and MLB. Armanino then helped prepare the company for growth and acquire another sports equipment manufacturer.

Benefits

- Transitioned Rawlings from shared-services model to independent operations
- Acquired and integrated Easton into Rawlings
- Transferred important skills Rawlings needs to grow and succeed

Services

Program & project management of company divestiture

Acquisition & integration services

EBITDA improvement initiative

Long-term operational effectiveness planning

Finance function improvements coordination & management

Human resources consulting

Challenge

With a history dating back to 1887, Rawlings Sporting Goods is an iconic sports brand with an assortment of baseball and softball-related product lines. Rawlings is the official baseball, fielder's glove, helmet, face guard and base of Major League Baseball®, the official baseball of Minor League Baseball®, and the official baseball and softball for the NCAA® and NAIA®.

While under the ownership of Newell Brands, Rawlings operations were based on a shared-services model for accounting, finance, IT and digital commerce. When Major League Baseball and a private investment firm teamed up to purchase Rawlings, the company suddenly needed to stand up its own dedicated teams for critical business functions across areas such as finance, human resources, IT, warehouse operations and others.

"The big challenge facing the company was how to decouple from the shared-services model and transition to standalone operations," says Ron Ostrowski, president of Rawlings. "Rawlings did not yet have the skill set in-house to tackle the management of the extremely complex, multifaceted process on its own."

The only way to meet the tight timeline while minimizing disruption to the Rawlings business was to engage a team of professionals with the experience to handle the divestiture and get Rawlings positioned for a successful transition.

Solution

It turned out that Rawlings already had a partner in place with the skills and experience to lead the transition project: Armanino, one of the 20 largest independent accounting, consulting and technology firms in the U.S. The Rawlings finance department had an existing relationship with Armanino for business and financial services and felt confident that the firm was the right choice to provide program and project-level management.

WHAT THEY'RE SAYING

“ Armanino’s lead consultant was essentially my right-hand person during the acquisition, keeping everyone up to speed and managing the project. I could not have done it without her.”

Ron Ostrowski
President, Rawlings

With the clock already ticking, Armanino quickly developed a transition plan. “The faster the company could move away from the transaction services agreement in place with the previous owner, the better for Rawlings’ financial performance,” says Ostrowski.

The Armanino team worked hand-in-hand with Rawlings to define staffing requirements and begin transitioning systems and processes for Rawlings’ finance, IT, warehouse and human resources functions. “From procure-to-pay processes to cash management, IT systems and support to employee benefits, Armanino successfully managed the transition and helped us meet the timeline,” says Ostrowski.

Results

Armanino helped Rawlings transition as quickly and efficiently as possible away from the shared-services model. “Armanino played a huge role in helping stand Rawlings up as its own business,” says Ostrowski. “That put us into the right position to move forward as a growth company.”

After completing the divestiture, Rawlings again turned to Armanino, this time to manage the acquisition and integration of Easton Diamond Sports, a leading non-wood bat manufacturer. Easton also had a shared-services model for accounting, finance and IT that it had to move away from and set up its own teams to support. “Armanino stepped in to help map the employee base, move inventory into our warehouse, merge IT capabilities and set up the new organization,” says Ostrowski.

He agrees that Armanino played an instrumental role in helping integrate Easton into Rawlings. “Armanino’s lead consultant was essentially my right-hand person during the acquisition, keeping everyone up to speed and managing the project,” says Ostrowski. “I could not have done it without her.”

Ostrowski particularly appreciates the way Armanino approaches working as a team with Rawlings and transferring new skills to his employees. “Our staff didn’t have skills such as long-term planning,” he says. “Armanino showed us how to look down the road and then work backwards to achieve our goals. Our Armanino consultants don’t feel like outside experts. They feel like a part of the Rawlings team, celebrating our successes with us and working alongside us every step of the way.”

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Next Steps

For its next big initiative, Rawlings is working with Armanino to provide advice and guidance as the sports equipment manufacturer focuses on a direct-to-consumer business model. “We're relying on Armanino to help us understand best practices as we figure out how to be omnichannel in our approach to sales and distribution and bring the company into the future with technology and distribution,” says Ostrowski.

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