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The Integration Playbook

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Chapter One: The Deal Is the Easy Part

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CHAPTER 1

The Deal Is the Easy Part

"Things won are done; joy's soul lies in the doing."
— *William Shakespeare,* Troilus and Cressida, *1.2*

Think about the last deal you closed. The wires landed a little after ten, the lawyers released the signature pages, and somebody booked a long table for dinner. Everyone at that table had worked for months, and you could see what they had built — a price, a purchase agreement, a debt package, a press release with both names on it. It was a good day, and they had earned the dinner.

Now think about the next morning. The seller had his money and your investors had a company. A few hundred people came to work in a building you had walked through twice, and they waited to hear what the new owners meant to do. How much of the return in your model had arrived? Not one dollar. Every dollar of it was still somebody's job.

The Easy Part

Deals are the easy part. Why easy, when a good one takes months of hard work by capable people? The model, the letters, diligence, the lenders, the purchase agreement, the long week before signing — none of it is easy. But deal work has two things going for it. Everyone can see where it stands, and it ends on a date that has been on every calendar for weeks.

Integration has neither. It runs for two years, mostly out of sight, in the plant and the branch offices and the billing department, done by people who have never done one before and still have their regular jobs. Nobody circles its last day. It ends when the numbers show it: when the controller can point to the savings in the statements month after month, and the customers you paid for are still buying.

That is where an add-on (a company bought to be joined to one you already own) is made or lost. The company you add it to is the platform, the one bought first so there would be something to build on. The sponsor is the private-equity firm behind both, and it pays for an add-on on the day it closes. Everything it paid for arrives after that, or doesn't.

So the close is twenty percent of the work, and the other eighty starts the morning after the dinner. The price, the paper and the close decide what you own. What it is worth gets decided afterward, in the plant and the billing office, mostly by people who were not at the dinner. Integration is the deal.

Where the Return Comes from Now

For a long stretch, a buyout could earn a decent return with the integration done badly. Money was cheap, and the multiples buyers paid kept rising. A company bought at one multiple of its EBITDA (earnings before interest, taxes, depreciation and amortization) could often be sold at a higher one for reasons that had little to do with anything its owners did.

In its *Global Private Markets Report 2026*, published in February 2026, McKinsey & Company, citing analysis by StepStone, found that for deals done between 2010 and 2022, debt and rising multiples made up 59 percent of buyout returns. The other 41 percent came from revenue growth and margin expansion.

That figure is about returns, not integrations, and I won't pretend it says how many of those deals were integrated well. What it tells you, if you are the sponsor, is where the return has been coming from. Where does it come from when money is dearer and multiples no longer rise for free? More of it has to come from the work, and for a platform built by add-ons, most of that work is integration. The platform and its many deals are the subject of *Buy the Platform, Build the Exit* — this book takes one add-on all the way down.

Before the First Call, After the Last

When does an integration start? If it decides what the deal is worth, it can't start at closing. It starts before anyone calls the seller, when you write down the claims (what the deal has to prove, each with a number). It ends on a date you set in advance, when every claim has been proved or retired, the integration office (the small team that runs

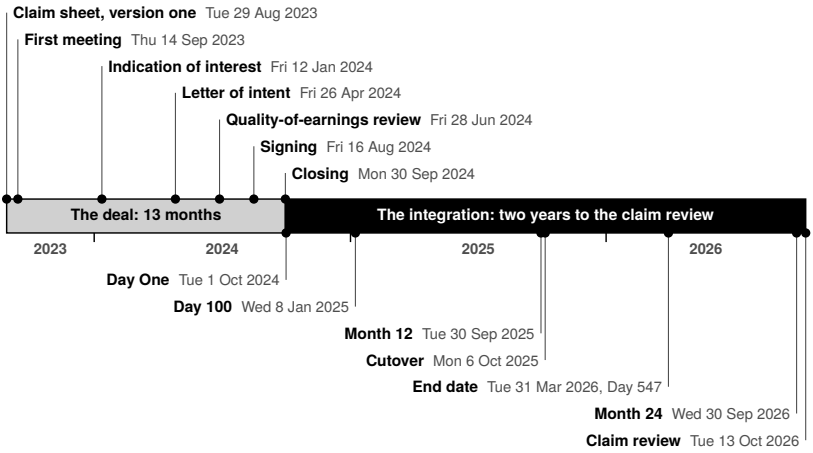


Fig. 01-01: From the first claim sheet to the claim review took a little over three years. The deal was the light stretch, and the integration was the dark one, nearly twice as long.

the integration) has closed and the work belongs to the people who run the business.

The claims are the spine between those two points. You write them before the first call, test them on the target's floor, cut them in diligence and approve them with the price. Then you carry them through the first hundred days, track each one until the controller can find it, and prove them at month 24, two years after closing. This book is built in that order, in five parts: Find It, Write It, Get It In, Do the Work and Prove It. We'll follow one deal through all five, and Figure 01-01 lays it end to end, from its first claim sheet to its claim review.

The Three Chairs

Every integration produces decisions nobody planned to make. A dealer calls on the tenth day to ask whether you are about to sell around him. The rehearsal for the new system fails three weeks before the switch. A savings line is a quarter late, and the board meets on Thursday. Whose call is each of those? In most integrations, each person at the table believes one of the others owns it, and so the calendar makes the call — late.

I call them the three chairs. Picture one table with three chairs at it, a name card on each, and a stack of decisions in the middle that must be dealt out before anyone stands up. Every decision in an integration belongs to one chair, by name. The other two are consulted, and they know the difference.

1. **The CEO's chair.** If you run the platform company, you own the company and every promise made in its name — to the seller, to customers, to the people who came with the deal, to your board. You own the claims the deal must prove and what is said on Day One, the first morning the company is yours. Before any of that, you own one more decision: who leads the integration.
2. **The integration leader's chair.** If you are leading the integration, you own the plan and its one-time cost, the integration office, the calendar, and the tracking of every claim until it shows in the numbers. Your day job has gone to someone else. It had to, because this is a whole job.
3. **The sponsor's chair.** If you are the sponsor — the deal partner, the principal who builds the model and works the lenders, the operating partner, a director — you own the price, the capital, the approval and the clock. The approval belongs to the investment committee (the partners who vote on every deal). The operating partner, the sponsor's own operator, coaches the company's leaders and opens doors, and never runs a function. The day she runs one, it has two bosses.

Figure 01-02 deals eight of the biggest decisions to the three chairs. The price is the sponsor's, with the other two chairs consulted. The plan and its one-time cost belong to the integration leader. The promises made on Day One are the CEO's. Eight decisions, three chairs, one owner each — and if you find two names beside any decision, you have found the one that will be late.

When every decision has a chair, the stack in the middle of the table gets smaller every week. The chairs settle who decides, not what. A decision with one owner can still be wrong, but it won't sit in the middle of the table while the calendar makes it.

Haverkamp

Gunflint Partners, a middle-market buyout firm in Minneapolis, bought Pemberton Classroom Furniture on Tuesday 31 May 2022. Pemberton, in Seymour, Indiana, had made student chairs and desks and teacher desks

DECISION	CEO Ezra Hollander	Integration leader Tessa Moreland	Sponsor Gunflint Partners
The claims *each with an owner's name, before the first call*	O	C	C
The price *voted with the integration page attached*	C	C	O
The plan and its one-time cost *approved with the price*	C	O	C
The integration leader *named before the first call, the day job taken away*	O		C
The promises on Day One *nothing said that is not on the list*	O	C	C
The hundred-day decisions *brought to the board as decisions by Day 100*	O	C	C
A re-plan *when a claim misses two months running*	C	O	C
The end date *set at the approval and kept*	C	C	O

O Owns: decides and answers for it C Is consulted Blank: no part

Gunflint's operating partner, Celeste Marr, coached the CEO and the integration leader and opened doors. She never ran a Pemberton function.

Fig. 01-02: Eight decisions that decide most of an integration, each owned by one chair, with the other chairs consulted where they have a part. Two owners for one decision means it has none.

since 1957, and it had 870 people. Gunflint did not buy it to stay a chair company. It wanted a company that could furnish a whole school, and at the buyout it put in place a delayed-draw term loan (a loan Pemberton could draw on later to pay for add-ons).

Ezra Hollander had run Pemberton since the buyout. Before that he had run a $300 million division of a building-products company and integrated two acquisitions there. On Monday 6 March 2023, months before there was any deal to integrate, he named Tessa Moreland vice president of integration. She was forty-six and had run operations integration for an industrial distributor. At Pemberton, integration was her whole job, with no plant or department beside it. By Friday 30 June 2023 she had written version one of Pemberton's playbook, the written plays for an integration: twelve pages.

Three people from Gunflint sat in the sponsor's chair. Kirsten Vold, the partner who had led the Pemberton buyout, chaired Pemberton's board and would lead the next deal. Jonah Lindell, a principal, built the model and ran the lenders. Celeste Marr, the operating partner, sat

on the board, coached Ezra and Tessa, opened doors, and never ran a Pemberton function.

The company they wanted was Haverkamp School Products, in Sedalia, Missouri. Ernst Haverkamp had founded it in 1968. His son Rolf owned and ran it, and no one in the family wanted to own it after him. Haverkamp made what Pemberton did not — science-lab furniture, tables and storage — and its crews installed whole classrooms every summer.

Follow the dates on Figure 01-01. Ezra, Tessa and Jonah wrote the claim sheet (one page of what the deal had to prove) on Tuesday 29 August 2023, before anyone had called Rolf. Ezra met Rolf for the first time on Thursday 14 September 2023, in Sedalia. The letter of intent (the offer that set how the price would be worked out) came on Friday 26 April 2024. The purchase agreement was signed on Friday 16 August 2024, and the deal closed on Monday 30 September 2024. Day One was the next morning, Tuesday 1 October 2024.

From the first meeting to closing took about thirteen months. From closing to the claim review would take two years, most of it out of sight from Minneapolis. The end date (the day the integration office would close) was approved with the price and announced on Day One: Tuesday 31 March 2026. Month 24 would fall on Wednesday 30 September 2026, and the claim review at Pemberton's board on Tuesday 13 October 2026. The plan was $5.3 million a year of added EBITDA by month 24.

Each chair had its work long before closing. Ezra owned the claims and every promise Pemberton would make to Rolf and his people. Tessa owned the plan and the calendar, and she was at the table from the claim sheet on rather than handed a binder after signing. Gunflint owned the price, the money and the clock. Kirsten ran the deal, Jonah built his model from the claims, and Celeste opened whatever doors Ezra and Tessa asked her to open.

The deal took thirteen months, and Gunflint could see every week of it. The two years after it were where Gunflint would find out what it had bought.

Three Ways to Lose It

The first to bite is treating the close as the finish line. The deal team has worked for a year toward one date, and when it comes they are tired and proud and ready for the next deal. The integration needs them most in

the month they leave. If you are the sponsor, I would keep the people who wrote the claims in the room when the claims start to hurt.

The second is "we'll figure out integration after signing." It sounds prudent. Why spend money planning a deal that may not happen? But it throws away the best planning months you will ever have: diligence, while you can still change the price, and the weeks between signing and closing, while someone else is still running the company. It also means you pay for savings nobody has planned, and those are the savings that never arrive.

The third is a CEO who is also the integration leader. It looks efficient, and it feels like ownership. It is two full-time jobs given to one person, and the company gets whatever hours are left over. Customers notice first, then the plant — and the integration notices last, because nobody is watching it. Check the second chair before anything else in the plan: whose name is in it, and does that person still have a day job? If you run the company, you own the integration. You can't also run it.

Do This
In the CEO's chair

1. Name your integration leader before anyone calls a seller, and give that person's day job to someone else the same month.
2. Write the integration decisions you will keep as CEO on one page, and send it to your board before you sign a letter of intent.

In the integration leader's chair

1. Ask for the deal's claims in writing, each with a number and an owner, before you accept the job.
2. Put the end date on your calendar now, as a real day, and plan every month back from it.

In the sponsor's chair

1. Refuse to approve any price that reaches the investment committee without the integration plan beside it.
2. Write down what the operating partner will and won't do in the integration, and give the page to the CEO before closing.

By all means book the dinner. Just plan the morning after first, because the deal is the easy part.