



CEG's Business Growth Solutions

Growing Manufacturing & Technology Companies

Centrotherm Launches Product in Canada amid Pandemic with CEG's Support



Overview

Centrotherm Eco Systems is a manufacturer of venting systems and accessories for heating professionals. Its main product is the InnoFlue Polypropylene Vent Systems. A subsidiary of German company Centrotec Sustainable A.G., Centrotherm came to Albany in 2008 and has been growing since then. Now with a 47,800-square-foot facility in Albany, the manufacturer has more than 75 employees.

The Situation

Toward the end of 2019, Centrotherm was preparing to launch a new product in Canada: Air Excellent, a dedicated system for heat recovery ventilation (HRV) and energy recovery ventilation (ERV) that supports air quality control for residential and commercial spaces. Air Excellent had been introduced in Europe about eight years earlier, and markets in Canada appeared ripe for the system that helps homes breathe by pulling in fresh air and removing stale air.

Following engagements with the Center for Economic Growth's Business Growth Solutions (BGS) team geared toward productivity gains at Centrotherm, the company opened a window of growth possibilities. Looking ahead to the 2020 fiscal year, the Centrotherm Team had outlined high target goals for growth and revenue. The growth gains would target marketing, strategy, messaging, and sales.

The Solution

CEG engaged with third party partner, Jose Palomino of Value Prop Interactive, to conduct a 90-day sprint to strategize sales messaging, and target customer response. Leveraging National Grid Manufacturing Productivity Program NGMPP funds to do so, Palomino assisted the Centrotherm team by honing their messaging, with direction for a marketing plan, and sharpening of their sales tools. Following the completion of this project, Centrotherm has engaged with CEG and Value Prop Interactive again on growth initiatives focused on revenue strategy and continuous improvement of sales strategy.



"When the messaging becomes this sharp, you can really start addressing the varied pain points experienced throughout the buying channel."





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Palomino completed his ValueProp Accelerator consulting with Centrotherm in February 2020, one month before the Coronavirus pandemic shut down businesses throughout North America. The company had planned for an April launch, and the manufacturer's product was en route to Canada by the time the pandemic was declared in March. Centrotherm CEO Joel Dzekciourius decided to move forward with Air Excellent. "COVID was a blessing and a curse," he said. It was a blessing in that COVID-19 raised awareness about household air quality, but it was a curse in that it severely limited the company's ability to interact with potential customers who are accustomed to touching new materials.

One very important lesson that Centrotherm learned from the ValueProp Accelerator project related to value propositions for multiple types of ideal customers, or personas. Traditionally, Centrotherm had put all the information that would appeal to sales representatives, wholesalers, builders and contractors in a single document, but they'd have to dig through it to learn what value a product brings to them. Palomino encouraged Centrotherm to tailor individual value propositions for each persona. For reps, the focus was showing how the products create a new revenue stream. For wholesalers, it was noting the product's potential profit yield compared to alternative equipment, and for builders, the focus became how the product is in demand for high-end and net-zero homes.



The Results

The ValueProp Accelerator was one of several projects that CEG helped Centrotherm undertake between 2018 and 2021. Reported as a cumulative impact on all projects listed below:

- Increased Sales: \$2,000,000
- Retained Sales: \$2,000,000
- New Jobs Created: 30
- Jobs Retained: 10
- Cost Savings: \$200,000

New Investments:

- Investment in New Products - \$1,000,000
- Investment in Plant or Equipment - \$1,000,000
- Investment in Workforce Practices - \$100,000



CEG has been a reliable partner in helping Centrotherm manufacture our products more efficiently and sell them to customers in an industry where long-term reliability is paramount. Value Prop Interactive's Jose Palomino was very easy to work with, very patient, and willing to walk you through the ValueProp Accelerator process. While he helped us launch our Air Excellent in Canada, we are now applying the lessons he gave us on multiple persona value propositions to all new product releases throughout North America.

Joel Dzekciourius
CEO, Centrotherm



Learn more about Value Prop Interactive Programs by visiting, go.ceg.org/valueprop.

To learn how CEG BGS could help your company, contact CEG BGS Senior Vice President, Michael Lobsinger at michaell@ceg.org or call 518-431-1481.