

VISTAGE

Member *Stories*

Michael Martin, President
Carlson & Stewart Refrigeration
Marshall, Minn.

At a glance

Role: President

Industry: Design-build refrigeration
systems contractor

Employees: 26–75

Vistage chair: Brian Davis

Company background

[Carlson & Stewart Refrigeration, Inc.](#) is a design-build contractor specializing in commercial and industrial refrigeration systems for clients in Minnesota, the Dakotas, Iowa, and Wisconsin. In late 2011, Carlson & Stewart acquired Central Minnesota Refrigeration, Inc., Sauk Rapids, Minn. The acquisition added 11 service technicians, 15 employees and additional clients in central Minnesota.

An established company with more than 70 years in the refrigeration industry, Marshall, Minn.-based Carlson & Stewart Refrigeration knows well the intricacies of commercial and industrial refrigeration systems. But in 2011, when President Michael Martin wanted to propel the company's growth, he wasn't sure how to approach this ambitious goal. A leader with a mechanical engineering degree but no formal business background, Martin found business



leadership advice in Vistage Minnesota, the Minnesota chapter of the world's leading peer advisory organization for CEOs, presidents and executive leadership.

With the help of his Vistage Minnesota peer group, Martin identified the right growth strategy for his company, and was equipped with insight and knowledge to navigate the complexities of a business acquisition—from staffing and relationship building, to successfully merging company cultures. An engineer in a leadership role, Martin credits much of his business acumen – and the growth of his company—to his involvement in Vistage Minnesota.

Establishing a growth strategy

Martin was introduced to Vistage Minnesota in 2011 when a customer suggested that he joined a chapter in the Twin Cities. Comprised of presidents and CEOs from a variety of companies across industries—from medical and software, to manufacturing and engineering – Martin's peer group began meeting monthly in Nov. 2011.

During a meeting hosted at Carlson & Stewart Refrigeration, Martin introduced his peer group to

his business, describing the company and the leadership challenges he faced. One of those challenges was how to jumpstart the company into a growth mode.

The meeting turned into a working session, where leaders from other industries shared their suggestions and strategies for growth, which included acquiring a similar company or finding a geographic area where Carlson & Stewart Refrigeration could establish a new office to grow from within. Equipped with this new frame of reference, Martin began researching potential acquisitions for Carlson & Stewart Refrigeration.

Finding a perfect match

Martin remembered Central Minnesota Refrigeration of Sauk Rapids, Minn., a company with a solid reputation that was in need of new leadership. The president of Central Minnesota Refrigeration passed away in June of 2011, leaving other decision makers to decide the organization's future.

Central Minnesota Refrigeration had an established customer base with vested interest in the company, as well as solid field technicians who could be an asset to Carlson & Stewart Refrigeration. Both companies were also dealers of some of the same refrigeration products, and Martin believed this acquisition could be a fit for both sides.

Martin's Vistage Minnesota peer group helped him through the vetting process prior to purchase decision, which included looking at the company's inventories, talking to the employees, and gaining a better understanding of the company culture. Of particular significance was some sage advice from Brian Davis, leader of Martin's Vistage Minnesota peer group.

"Brian recommended that I take time to get to know the Central Minnesota Refrigeration decision makers on a personal level, versus diving right into the business discussion during our first meeting," says Martin. "Establishing a rapport with these individuals was key, allowing us to make an important connection and have a shared understanding about what was best for the company."

"My chair then helped me create an integration checklist that enabled us to merge the two companies together seamlessly in a matter of months," said Martin. "He helped me identify where we were lacking expertise (e.g. marketing and human resources) and found resources to plug those gaps. My chair and Vistage peer group gave me the confidence and the know-how to make it happen, and I couldn't have done it without them."

Since the acquisition, business for Carlson & Stewart Refrigeration has substantially grown—doubling in sales from last year, due in part to Vistage Minnesota and the support Martin received from his peer group. Carlson & Stewart Refrigeration can now reach customers within a 100-mile radius of Sauk Rapids, Minn., which was previously uncharted territory for the company.

"Vistage has helped me gain the business knowledge to lead this company through all challenges," says Martin. "Any business owner can benefit from involvement in Vistage." **V**