



Client Story: Campbell Hausfeld

A renewed focus on the end-user and commitment to focus on what makes their products different enough for customers to care has inspired Campbell Hausfeld's newest ideas. As a result, the company projects \$12 million in new sales in the first year for these products, and nearly three times that amount down the line.

Client Profile

Campbell Hausfeld is a tool and equipment supplier for the DIY market. Focusing on products that make it “easy to do it like a pro,” the company distributes its inventory to hardware stores, home centers, mass merchants, and other commercial channels of distribution.

The company has been in business for more than 170 years and has approximately 250 employees. Sales for the previous three years have been relatively flat. Additionally, in recent years the company’s product development efforts had become more retailer-driven, which had led to a loss of brand leverage after producing more items for private labels. The company saw the Eureka! Winning Ways program as an opportunity to step outside of its day-to-day work and focus on creating new ideas, to learn how to move those ideas more efficiently through the pipeline, and potentially to recapture its brand.

Ideas Pursued

After the company’s one-day Eureka! session and Merwyn screening, Campbell Hausfeld pursued three ideas:

1. A series of tools for the female DIYer: after careful consideration of this product idea, the company decided not to invest further in this idea due to a refocus on its core in the air products line.
2. A nailer with a uniquely built-in innovation that would combine related tasks into one tool, creating “a market-changing innovation in the nailer category”
3. An air compressor that uniquely addresses a primary complaint customers have with this product

Results

While Campbell has juggled work on these ideas with the challenges of running daily operations, it has been able to achieve the following results thus far:

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Nailer: Currently, the company has received favorable feedback from end-users and has just begun to present the concept to customers and distributors who have reacted very positively to it. Campbell Hausfeld expects to have the tool in retail stores within six months, and is projecting \$2 million in sales annually initially, and \$10 million in sales long-term.

Air compressor: Reaching the cost targets for the initial air compressor concept have been difficult, so the company is exploring and testing other ways to address the core customer complaint they hope to solve. They are on track with their research and discovery to reach a marketable solution in the first half of fiscal year '08. Customer feedback on the new product has been overwhelmingly positive thus far, and sales projections could be massive: \$10 million in year one, and \$25 million annually in the future.

Reaction to E!WW

“This program wasn’t just an event, a one-day workshop. It’s a process, and that’s when you gain real benefit, when the learnings are ingrained in your company and become part of your process. We now have a new system to develop ideas, filter out the ones that will have dramatic impact, and make decisions on whether or not to move forward.

“We have a renewed focus on the end user, and are committed to zeroing in on the overt benefit, the dramatic difference, and the real reason to believe on any new idea we develop. What makes us different, and why the customers will care, are now our main drivers. Those concepts will stick with me—and with our team—forever. And as a result, our products will be more dramatically successful for sales and profits while delivering value for both our customers and end-users.”

For More Information

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