



C2C BUSINESS STRATEGIES LLC

Financial Research & Publications Group

Specializing in Comprehensive Financial Reports for Public and Private
Lower Middle Market Companies

Strategic Risk & Opportunity Assessment Report



W.H. Gardiner Inc.

Prepared by:
C2C Business Strategies LLC
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1. Executive Summary

Company Name: Gardiner

Legal Name: W. H. Gardiner, Inc.

Core Business: Gardiner is a building technology partner that provides HVAC systems, building automation, and facility services to commercial and industrial clients, with a focus on improving building comfort, safety, and energy efficiency.

Key Highlights:

- A company with a long history, founded in 1962, with a strong regional presence in Northern Ohio.
 - Has successfully transitioned its business model to incorporate modern building automation and data services, such as its proprietary Gardiner DS platform.
 - Emphasizes a culture of long-term client relationships and technical expertise, with a consistent focus on being a "Top Workplace" in its region.
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2. Company Overview

Legal Name: W. H. Gardiner, Inc.

Headquarters: Solon, Ohio, United States.

Website: <https://www.whgardiner.com/>

Founded: 1962

Industry: Building Technology, HVAC, Building Automation, Facilities Services.

Business Model: Serves as a manufacturer's representative and service provider, offering comprehensive solutions for building systems, including equipment, parts, maintenance, and data-driven insights. It partners with clients to manage and optimize their building's lifecycle.

Key Markets: Primarily Northern Ohio, with additional offices in Akron-Canton, Toledo, and Youngstown.

Employees: An estimated 285 employees as of recent data, with a reported 10% growth in the last year.

Market Position: A leading building technology partner in the Northern Ohio region, known for its expertise and long-standing client relationships.

Parent Company (if applicable): Not applicable.

3. Leadership and Founding Team

Key Executives:

- **Todd Barnhart (President & CEO):** Responsible for the company's strategic direction and overall business leadership. With the company for over 20 years, he succeeded the founder as majority owner in 2020.
 - **Rob MacKinlay (EVP, CFO & COO):** Oversees all financial aspects and operational efficiency, and is a key driver of strategic growth.
 - **Dan Babic (Chief Commercial Officer):** Responsible for the commercial strategy, including sales, marketing, and client experience.
 - **Rebecca Harris (VP of Finance, CIO):** Manages the finance and administration group and is responsible for improving company processes and standards.
- Founder's Background: The company was founded in 1962 by Bill Gardiner. He started the business after accepting a role with Trane in Cleveland in 1957, eventually buying the assets of the company to establish Gardiner as an independent franchise. Bill and his family maintain a key role as investors and advisors.
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4. Product/Service Portfolio

Product Platforms:

- **Gardiner DS (Data Services):** A proprietary platform that uses a Fault Detection & Diagnostics (FDD) engine to analyze building data, diagnose issues, and improve building comfort and energy efficiency.

Categories:

- HVAC Systems and Equipment
- Building Automation Systems (BAS)
- Service and Maintenance
- Parts and Supplies
- Data Services (Gardiner DS)
- Energy Solutions
- Fire & Life Safety

Clients: Gardiner serves a diverse customer base, including commercial and industrial clients such as health systems, universities, and national bank chains.

Peers: Key competitors in the building services and technology sector include Enervise and Perfection Group.

Differentiator: The company's primary competitive advantage is its deep-rooted local expertise, long-term relationships with clients, and its reputation for a high level of customer service. Its recent investment in data-driven solutions via Gardiner DS also positions it as a technology-forward player in a traditional industry.

5. Financial Performance, Valuation & Benchmarking

Estimated Revenue Trend (2018–2023): As a private company, detailed financial performance data is not publicly disclosed. Therefore, a historical revenue trend is not available.

Estimated Revenue (USD Millions): An estimated revenue of \$74.9M has been cited in business directories. Based on this figure, the company appears to be a successful and stable business within its regional market. No public records of financial struggles or bankruptcies were found.

Revenue per employee: Based on the estimated revenue of \$74.9M and an employee count of 285, the estimated revenue per employee is approximately \$262,807.

Benchmarking: Compared to its peers, Gardiner maintains a strong regional presence and a high level of brand recognition in Northern Ohio. While larger national competitors may exist, Gardiner's focus on local expertise and client relationships provides a distinct advantage in its key market.

Valuation: Not publicly disclosed.

6. M&A and Intellectual Property Strategy

Growth Strategy: The company's growth has been organic, focused on expanding its services and geographical presence within its core region of Northern Ohio. It has also recently focused on technological innovation, exemplified by its new Gardiner DS platform, to drive growth.

IP Protection: The company's intellectual property is protected through its proprietary technology platforms (such as Gardiner DS) and the trade secrets associated with its unique processes and client relationships. Specific patent filings are not publicly available.

Recent Expansions: The company has recently expanded its physical presence with new offices in Akron-Canton, Toledo, and Youngstown.

M&A Activity: No known M&A or transactional activities have been publicly disclosed.

7. SWOT Analysis

Strengths:

- Established brand and reputation with over 60 years of history.
- Strong customer relationships and long-term client base.
- Highly experienced and knowledgeable workforce.
- Technologically innovative with the development of the Gardiner DS platform.

Weaknesses:

- Reliance on a single primary market (Northern Ohio).
- As a private company, capital for large-scale expansion or acquisitions may be limited.
- Growth is largely dependent on the regional commercial real estate and industrial markets.

Opportunities:

- Expansion of its data services (Gardiner DS) to new clients and markets.
- Increased focus on energy efficiency and sustainability solutions as market demand grows.
- Strategic partnerships with manufacturers or technology providers to expand its offerings.

Threats:

- Competition from larger national players in the HVAC and building automation space.
- Economic downturns impacting the commercial construction and facilities management sectors.
- Recruitment and retention of skilled technical talent in a competitive labor market.

8. Strategic Recommendations

Key recommendations:

1. **Market Expansion:** Explore a phased expansion into new, contiguous geographic markets to diversify revenue streams.
2. **Technology-as-a-Service:** Package Gardiner DS as a standalone software or service offering to generate recurring revenue beyond traditional maintenance contracts.
3. **Sustainability Consulting:** Develop a dedicated consulting service line focused on

helping clients achieve sustainability goals through optimized building performance.

4. **Talent Development:** Invest in advanced training and certification programs to ensure the workforce remains at the forefront of building technology.
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9. Customer Segmentation & Deep Dive

Key segments:

1. **Healthcare Facilities:** Value reliability and air quality to ensure patient comfort and safety.
2. **Educational Institutions:** Focus on energy efficiency and long-term planning to manage large-scale, complex building systems.
3. **Commercial Office Buildings:** Prioritize tenant comfort and energy management to maintain a competitive edge.
4. **Industrial/Manufacturing:** Require robust and reliable systems to prevent unplanned downtime.

Their needs: Each segment values different aspects of building technology, from the reliability and air quality required by hospitals to the energy efficiency needed to manage large university campuses.

10. Sales & Distribution Strategy Analysis

Sales Channels: The company's primary sales channel is a direct, local sales and service team that maintains close relationships with clients.

Key Markets: Northern Ohio.

Strategic Partnerships: Gardiner has a long-standing partnership with Daikin, as a manufacturer's representative.

Global Presence: The company's presence is limited to the United States, specifically the Northern Ohio region, with no international offices or operations.

11. Operational Efficiency Metrics

Estimated Revenue per Employee: Approximately \$262,807.

Production Efficiency: As a service-based company, production efficiency is

measured through service response times, first-time fix rates, and the effectiveness of its maintenance schedules. Specific metrics are not publicly available, but the company's long-standing reputation suggests high efficiency.

R&D Agility: The company's R&D efforts are focused on improving its proprietary data services and integration capabilities, likely operating with a lean, agile approach to respond to client needs and technological advancements.

Key Metrics: Other relevant KPIs would likely include customer retention rates, service contract renewal rates, and energy savings delivered to clients. This data is not publicly available.

12. Technology & IP Strategy

Key Technologies: The company's core technologies revolve around building automation systems, a comprehensive approach to integrating disparate controls systems into a single platform, and its data analytics platform.

Flagship Innovations: The Gardiner DS platform, which leverages fault detection and diagnostics to provide proactive maintenance and optimization, is the company's flagship innovation.

IP Protection: While specific patents are not publicly known, the company protects its intellectual property through trade secrets, confidentiality agreements, and trademarks.

Sustainability: Technology is used to support sustainability goals by helping clients reduce energy consumption and improve overall building performance through real-time data analysis.

13. Risk Heatmap

Risk Category:

- **Economic Risk:**
 - **Level of Risk:** Medium-High.
 - The company's performance is tied to the health of the Northern Ohio commercial and industrial sectors. A regional recession could impact demand for services.
- **Talent Risk:**
 - **Level of Risk:** Medium.
 - The company relies on a highly skilled workforce of engineers and technicians. A tight labor market or a loss of key talent could impact

service quality.

- **Competitive Risk:**

- **Level of Risk:** Medium.
- Competition from larger, national firms or smaller, niche players could erode market share.

- **Technological Risk:**

- **Level of Risk:** Low.
- The company appears to be proactive in adopting new technologies, but a failure to keep up with rapid advancements in building automation could pose a long-term threat.

14. Talent & Culture Review

Leadership: The leadership team is characterized by a mix of long-tenured employees, such as Todd Barnhart and Rebecca Harris, who have grown with the company, and new executives like Rob MacKinlay, who bring outside expertise. The leadership style is described as fostering an "entrepreneurial spirit" within a "family atmosphere."

Workforce Culture: Gardiner has been consistently recognized as a "Top Workplace" in Northern Ohio. This suggests a positive and supportive internal culture that values its employees.

Talent Risk: The primary talent risk is the potential difficulty in recruiting and retaining skilled technical labor, particularly for specialized roles in building automation and data analytics.

15. Future Capital Strategy & Use of Proceeds

Use of Proceeds: As a private company, its future capital strategy is not publicly known. However, based on its current operations, a capital infusion could be used for:

1. Geographic expansion into new cities or states.
2. Investment in R&D for new technology and service offerings.
3. Funding potential strategic acquisitions of smaller competitors.
4. Scaling the sales and marketing teams to increase market penetration.

Potential Strategic Options: Possible future options could include a private equity investment to accelerate growth, a strategic partnership with a larger national player, or a sale to a larger firm looking to enter the Northern Ohio market.

CEO Strategic Supplement

Executive Focus Areas:

- Leading the next generation of the company.
- Driving the adoption of new technology, such as the Gardiner DS platform.
- Maintaining and growing the company's strong reputation and market position in Northern Ohio.

12–24 Month Targets:

- Expand the client base for Gardiner DS.
- Continue to grow the employee count to meet market demand.
- Strengthen strategic partnerships with key manufacturers.

Immediate Tactical Actions:

- Focus on hiring and training for specialized technical roles.
- Promote the new Gardiner DS platform through targeted marketing.
- Strengthen internal processes and standards to improve operational efficiency.

3-Year Vision:

- To be recognized as a national leader in building technology services and data analytics, expanding its regional dominance into a broader, multi-state presence.

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C2C Business Strategies Financial Publishing & Research Group:

C2C Business Strategies actively monitors hundreds of lower middle market companies. This includes privately held companies and publicly traded companies across NYSE, NASDAQ, and OTC Markets. Through periodic Strategic Financial & Operational Analysis Reports, we highlight emerging opportunities—while also identifying material risks that could impact performance, valuation, or investor confidence. These insights help stakeholders better understand both the upside potential and the structural vulnerabilities of public micro- and small-cap enterprises.

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