



THE



Bennet Langlotz  
The Firearms Patent  
Attorney®

# **BULLETPROOF® FIREARMS BUSINESS**

**THE LEGAL SECRETS TO SUCCESS UNDER FIRE**

Volume 3 Issue 8

September 2010

## ***HOW TO BUILD A COMPANY THAT THE BIG BOYS WANT TO BUY OUT***



Gregg Ritz works to expand the crossbow market

Part 2 of my interview with WildComm's Gregg Ritz:

*Last month, my interview with Gregg Ritz revealed the history behind his acquisition and sale of Thompson Center arms. This month, we learn more about his current effort to identify promising firearms companies, and what it's like to be one of television's most prominent hunters.*

BL: Let's talk more about mergers and acquisitions. Lots of firearms companies have a long term plan to be acquired. As we were discussing last month, at T/C, you had all the talents, traditions, and intellectual property assets that enabled you to market successfully to your customer base.

GR: Correct. Whoever's going to buy your company, is going to buy it on what it can become, so they have to see an opportunity when they look at the growth curve. For example, every year you keep growing 10%, 15% or 20%. If I buy the company, can it be maintained so I can capitalize on that growth? Or, are they not growing, but still have the potential to grow, because they're not fully capitalized or taking advantage of a legacy brand in the marketplace.

That's why I purchased Horton. I purchased Horton out of bankruptcy - the company made no money. Basically I just purchased the assets of the company, so here's a great example. Gregg Ritz and TGV Partners, (also partners in the Thompson/Center acquisition along with my godfather Ken Kendrick) went in and purchased Horton Manufacturing. They purchased the assets out of bankruptcy of Horton manufacturing. They had no sales and they had no earnings. All we did was purchase the brand name and inventory. You may ask, "Why would you do that - it wasn't even an operating business?" Because here we have a legacy brand that still had some decent market share. If we could revitalize the brand, and bring out new technologies to patent and protect, we could create opportunity in the marketplace. We go out and market the sport of crossbow

hunting; we grow the number of consumers, like we did with muzzle loading, until we increase participation. Then we've increased our market share by creating more dominant brands that have T/C technologies.

BL: That sounds like a great recipe for success. Was Horton a special one-time opportunity, or are you always looking for companies out there that you can add to your portfolio?

GR: I look at a deal a month.

BL: So you're definitely in "the business."

GR: Oh yeah. There's a lot of consolidation in the industry. You like to have synergistic buys where you can purchase this company, merge it with another, and reduce your overhead to increase profitability. And you want the merged brands to work well together.

Look at the Freedom Group - that's what they're doing. They go buy Remington; they go buy H & R; and they go buy Marlin. They shut down Marlin; they shut down H & R; and they merge everything into the main facility in Ilion, New York. They now have lower G & A (General and Administrative costs) because they have one management group. They have lower sales cost with just one sales group, and they enjoy lower operating costs because they're rolling them into Ilion, New York.

So, if I'm doing this kind of deal, I look at my admin cost, my

**We Proudly Serve  
Industry Leaders:**

**Hornady**

**BARRETT**  
FIREARMS

**VORTEX**

**SIG SAUER**



**McMILLAN**

**STAG ARMS**

**CORBON**

**U.S. OPTICS**



**Crimson Trace**

**DESANTIS**

sales cost, my distribution cost and my operation cost, and when I'm done with my "merge and purge" -- that's not a pleasant term but it's what needs to happen -- you look at where you can capitalize on efficiency. The Freedom Group has done a great job at synergistic purchases. That's why they're doing so well on the marketplace.

Then you have the entrepreneurial purchases, like what I did with Horton Manufacturing, to bring back a dormant legacy brand, in what I believe is the new frontier of hunting. It's unquestionable that crossbow hunting is the new frontier - there's not even a doubt.

BL: And you're the guy who's going to create that frontier, by creating the demand out there in the marketplace, and inspiring people to what a great experience it can be.

GR: You got it!

BL: So tell me about WildComm today, what it does, and who it serves.

GR: WildComm is a marketing and media services company, and there are five pillars to WildComm. We do television sales and representation, and brand development. We do licensing programs, such as Bone Collector, The Crush, and Whitetail Freaks; and we do brand development for individual celebrities or personalities. We will take a Michel Waddell or a Lee and Tiffany, and we'll develop their personal brands. That may be part of appearances, personal endorsement -- how that person markets themselves, and positions themselves in the market place. We do all of the traditional marketing services, from websites to catalogs, and commercials to video showcases, or trade show booths. We provide the tools to help of these companies execute what they need to in the marketplace. The fifth pillar is mergers and acquisitions. We help position companies for sale; we help find companies for other companies

to acquire, and then there is some that we may find and invest in on our own.

BL: Well you are certainly the guy who has been there and done that on the mergers and acquisitions.

GR: So that's WildComm. We have some of the most dominant companies in television and personalities out there that we work with, and it's fun. It all works together, but it all revolves around the brand. And, it's never been done in our industry. Unlike country music, rock and roll, or professional sports, nobody in our industry ever had a business manager. All of these celebrities, athletes, and those in other fields, had professionals who could help them become more popular, expose them to the marketplace, develop their career, negotiate their contracts, and not make dumb mistakes.

WildComm is trying to raise the professionalism, and at the same time we want to be the business manager for all the sponsors that we are involved with. We're not exclusive to anybody. Because we provide it for free.

If someone comes to me with a product, an idea, or a company looking to fight the battle in the marketplace, they ask how do we do this?

I tell them: "Well let's sit down! How do you go to market? What resources do you have?" We help analyze their business and provide recommendations. And, we don't charge for it. My belief is that if you make somebody successful, and move the needle, you will see the benefit of that. They may sponsor a television show we represent, or license a product that we are involved with, or make a personal endorsement with a Lee and Tiffany, for instance. We are going to get paid on the backside once we move the needle for that customer. Most companies want to charge a consulting fee. I just give it away, partly because I love the game!

BL: Impressive. So tell me, what's your lifestyle like these days? I'm sure you're sometimes behind a desk with a phone, fielding a lot of calls, but something tells me you're still out in the field every now and then too.

GR: Yep, I have two television shows that I co-host right now, Hunt Masters and Pro Hunter Journal. And, I have my own television show coming out next year called "Primitive Instincts," which is an adventure hunting show. It's the 'Man vs. Wild and Kill Stuff.' It's me hanging off the ledge in British Columbia on a stone sheep hunt, or getting face to face with a brown bear on the grass flats of the Alaskan coastline. To me it's the adventure aspect of hunting, not just Billy Bob sitting in a tree stand hunting twenty-inch deer. So I'm going two hundred days a year, on the road, because I am still CEO of Horton.

I have a great management team, but I go there from an executive level, not from an operational level. I help manage Horton Archery from an executive level, and I manage WildComm from an operational level. Every sponsor we're involved with, every contract, every celebrity and every show, I am personally involved with. Because I love it, and my office is twenty minutes from my house. Then obviously I get to spend a hundred and twenty days a year hunting to film my television show requirements.

BL: You spend a lot of time on the road then, don't you? A lot of frequent flyer miles?

GR: Oh yeah, I have to be on the front lines. I've got to be at Gander Mountain, I've got to be at Kinsey's Wholesale, I've got to be at Vance Sporting Goods. You can't learn from behind the desk. You've got to be face-to-face with the marketplace if you truly going to understand what it takes to be successful.

BL: Well, if you're going to be an industry leader you've got to

be out there in the front lines.

GR: Yes, that's just what I believe, and am programmed to do. Fortunately, I have a great supporting wife who, if I were home two straight weeks in a row, she would probably shoot me.

BL: Does she sometimes join you on the road, out in the field?

GR: She does! She loves to go to various trade shows, and so do the kids. They get a kick out of it. We were at a little water park this past weekend and a guy came up and wanted my autograph. The kids get a kick out of that --- you know: "Daddy's on TV."

I believe in being on the front line, but it all comes down to having to build the team - whether it's a corporation, marketing firm, television show, or whatever, Ben. That team includes every aspect. You have to have your legal support, your accounting support, admin support, and your sales support. Identify the seats on the bus and who should control those seats before you even start turning the key to go.

BL: Well it sounds like you've got things right where they ought to be. You are living the dream. There must have been some influences early on that positioned you to turn your passion and your hobby into a wonderful career. Any of that you want to share?

GR: Absolutely. I've had a lot of great mentors along the line. Obviously my parents were huge influences. My dad was an entrepreneur, who really instilled a lot of the work ethic and principle into what I do. It's not necessarily the 'what to do' but the 'how to do it', and what you stand for from an integrity standpoint.

I'll tell you who was a great influence on me - Bob Gustafson, the previous owner of Thompson/Center. His beliefs were in

reporting to the consumer and it was never the consumer's fault. If the consumer broke the stock on his gun, most would say "Wow, why should we replace it?" Bob's position was we should have made the stock better. He shouldn't have been able to break what we designed. Or, we should have had proper instructions in there that says, "Hey, you don't treat it this way." He always wanted to support the consumer.

My godfather Kit Kendrick helped me with the acquisition of Thomson/Center. He happens to also be owner of the Diamondbacks baseball team. Here's the guy who didn't have two pennies to rub together when growing up in West Virginia, but has become a very successful businessman. From strictly a business perspective, he's probably the greatest influence, because of all the M & A (mergers and acquisitions) work, the companies he has run and developed.

From a consumer/employee perspective, it's Bob Gustafson and from an integrity/principle perspective, my father. I've had some great influences.

BL: That's great. I'm sure they are all proud of the work you've been doing, and the success you've enjoyed. I want to thank you, Gregg. You're so busy and travel so far and wide, to have an hour to just spend chatting and learning the lessons from your experience has been a real pleasure. So thank you again for joining us.

*Next Month: Gregg Ritz reveals the techniques for creating powerful brands that lead to sales success and enhance company asset value.*

Contact the Author:

Patent Attorney

Bennet Langlotz  
bennet@langlotz.com  
877-230-5950

