

CORPORATE PARTICIPANTS

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

OTHER PARTICIPANTS

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Management Discussion Section

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

All right. Great. Good afternoon. Thanks for joining us. I'm Tim Wojs, I cover building products here at Baird. We're delighted to have Stanley Black & Decker join us again at our Global Industrial Conference.

Stanley is one of the world's largest tool companies and they own several leading brands that include DEWALT, STANLEY, and CRAFTSMAN among others. From the company, we have President, CEO, Chris Nelson up here with me on stage. We have Michael Wherley who recently joined as VP of IR. And then Christina Francis, who also is Director of IR. So, I thought maybe we'd start with just a quick state of the union, Chris, and then we'll kind of hop into Q&A.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

Yeah, so, I think we talked a little bit about it in our latest earnings release, but we're – we are on pace to hit a pretty significant milestone by the end of the year with achieving our \$2 billion cost-out target that we set out as a target at the beginning of our transformation. We feel good about the progress we're making towards our margin goals at 35%-plus and we're able to see margin expansion in the quarter as well after a one quarter step back due to tariffs. So, I thought that that execution and getting back on the margin trajectory was encouraging.

And then, we still have on our radar screen obviously the strength in the balance sheet. We have a stated objective of 2.5 times debt-to-EBITDA, and we've been pretty public about the fact that we're likely to pursue a pruning action most likely with our aerospace fastening business to achieve that.

And we're on pace to be able to complete that by most likely the middle of 2026, if not sooner. And that'll put our balance sheet in great shape. We are looking forward to the continued margin expansion. And then I think everybody's excited to turn the page on the transformation, and get towards running a business and growing organically.

And really, as I've stepped into the new role a little over a month ago, it's really just focusing the organization on the three things we need to pay attention to and that is, we need to absolutely continue to activate our core brands with purpose; we need to drive operational excellence to provide the fuel to continue to invest in the business; and we need to continue to accelerate our innovation engine to be able to continue to build out our pull through with our end users.

So, I think, that we've made a lot of progress, but I think what I'm most excited about is the opportunities that lay ahead, as we get towards turning the page on transformation and really competing and winning and growing the business organically.

Question And Answer Section

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. Yeah. I guess, I mean, on that, those – I mean, those are very logical things that I think you should be concentrating on. It's hard for me from my seat to judge just how big of a change that is internally. So could you just talk – just maybe talk a little bit about what you're kind of structurally changing in the organization and kind of what the buy-in is?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yes, so, I guess I've been with the company about 2.5 years and I'd say that coming in, it was obvious that we had – we have great people, a great set of brands, and an organization really poised and wanting to win. But I just felt that there were some things on the focus of the business that had detracted from our ability to really drive organic growth and perform and execute at a high level.

First and foremost, and people have heard me talk about this before, is that, we were a very product-centric business, meaning that it was individual product line by individual product line, and then we thought about what brands to put on those products, and that was really based on a view of how we could continue to grow our shelf space with channel partners.

What we were missing is that, doing so really took us a step away from our end users. And going and talking to our end users and our customers, they think about us as brands. And what they want to know is what are you going to do with DEWALT that will help me grow my business and drive productivity in the future, and why do I want to partner with you, whether I'm a large contractor in a certain trade or whether I'm a channel partner?

So, really wanting to get closer to the end user and think about end-to-end solutions versus point product solutions was a big change for the organization and we changed it. So we now have – we have a GM of DEWALT, we have a GM of CRAFTSMAN, we have a GM of STANLEY, BLACK+DECKER, Outdoor, etc. And that has really helped us engaging it closer to our customers and think about what we need to solve for them, and that drives our innovation as opposed to driving innovation and then trying to figure out what we can solve with that. And that's probably the first big thing.

And second thing is, taking the opportunity to leverage our scale and change from what was a very fragmented and product-based engineering organization over to one that was centralized. I brought in a new Chief Engineering and Technology Officer who previously held the position at Otis Elevator, and I'd worked together with a carrier a number of years ago.

And think about a centralized approach where we could understand the specifications, we needed for the specific end user, design the products in a platform manner to really drive our scale using common componentry. Whereas before when we were a product line business, we were – we had kind of individualized pockets. So a team who worried about drills and a team who worried about impact wrenches, and a team who worried about miter saws, and it just, while you could produce great products, it was difficult to leverage scale and the speed that we needed to be successful.

So those are pretty large changes. We're kind of two-plus years into it and the buy-in is strong and it's strong for one reason, because it's all based on wanting to do the things that our end users think that we need to do and that's kind of the – that's in the ethos of the company. And I think as we had spent more time and resources and capital on acquisition and diversification, I think we strayed from what we needed to do which was to be able to solve problems for our customers and be connected to our customers. And that resonates with the organization, and everything that we can do to help us to be more clearer in that objective, there's a lot of support behind.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. So there are a lot of different kind of silos in the business that – so you would go out from a cost perspective and you'd take cost out and you'd take cost out in drills and miter saws and all those things, but you still wouldn't leverage the total buying power of what STANLEY...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah, so [ph] I mean put (00:07:00) pretty simply is that, if you had as an engineer, you had the autonomy if you were working on a new drill to create your bottoms up ground-up motor and module controller and transmission for that drill. And someone next door might be doing the same thing for an impact wrench. And we weren't thinking about how we could leverage that. And that drives increased development time, increased qualification time.

And then certainly, it makes it more difficult to leverage your scale as you go out to market and source these components. As importantly, or maybe even more importantly, when we think about supporting our end users, that complexity of componentry and sourcing also runs counter to better service for your customer. So, the more common componentry, the easier it is to plan, the fewer variables you're having to source, and actually it helps you bring down your working capital, increase your – in the form of inventory and increase our service levels which we're now running at as high as they've been in the – as I've been able to look across the history as far back as I can take a look.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Yeah. I guess, with platforming just – it's kind of a broad concept for investors to just kind of think about like, what. It sounds like you're almost giving people like pre-qual – almost pre-qualified, here's a parts list for a lot of the commonality between these types of tools. And that obviously gives you some buying power, but then also they're pre-qualified so it should speed up the development time too. So, can you just talk about the platforming concept and then how we should start to see the financial benefits if that kind of roll through the P&L over the next couple of years.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah, I mean, it really it hits the mark around all, whether it's working capital, speed and productivity. It helps along the way. And I would simply describe it as saying, a platform product in our definition is one that in excess of 70% of the content is made out of the library of common components.

So when we look at a drawing or when an engineer is thinking about creating a new tool, they have a drawing and part of it's in red, part of it's in yellow and part of it's in green. And the red is, you can only choose from these three motors choices. Yellow means you can take a look at these library, and maybe you can change a shaft length by a millimeter or two. So you have a very moderate amount of change the specification available. Then green is knock yourself out, differentiate away. And what it does is it allows us to have our engineers and our designers worrying about – 100% of the time worrying about the 20% of the product that actually makes a difference to differentiate.

So counterintuitively somewhat we're actually improving our focus on how we can differentiate performance and brand identity with common componentry.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

So, I would say that it, when will you start seeing benefits? We're seeing them now. As – when we were – as a part of the transformation program to take cost out, what we did out of the gate was we spent a lot of time and effort just on negotiating savings with vendors for sourcing. That gets to a law of diminishing returns. You can only take the same bundle of commodity out to bid so many times. But now what we're seeing as we bring scale together and we're doing more engineered cost savings and kind of aligning on optimally costed components, is that our proportion of material productivity has gone up from round about 5% or 10% engineered cost savings to 30-ish percent and it'll continue to climb from there, which offsets some of the diminishing returns from what we've seen on sourcing.

Secondarily, we've seen – quantitatively we can take a look and say this year as we think about from inception of a program to launch of a product, we're 20% faster than we were. And we know that we have plans in place to take that another 20% down by 2027 end of 2027. And that in an industry that rewards innovation and new product with accretive margins is an important speed mechanism for us to continue to drive margin expansion.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

And how does that work kind of across the brands because obviously DEWALT is a pro...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

... and there's a very different performance level...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

...that's being driven at DEWALT than maybe CRAFTSMAN, so how do you make sure that it doesn't become like too common that the brands kind of bleed together?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

That's a great question. What – the key is that we – as we've gone to more a centralized approach to design. What we have asked our product managers to do is to be able to – and I'll get back to how we're doing this a little bit different, quantify what we need from an output of the product, not the product we need. So it says, if I am designing X product for this pro, I need to have quantitative performance on power, speed, torque, et cetera, that meets these requirements. So that's really what a customer cares about. They care about how it performs, how it feels, and how it measures up to that brand promise.

Now, what's inside of it driving that? You could pick a common motor that's a lower power motor for a CRAFTSMAN product that accomplishes what it needs to at a lower cost, whereas maybe you're going with a high-power motor on a DEWALT. But at the end of the day, what matters is the performance out of it all.

And when I talk about the quantitative requirements that we're having people be able to specify out in the product development. We've also launched – this is more than a year ago, we have no – let's just say, we have no shortage of feedback as to what people think about our products. It's a high involvement category and we get pieces of feedback all the time, star reviews, all that. And we've actually now developed an AI tool that allows us to take a look at all of that data coming in, parse it out. Understand what – how we stack up, kind of specification for specification versus competitors, where people like us, where we're overdesigned, what people aren't valuing, what they aren't paying for and then we can decide how to spec that new product based on that analysis that we're getting out of the AI tool.

So I think it's – whereas before there was a lot more of a feel of going out through a job site, working with an end user and saying, what do you think you want out of this and trying to then say, how you wanted that to work. We've taken it much more scientific approach and saying, this is what it actually quantitatively is saying that we have to be able to do and drive the specs that way. That gets you to less of a conversation about kind of emotional trade-offs and more about one, how you can think about choosing the right component for the right performance.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Yeah. I mean we've been asking a lot of people about AI. I mean that's one example...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

I mean what other things are you kind of doing internally to kind of leverage AI and [indiscernible] (00:14:30) outcomes?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah. So we've spent a lot of time and effort making sure we first and foremost set up our own AI infrastructure, and making sure that we have our own environment, that it's safe, that it's trusted and it gives the right answers because there are implications in our line of business of telling a person to use the wrong nail and the wrong nailer. We got to make sure that we're – we have that logic being checked and we have – so we have that infrastructure that we've invested in and we have had it looked at third party et cetera, and it's I'd say above the mean for what people are doing in industrial world.

Now we're starting to then roll out our different agents. There's the one I talked about for voice of the customer we call that one. We've got one that's a customer service agent that is – that basically is able to bring in all the different data points to our customer service agents and make them much more effective cutting down their time to answer significantly in order to serve our customers better.

We have an agent that we built that allows us to have our – a big part of our push is to have our people, our end-user specialists out with customers more, spending more time understanding what they need, how we can meet their needs. It's actually very labor intensive for someone to then go in and say, let me take a look at your array and come with a proposal for what you should buy from us. As simple as that sounds, that can take – you're talking about thousands of SKUs, what does it match up, what price point, how do you need to have the right accessories, et cetera. We now have an AI agent that we can just feed in the information and we get out the array, the marketing materials, the proposal with the pricing out the other end in a matter of minutes versus days.

Now, what does that mean? It means that I've got people spending more time selling than doing the administrative stuff in the back office. Where we need to take it now is making sure that we continue to deploy at scale and get from pilot to more scale implementation of the things that are going to drive the business. But it's a big focus. I think we're all learning as a management team...

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Right.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

It's – and the – I would say that the people who excel in the AI world and deploy it at scale, it's not differentiated by technical capabilities. It's differentiated by management team's commitment and understanding of what it means, what it could do in learning and leaning on that as a necessity of how we do business. That's where we are.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. We talked a lot about the kind of platforming and some of the internal changes you had to make on the back end. What about the front end? How are you thinking about kind of field resources, kind of maybe where we're at today, maybe where you ultimately see that going? Because I think just, if you're able to kind of fix and become more brand-led on the back end, it just seems like there's a big opportunity for you to get more people in the field and just promote and kind of talk [indiscernible] (00:17:33).

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah, that's been an emphasis for us. It was a – as we started this journey, I'd say that when I came in Don said, we got to get closer to the end user, we have to become simpler and then that was the concept, it was like, okay, so how are we going to put some meat on this bone. And the – one of the first things out of the gate was just understanding and recognizing as I talked to customers that we did not have the level of representation that we needed to support our folks in being able to understand what we had to offer, how it worked, what the new innovations were, and how they could grow with us.

So, we took – we made – have made big investments, more than 600 field resources over the past couple years in areas that we think geographically we were underpenetrated or where we knew there was going to be construction hotspots or internationally where we knew we had high growth countries that we thought we like the market structure. So, we see an ROI on those investments in kind

of like a 12-month timeframe. And this year, if we look at our conversion pipeline versus where it was this time last year, it's 2 times the velocity coming through.

I think that that is the momentum you're seeing with our continued growth in DEWALT. And we will continue to grow that out in a – over a series of years as we continue to see the opportunities of where we want to – very, very kind of tactically invest in the markets where we think we can drive the outsized growth.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

And in terms of pace, there's – would your point be, we can't just throw a bazillion people at the market because there's just not going to be a return on that? And so we're going to kind of meter this out or measure it out and kind of hit...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

...kind of be returns focused as opposed to just kind of blanketing everything with just more field people?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah, actually that was probably one of the biggest challenges for me is that I'm not a patient person at all. And I – if there's one thing that's been my mantra as I've gotten the seat, it's – we're going to move at pace, we're going to make decisions, and we're going to grow and we're going to execute. That's what we do. We are not a holding company. We are successful based on how we win or lose with the customer and we don't have [ph] timed to all (00:19:39). We got to make decisions and move.

I would say that we knew what needed to be done, but in order to build the infrastructure, the technology support and the training to make sure that we took – it's a big investment to make with 600 people and continuing, on top of it we needed to make sure that they were going to ramp up and be as effective as possible, as quickly as possible. So, we metered it out. And I think we've got a machine that's working well right now and that we're seeing the ramp up periods decrease as we go along. And as we see opportunities for outsized growth, I feel confident that we can continue to invest in that area and see the returns that we want.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. Any questions from the audience? I guess maybe just kind of on that point kind of tack with SG&A. I think Pat talked about SG&A being down in kind of the fourth quarter.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Is there any specific action kind of driving that or is that just kind of a timing consideration just given the environment?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

It's more kind of programmatic than that...

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

...is that we've been very public about talking about how much incrementally we're going to invest in SG&A. And a lot of that has gone to the front end of the business. What we haven't talked a lot about is that while we've been doing that, we have been equally aggressively taking the G&A out of the back office. So, what we say is a \$75 million to \$100 million investment in the front end is actually much more than that because we're actually taking out resources that are non-customer-facing. I would say that one of the byproducts of the fact that the company over the years became more of a multi-industrial type of play that had different legs and more of a holding company, is that there was a lot more back office and bureaucracy and support than we needed. And we've been very – I've been – all SG&A isn't created equal and I'd rather have less G&A and more S. So we're constantly moving to have fewer people counting things and more people selling things.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. How do you kind of think about battery systems? Because I think what's interesting is like the evolution of this industry has kind of gone from you plug the best product into a wall, and it could be, whoever.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

To now contractors have 30, 40, 50 of these batteries lying around, and there is a real kind of barrier and moat to these systems. And the 20-volt DEWALT system is still one of the leading systems in the world, really, in terms of batteries. So, I guess, how do you kind of leverage that, and kind of what's your approach there? Because it does seem like if you have those top two or three systems, like you could start to really create a moat around a business where there really wasn't kind of one before?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

I'd say it's a great way to think about it, and that's exactly how we do think about it internally. And I'll share – because part of the beauty of the way that this industry is structured is that, in excess of 80% of the time when a person goes into the purchase cycle with a battery platform, they're going to purchase a tool that they've never had on the platform, and that's a staggering number. More than 50% of the time when someone goes into the purchase cycle, it is not because they've lost or – lost a tool or it stopped working. It's a discretionary purchase because they want to drive more productivity. They like the features or they have a new regulatory safety requirement there.

So, it's a discretionary high-moat purchase. And if you look at, in the professional world, the buying criteria, and this is something I haven't really seen in my career before, is that price comes way down the list for that customer, because if you think about it, we actually – our solutions produce labor arbitrage. We want to be producing power tools that take labor out of a jobsite. Labor is very expensive on a jobsite, and, by the way, it's a bottleneck.

So, when people see that innovation they can do so, they're willing to pay. So, it's – that structure is incredible. So, what does that mean, is that we, and this is a part of the brand – kind of market-backed brand and that is we needed to be more and are more

purposeful about saying, okay, around that battery platform, whether it's our 20-volt, our FLEXVOLT, or our new POWERSHIFT higher-capacity batteries, what are the things by trade, what are the tools by trade we need to wrap around that, so a carpenter can go through their entire workflow and use all DEWALT tools, so a plumber can, so a concrete worker can.

And that's how you build that moat around the business around – and you have that annuity from the battery sale. But then you also – you can build a moat and keep on. It's a relatively lower threshold to purchase around that platform. And that's kind of – in a nutshell, that's how we've centered our professional strategy, is saying, we want to continue to round out that workflow and continue to define that workflow by high-priority trade to put a high moat around that.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. Okay. I mean, with DEWALT, I mean, that's gotten back to growth over the last couple years. What's been the driver of that? Is it just kind of the pro mix has been better than kind of DIY, or is it really things like the investments in field resources...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

...and new tools and things like that?

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Well, we – listen, DEWALT is \$7 billion of our – it's a \$7 billion franchise. So it didn't take a rocket scientist to say, hey, that would be a good place to start. And if you looked at it, it plays in a pro market. It's relatively stronger. It has great brand positioning and had great opportunity. So, the market has been relatively strong, but then really our focus on making sure that we went with the key priority trades and that we were driving the field resources to drive growth, I think that we have been seeing above market growth from the actions that we've been taking in what's already a relatively stronger market than the DIY market.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. Okay. And then you've kind of outlined kind of three core brands. I mean, like you said...

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

...DEWALT probably makes the most sense. Stanley probably makes the most sense.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

Yeah.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

CRAFTSMAN makes the most sense. Just maybe talk about kind of where you are on kind of reinvigorating both kind of Stanley and kind of what you need to do on the CRAFTSMAN side, yeah.

Christopher J. Nelson

President, Chief Executive Officer & Director, Stanley Black & Decker, Inc.

A

So, I'll start with Stanley. For those of you who aren't as familiar with it, it's largely an international brand. 70% of the revenue comes from overseas and it was a brand that had not really been touched for a number of years. And when I say touched, it wasn't just from a product lineup, but from the brand language, the design language and the packaging and how we could merchandise it. So, we – more than a year ago we set out and are doing a Stanley product revitalization program that's going to start launching early next year and go throughout the next year-and-a-half or so.

So it's getting the product right, getting it updated, establishing the right target end user and the right target end user for Stanley is the small res construction or handyman as opposed to the DEWALT enterprise. And making sure that specifically in a very hand-tool intensive business, the European hand-tool business is much different than North America, it's a fragmented wholesaler goes through. And you basically it's – you have branded walls in those wholesalers and that's where those small residential contractors buy. You need to be with those wholesalers not only to help them drive demand but so that you own that wall and you turn it into a vending machine.

We had throughout the years either removed or attrited all of our Stanley brand specific resources that had the responsibility to call on that wholesaler and make sure that they continue to win and defend that wall to keep that vending machine going. So we've put Stanley specific resources in Europe that are actually – they're having a lot of progress getting that up and running.

And then as a third element of the strategy, there's a big opportunity in the – in that kind of advanced DIY power tool brand in Europe and rest of the world for a brand and that's – we're going to have Stanley – we do have and we'll continue to grow, Stanley power tools and we'll do that off of the CRAFTSMAN platform and the V20. So, we'll be able to basically take a red CRAFTSMAN DIY product in North America, turn it yellow for Europe and use the same technology to penetrate that – further penetrate that. I would say that we're in stabilized form right now. And then next year I would expect to go to growth in the back half.

CRAFTSMAN was a little bit more of a reclamation project and we're running out of time so I'll make this quick. We bought a brand without product. We took a bunch of pro product and made it red to fit the marketplace and it was trying to sell a pro product at a DIY price. Not a great margin solution. We've taken a lot of time to get that properly specified, take the cost out of the product and then make sure that we continue to round out that product line for what the DIYer needs. And that is I'd say probably late 2026, early 2027, I would expect to see that kick into growth as well as those new products come out, so.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Okay. Great. Well, yeah, we're right about out of time, so please join me in thanking Stanley for being here.