

Transforming Spaces Into Havens

An Interview with Nicholas Fink, Chief Executive Officer, Fortune Brands Innovations, Inc.

EDITORS' NOTE Nicholas Fink is chief executive officer and a member of the Fortune Brands Innovations' Board of Directors. He is also a member of the Board's Executive Committee. Since being named CEO of Fortune Brands Innovations in 2020, he has led the transformation of the company from a home and security business into a technology and innovation disruptor. Fink envisioned and spearheaded the 2022 spin-off of the company's cabinets business and a full-scale



Nicholas Fink

organizational restructure to position Fortune Brands Innovations as a new, more agile and growth-driven company. As CEO, Fink also led the company through the COVID pandemic and subsequent supply chain disruptions, and has continued to grow the company through acquisitions. In total, Fink is responsible for 12 major acquisitions since joining Fortune Brands in 2015, including the transformational 2023 acquisition of the U.S. and Canada Yale and August smart residential brands and Emtek and Schaub luxury hardware brands. Prior to being promoted to CEO, Fink was chief operating officer for Fortune Brands. Before that, he served as the president of the company's water business from April 2016 until March 2019, and took strategic actions to expand beyond the business' legacy Moen brand, added connected product capabilities, and paved the way for the House of Rohl global luxury portfolio. Fink sits on the Board of Directors for Constellation Brands and is a member of the New York Stock Exchange Advisory Council. Fink has a Juris Doctor degree from Northwestern University and an undergraduate degree from the Institut d'Etudes des Relations Internationales in Paris, France.

COMPANY BRIEF Fortune Brands Innovations, Inc. (fbin.com) is an industry-leading home, security and digital products company whose purpose is to elevate every life by transforming spaces into havens. The company makes innovative products for residential and commercial environments, with a growing focus on digital solutions and products that add luxury, contribute to safety, and enhance sustainability. The company's trusted brands include Moen, House of Rohl, Aqualisa, SpringWell, Therma-Tru, Larson, Fiberon, Master Lock, SentrySafe and Yale.

Will you discuss your career journey?

I have a non-traditional path to becoming a CEO, and I believe that unconventional path has equipped me well to always explore new areas and opportunities. I grew up internationally and got my undergraduate degree in Paris. I moved to the United States to study law at Northwestern University, and following law school I worked at a law firm in their corporate practice. After making partner, I took a legal role at Beam Global Spirits & Wine, which was then part of Fortune Brands, Inc. But my

real passion was around business and brands, so I moved into a variety of business roles at Beam, eventually becoming president of the Asia Pacific and South America business.

Fortune Brands, Inc. spun off its home division in 2011 into Fortune Brands Home & Security, Inc. (FBHS), and in 2016, I had the opportunity to join FBHS. After some time leading the company's strategy group, I had the opportunity to lead Fortune Brands' water segment, with its flagship Moen brand. There I set my sights on innovating and brand building, including building a connected water platform – and our luxury portfolio, House of Rohl.

In 2019, I took on the role of Chief Operating Officer of Fortune Brands, overseeing the company's water, doors and security, and cabinets businesses, and in January 2020, I became CEO, just weeks before the COVID pandemic hit the U.S. Stepping into the CEO role during the COVID pandemic was very challenging, but because it demanded resilience, resourcefulness, and agility, I believe the experience ultimately shaped me into a more adaptive and forward-thinking leader.

How do you define Fortune Brands' mission?

Our purpose is to elevate every life by transforming spaces into havens. Through our products, we not only add beauty and functionality to people's lives, but also help them secure their valuables, conserve water and energy, add peace of mind and help people work safer. There are not many companies that can say they do well and do good; here at Fortune Brands, we can say that.

What were your priorities for Fortune Brands when you assumed leadership of the company five years ago?

Because COVID hit immediately after I became CEO and turned the whole world upside

down, my top priorities were keeping our associates safe while keeping our operations running to meet the incredibly high demand for our products. During COVID, the home dramatically shifted from a backdrop to the center stage of daily life as consumers reimagined their living spaces with unprecedented focus – seeking comfort, functionality, and connection in ways they never had before. At the same time, we were also navigating incredibly disrupted supply chains. During that time, we again proved to our customers that we are a company they can rely on.

In 2022, I really started focusing on transforming Fortune Brands, working to evolve the company into a unified, agile growth engine centered on brand-driven innovation, accelerated digital capabilities, and shared organizational strengths, while preserving the unique identity of each of our brands and businesses. I started with initiating a digital transformation, focusing on adding more digital capabilities – both in how we run the business and handle data, as well as in the kinds of products in our portfolio. This digital component was the start of what I envisioned as a sweeping company transformation to best position Fortune Brands to accelerate growth doing what we do best: being a leader in brands, innovation and channel. Our



Nicholas Fink at the New York Stock Exchange



Nicholas Fink at a Moen groundbreaking event in North Las Vegas

journey included spinning off our largest business segment (Cabinets) in 2022, reorganizing our operating model and leadership structure, rebranding ourselves as Fortune Brands Innovations, Inc. to highlight our increased focus on brands and innovation, and making a transformative acquisition which massively expanded our luxury portfolio and accelerated our digital transformation.

The transformation continues to this day as we are bringing many of our associates into one state-of-the-art campus in the Chicago area. We're on a journey to continue to disrupt our spaces and self. With leading brands like Moen, Master Lock, House of Rohl, Yale, Larson, and Therma-Tru, among others, we positively impact millions of people every day. With an aligned and innovative team at our campus, we'll be better able to align operations and use our scale to focus on exciting growth opportunities in really interesting categories.

How critical has internal communication been to bring the Fortune Brands' team along on its transformation journey?

Since my time as CEO, we've added a lot more focus on internal communications – virtual town halls open to everyone, leader touch base meetings, an intranet site and newsletter for our corporate associates. What we've discovered we need more of is informal, casual connections between associates that help build camaraderie and trust, which translates into greater opportunities to innovate and ideate. It's one of the reasons why I'm so excited to be bringing most of our corporate associates together under one roof.

What do you see as Fortune Brands' responsibility to be engaged in the communities it serves?

Whether it's our smart leak detection system, Moen Flo, that can help conserve water and prevent costly and preventable water damage, or our Master Lock connected lockout tagout solution, which helps to save lives in industrial applications,

or our Fiberon decking which is made almost entirely from recycled components, we are adding value to our larger community. To me, the positive, tangible impact our products have on people's lives is a key reason why Fortune Brands Innovations is such an attractive place to work.

What are the keys to successfully leading change and transformation inside a legacy company?

I would boil it down to these six actions, all of which we're doing at Fortune Brands:

1. Visionary and disruptive thinking – We live in a fast-paced world. You can't sit still because someone else out there will jump ahead. Better to disrupt yourself than be disrupted.

2. Empowering and inspiring teams – Run a purpose-driven company and make sure everyone understands how to bring that purpose to life. When there is a clear understanding of the direction we need to travel, people feel empowered to do what needs to be done.

3. Commitment to the vision – Once you have that vision, your purpose, the inspiring "why" behind your company, and you've identified how you will get there, go all in. Invest thoughtfully in what is going to make the biggest difference. Invest in the teams and tools you need. I like to say do big things to big things.

4. Driving a culture of continuous improvement – One of our core behaviors is to "Think Big, Learn Fast." There's no way to enact transformation by resting on one's laurels or doing what's always been done. Part of making real change within companies is being willing to take smart risks. Learn quickly and implement improvements to build success and momentum. This mindset helps make sure teams are always looking for the next opportunity.

5. Commitment to stakeholder value – At the end of the day, you must deliver what you say you will deliver. We are accountable to our stakeholders. While we are shaping our company for the future, we are doing so in a way that's good for our shareholders, our associates, consumers and communities. That's lasting change.

What must manufacturing and industrial companies do to win the next generation of talent?

We are very focused on supporting our associates now as well as building that pipeline of leaders. Total compensation and rewards are important, and that means more than just competitive pay and bonuses. We've invested in comprehensive health and wellness benefits – touching on everything from mental health to surgery support and parental leave – to support our employees.

We're constantly looking to upskill our associates, particularly during times of change. Offering defined career paths and training opportunities helps associates feel supported and connected. People want to know there is opportunity to grow, especially as the pace of technological change continues to quicken.

Finally, being a purpose-driven company is important. The fact that we make tangible products that improve lives is part of how we win talent. We make products that people can buy, can install in their homes, and can interact with multiple times a day. That's satisfying for many people. They want to see their role in the whole product, not just one

component, and we can connect their work to millions of lives around the world.

What do you see as the keys to effective leadership, and how do you approach your management style?

Listen – ask for feedback and be willing to hear it for what it is. We do this informally every day, but we also take feedback more formally through employee surveys and the result is critical feedback that we just wouldn't otherwise get or have the ability to act on.

Leaders also need to make sure their team is laser-focused on the company's purpose (the "why" of your company), what you're going to do to achieve it, and how you're going to do it. At Fortune Brands Innovations, we call this our "blue-print" – and if our associates have a deep understanding of that, then leadership can focus on the areas where they can add the most value.

What advice do you offer to young people beginning their careers?

Having an ownership mindset is helpful. Especially when I was earlier on in my career, my belief that my company was as much mine as anyone else's, and my willingness to roll up my sleeves and help out wherever I could, better enabled me to identify and solve problems, and to connect with people from across the business.

Part of the move to our new headquarters is embracing new ways of working. We want everyone to feel their role in building that culture and embracing all the benefits of having so many colleagues together in person. You can have lunch and ask someone what they're working on or troubleshoot a challenge on your walk to the next meeting. There's no need to wait for a company-hosted networking event. The opportunity to learn and connect will be all around us, and while we'll find new ways to encourage it, it's also on every associate to make the culture and the company their own. I highly recommend everyone use an ownership mindset. ●



Nicholas Fink speaking at an employee recognition event