

Published 10/12/2026

Ending Well: How Beanstalk's Long-Game Approach Is Building a Family of Mold Builders

Two mold builder acquisitions and recent leadership additions reflect a new kind of buyer focused on legacy, alignment, operational depth and long-term growth, not quick turnover.

BUSINESS STRATEGY

MANAGE

LEADERSHIP



CHRISTINA FUGES  

Editorial Director, *MoldMaking Technology*



A cross-company working session brings Diamond Tool & Engineering and Tolerance Tool employees together to exchange ideas, evaluate processes and identify shared best practices. Source (all images): Diamond Tool

When Kent Smith, owner of Diamond Tool & Engineering (DTE), used to joke that he'd be retired by 40, he didn't realize how much the idea of "ending well" would shape his company's next chapter. After 36 years of successfully building a respected precision moldmaking business in Bertha, Minnesota, Smith and his wife, Dorothy, began searching for what he refers to as "the right partner for DTE's future." Their business specializes in creating intricate, close-tolerance plastic injection molds and tooling for demanding industries such as medical and electronics. They spoke with brokers, investors and dealmakers over the years, but one stood apart.

That partner was Beanstalk Collaborative Community Wealth (Beanstalk), a firm that doesn't buy to flip; it buys to build and hold. As Beanstalk's managing partner Troy Roberts puts it, "DTE fits perfectly with Beanstalk's mission to buy, build and hold great American manufacturing companies for the long term." More recently, Beanstalk has continued to build out that thesis across both Diamond Tool & Engineering and Tolerance Tool.

For Smith, Beanstalk checked every box: financial stability, shared values and a commitment to both people and place. "We've always strived to 'end well' and I truly believe the Beanstalk partnership achieves that goal for everyone involved," he says.

This was not a typical private equity deal focused on rapid returns or restructuring. Instead, it was about stewardship, continuing a legacy while providing tools and stability for future growth.



Tolerance Tool General Manager Gregg Virnig works with employees on the shop floor while leading the company's day-to-day operations.

Building Trust, Bridging Values

The relationship began through a mutual connection in the American Mold Builders Association (AMBA). That introduction evolved into a genuine partnership built on trust. Roberts recalls, "From our very first conversation, it was clear that Kent and his team shared Beanstalk's core values of excellence in craftsmanship, deep care for employees, commitment to community and pride in U.S. manufacturing."

Beanstalk's approach goes beyond financial metrics. Their purpose, Roberts explains, is "to create a collaborative ecosystem of independent manufacturing companies that can share knowledge, technology and talent while maintaining their own identities." DTE joined Tolerance Tool as a cornerstone company within Beanstalk's precision mold-building group. Since then, Beanstalk has continued adding leadership, operating depth and cross-company support to strengthen both businesses.

For Smith, those shared priorities made all the difference. "The Beanstalk team went out of their way to understand what mattered most to us as owners and to the future of DTE," he says. That understanding helped transform what could have been a tense negotiation into a true partnership.



In his expanded role as President of Tolerance Tool, Greg Kolbeck supports customers while advancing business development and process improvement across the Beanstalk group.

A Smooth, Strategic and Human Process

Transitions like this are rarely easy, but both sides emphasize how intentional planning and communication kept the process on track. Roberts credits experience from their previous acquisition of Tolerance Tool for streamlining this deal.

“Every acquisition has its complexities, but this one was smoother because we’ve evolved into a strategic buyer in the mold-building space,” Roberts says. That evolution is now showing up not only in transactions, but in how Beanstalk is staffing and supporting its companies after close.

For the DTE team, clear messaging was essential. Employees had long wondered what would happen when Smith eventually retired. “Over the years, employees had occasionally asked, ‘What happens to DTE when you retire or if you just fall over one day?’” Smith admits with a laugh. “Then, when the sale was announced, there was relief once we introduced the new ownership. Employees could see the potential for positive change and long-term stability.”

The best acquisitions feel like continuity, not disruption.

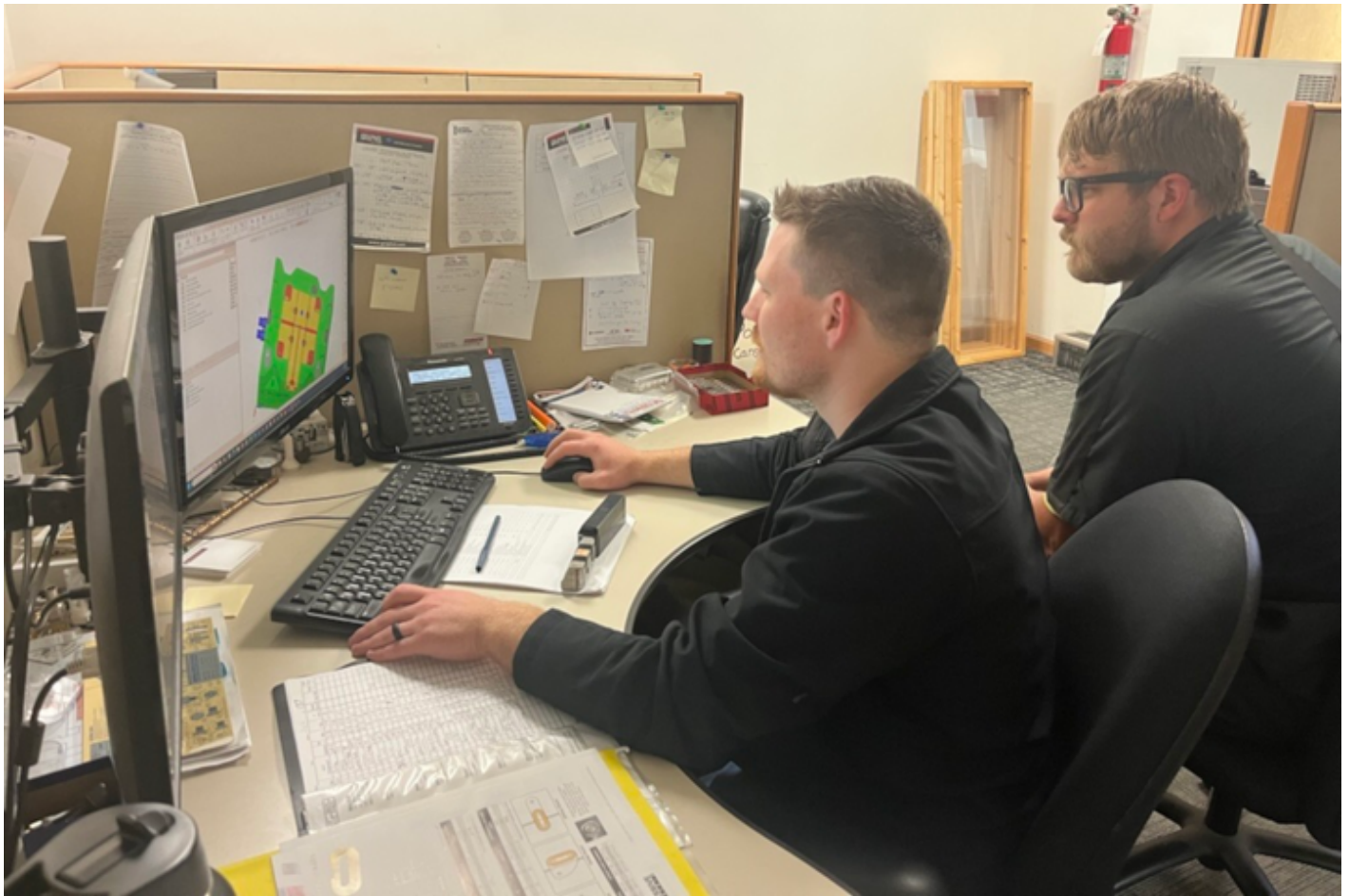
Together, Smith and Roberts made sure everyone heard a consistent story. This was about growth and continuity, not change for change’s sake. “We emphasized our commitment to local leadership, investment in equipment and technology and the importance of maintaining DTE’s core culture,” Roberts explains. “The message was simple: DTE’s future is secure and its best years are ahead.”

The transition also benefited from the active involvement of Smith and his wife Dorothy, who stayed on over the past eight months to help ensure a smooth transition for employees, customers and the business.

“Their willingness to stay engaged over the past eight months has helped ensure continuity for employees, customers and the business and we are grateful for the foundation they have helped preserve and strengthen,” Roberts says.

Smith officially retired on June 30, 2026, but continues to support Diamond and the Beanstalk group on a consulting basis. “I’ve always believed my role was to train and coach. That hasn’t changed,” Smith says. Beanstalk is grateful to both of them for their leadership and commitment throughout the transition.

“I’m retiring with confidence because I’ve seen meaningful progress during this transition from stronger management systems to deeper collaboration across the Beanstalk group. I believe Diamond is better positioned for the future,” Smith says.



Diamond Senior Designer Zach Johnson reviews a mold design with a colleague, illustrating the collaboration and knowledge-sharing behind the company’s design process.

Benefits Beyond the Balance Sheet

Under Beanstalk's ownership, DTE has gained access to new tools, technology and expertise that would have been difficult to achieve alone. "We now have access to greater investment in technology, innovation, quality and strategic growth.

Beanstalk brings financial stability, enhanced employee benefits, advanced management systems, real-time financial metrics and ERP/MRP tools," Smith says.

Roberts adds that Beanstalk is investing not just in equipment but in people through leadership development and workforce training. "We are training the DTE Management Team to use Beanstalk's management operating system (that is, financial and operating processes and metrics) which, when implemented, will result in updates/improvements to DTE's business process flows from quote to cash collection. We want DTE to transcend beyond making a high-quality Class 101 mold by providing them with the expertise and tools to run a profitable business that customers really value," Roberts says.

The firm's collaborative network also enables DTE to share best practices and resources with other precision mold shops, expanding opportunities without compromising their independence.

One of the biggest lessons from the process was clarity of purpose. "Know what truly matters to you. Know your priorities and values. Start the process early rather than waiting; it may take longer than expected to get your company positioned for the right buyer and the right outcome."

“DTE and Tolerance Tool have already visited each other's facilities and are discussing design and manufacturing methodology, conventions and standards. Cross-company teams will be assembled in functional areas to evaluate processes and determine best practices that all group companies can adopt,” Roberts says.

Zach Johnson, Diamond’s senior designer, has seen the benefits of Beanstalk’s approach become visible in practical ways across the business. From his perspective, the changes have preserved Diamond’s identity while improving how the company operates day-to-day. “What stands out to me is that Beanstalk is investing in how the business runs, not just in the business itself,” Johnson says. “We’re seeing more discipline, more collaboration and more opportunities to learn from others across the group, and that is making Diamond stronger.”



Diamond added a second Yasda machining center in June 2026, increasing capacity and supporting greater precision and consistency in its hard-milling operations.

Building the Team, Not Just the Portfolio

That operating model is also taking shape at Tolerance Tool. Gregg Virnig joined Tolerance Tool as general manager on March 30, 2026, bringing more than 20 years of experience spanning medical device, plastics and precision mold manufacturing. At Tolerance, he is leading day-to-day operations with a focus on execution, delivery, capability development and building a stronger organization for the future.

“What attracted me to Tolerance Tool and Beanstalk was that this is a group built by people who genuinely understand mold building and manufacturing,” Virnig says. “Beanstalk is building a family of mold builders and operators who help one another grow stronger, serve customers better and create long-term opportunities for employees. I joined because I believe in that mission and I believe in what we can build together.”

At the same time, Greg Kolbeck, Tolerance Tool’s former general manager, has assumed the role of president of Tolerance Tool. He continues working closely with Virnig to support a seamless transition, maintain continuity across customer relationships and ongoing programs and help position the company for its next phase of growth. In addition to his leadership role at Tolerance Tool, Kolbeck is driving business development and process improvement across Beanstalk’s mold-building companies.

“The goal isn’t to take over. The goal is to steward something valuable into its next chapter.”

“Gregg is the right addition to our team at the right time. He brings strong operational leadership, deep industry experience and a practical understanding of what customers need from a mold-building partner. I’m excited to work alongside him as he leads day-to-day operations at Tolerance Tool, while I continue supporting customers and helping drive business development and process improvement across Beanstalk,” Kolbeck says.

This shared infrastructure opens doors for DTE and Tolerance to pursue larger, more complex projects and deeper relationships with strategic customers. “The combination of financial stability, shared resources and collaborative culture creates a platform for sustainable growth,” Roberts says. “Not just for DTE, but for everyone within the Beanstalk network.”

Roberts says Beanstalk also plans to continue adding staff and capabilities to help fulfill that mission. The organization is investing in leadership depth, shared systems and the people required to support growth across its mold-building companies.



Hands-on moldmaking expertise remains central to Tolerance Tool's precision tooling work.

Lessons and Advice for Others

For Smith, one of the biggest lessons from the process was clarity of purpose.

“Know what truly matters to you. Know your priorities and values,” he advises.

“Start the process early rather than waiting; it may take longer than expected to get your company positioned for the right buyer and the right outcome.”

From the buyer's side, Roberts agrees with that sentiment, emphasizing patience and empathy. “Start by listening — really listening — to what matters most to the sellers and their people,” he says. “These are companies built over lifetimes, often by families who care deeply about their employees and their communities. If you don't honor that, the deal won't succeed.”

He also stresses the importance of experienced advisors. “Encourage the seller to engage a strong M&A attorney and a transactional tax accountant to help guide them through the process,” he says.

Both men agree that the best acquisitions feel like continuity, not disruption. “The goal isn’t to take over. The goal is to steward something valuable into its next chapter,” Roberts says.



Beanstalk CEO Troy Roberts meets onsite with team members, reflecting the company’s hands-on approach to building and supporting its mold building businesses.

Looking Ahead

Now part of Beanstalk’s precision mold-building group, DTE is positioned for a stronger, more connected future. Smith continues to support Diamond and the Beanstalk group on a consulting basis, Virnig leads day-to-day operations at Tolerance Tool and Kolbeck is focused more broadly on customers, business development and process improvement across the Beanstalk group.

For Beanstalk, the DTE acquisition and the continued build-out at Tolerance represent more than isolated business events; they are a validation of the company's long-term philosophy. Beanstalk believes American mold-building thrives when companies collaborate, share resources and uphold craftsmanship and community over quick profits.

In an industry where too many acquisitions lead to layoffs, rebranding or culture loss, Beanstalk is proving another path is possible: a family of mold builders and operators built on respect, alignment and long-term stewardship.

Read Next



Beanstalk Collaborative Community Wealth Acquires Diamond Tool & Engineering...

Beanstalk Collaborative Community Wealth's subsidiary



BASICS

MMT Chats: The Hidden Obstacles Holding Your Business Back (and You Don't Even Know It) Part 1

MMT Editorial Director Christina



Gregg Virnig Joins Tolerance Tool as General Manager. Strengthening Beanstalk's Famil...

Tolerance Tool today announced that Gregg Virnig