Psaros’ life story would read like a cross between Wall Street and Trailing Peaks. He grew up in Weston, Virginia, where his father worked in the local steel mill. In 1983, the mill hit troubled times and to save their jobs, the workers engineered one of America’s first ever employee buyouts.

Seven years later, Psaros went to work on Wall Street with Eugene Kalin, the same Lazar & Co banker who advised the employees on the buyout of the steel mill. In 1993, Kalin, Psaros and David Shapiro, another banker, formed KPS Capital Partners to save industrial businesses and make money. Lots of money.

Last week, KPS and WWRD, the owner of Waterford Crystal and china brands Waterford Wedgwood, Royal Doulton and Royal Albert, to Fiskars, Finland’s oldest company, for €410m. KPS had bought the brands from receivers Deloitte in 2010 for €375m. It also took a €70m dividend from the group vice-president of marketing, and saved their jobs, the workers engineered one of America’s first ever employee buyouts.

Psaros has every reason to be pleased. When KPS picked up Waterford Wedgwood it was an undervalued and heavily loss-making business. “It was the most shattered, poorly run business we had encountered in 2010,” said Psaros last week. “That is what we do.”

KPS bought the business at the height of the financial crisis, when “no Ironman, Englishman or Scoutman” was interested, he said. “People said that the company was a victim of the financial crisis. It wasn’t.”

“The business was going nowhere anyway (and) couldn’t end in trouble — they are managed into the ditch,” added Psaros.

Waterford Wedgwood was well on the way into the ditch when Psaros and his colleagues first looked at the books in September 2010. After a failed rights issue, Waterford appointed Lazaridou to solicit potential investors and buyers. The bank contacted 182 potential investors. Only two, KPS and Golden Gate Capital, progressed past the preliminary stage. Golden Gate said it would be willing to invest only if Waterford Wedgwood placed its business into an insolvency process. Deloitte was appointed receiver in January 2009. The receivers obtained 75% of the interest and hired IMC圭ere to run the business. The bank contacted 19 interested parties. At the end of the process, Psaros was the only man standing. KPS was the highest and best bidder.

After fees and charges were paid, some 100 workers left for new employers funded by Bank of America. All told, between shareholders, banks and bondholders, more than €1bn had been lost.

Psaros’ KPS has got its hands on the business in April 2010, setting up a new company, WWRD, to buy the assets. The Waterford crystal factory was “awful”, said Psaros, one of the worst manufacturing facilities he had ever seen in his life.

By the time the receivers came in, just one product line, Lismore, was still manufactured in Ireland. It was beyond saving. It was a very different story for the brand. “One of the things that people said was that nobody was buying crystal or ceramics any more,” he said. “That was wrong.”

Early in the due diligence, KPS retained Pierre de Villeneuve, a former luxury brand executive to look at the business. De Villeneuve previously worked with KPS on a turnaround at Spectrums Technologies, a US company that made components for printed circuit boards. With Spectrums was sold in 2006, KPS got back 16 times its stake.

Villeneuve and Wedgwood are the ideal man to lead WWRD. On taking up the job, he confessed he was barely aware of Waterford as a brand. He then saw, however, how Waterford figured so prominently on American department store wedding lists.

He began to understand its immense potential. “This was a name that resonated strongly with aspirational 25-35-year-old Americans, a consumer sweet spot. The problem, Villeneuve said, was that all the company’s brands, and Waterford in particular, were “very reliant on the bridal market.”

The product was something that people bought only one day or received one day in their lives, he said. The challenge was to create a range of gifting opportunities that people could buy “every day.” Waterford broadened its product range beyond drinkware, and into jewellers and interiors.

Villeneuve said the task was to “unpackage” while keeping the chip cut crystal “DNA” of the brand. It had to reuse the late 18th-century designs such as Walsingham and Sampson to “push the boundaries.”

The brand had the scale but not the margins of luxury products. Psaros said that, unusually for KPS, every part of the business had to be sold for investment only if WWRD were to make microwaves.

Not only did the businesses not collaborate, said Villeneuve, they were often competing against each other. There were six different enterprise software systems, none of which talked to each other.

The new management structure “is very flat”, said Villeneuve. There are group vice-presidents of marketing, operations and finance, with sales managers heading up critical territories. “It means that we can make decisions quickly. Of course we have made some mistakes. Yet the worst thing we can do as a business is not to make decisions.”

He also rationalised product lines. One of the old Waterford Wedgwood’s biggest failings was the teneous of thousands of stockkeeping units — product items — that tied up tens of millions of euros of working capital.

Last year sales grew by 7% to €450m ($596m). “There is nothing that we did that the previous owners could not have done,” said Psaros. “You can say that they had debt and pension liabilities, but at the ebb tide [earnings before interest, tax, depreciation and amortisation] level they were burning $100m a year. WWRD is now making $50m a year.”

Psaros said, by late 2014, KPS had brought WWRD “on a steady and solid growth” and began Goldman Sachs to find a buyer. After his first meeting with Fiskars, he knew “immediately” the Finnish would be the best.

The company started out as a foundry in the village of Fiskars 500 years ago. It has been listed on the stock exchange since 1913. Fiskars is perhaps KPS’ biggest deal ever.

for making orange-handled scissors and was one of the first companies in Europe to make microwave ovens.

It started looking seriously at diversification to high-end consumer products just eight years ago, buying Local, a Finnish furniture group. It added ceramic companies Rosenthal and Royal Copenhagen in 2010 and 2012 respectively.

Financially strong, the market has been anticipating a deal. “I don’t think anyone expected an acquisition of this size,” said Tommy Beron, equity research analyst at Carnegie Investment Bank in Helsinki. WWRD will bring the company to a new level in luxury consumer products.

Fiskars, president and chief of Fiskars said it was “absolutely right,” but the deal would balance almost perfectly sales at its functional divisions — scissors, garden tools and boats — and its living consumer unit. WWRD “are complimentary in nature” to Fiskars’ luxury consumer brands. “We are extremely excited,” added Kaikkonen. Psaros said the deal represented a perfect ending. WWRD brands had been purchased by a strong professional company that understood heritage.

The deal was also welcomed by Watford chamber of commerce. The Watford Crystal brand is still largely important to the city. House of Waterford Crystal opened in 2010 as a visitor centre, retail outlet and a manufacturing facility which makes high-end pieces such as chandeliers and sports trophies.

“How many private equity companies would avoid something as that?” asked Psaros. Waterford chamber chief executive Nick Dowling said Fiskars’ commitment to the brand was “positive, not just as terms of the economy but also tourism.”

Among the visitors to Watford last month were Psaros’ parents, who left with crystal American football. Their son has left Waterford with an awful lot more.

Waterford Wedgwood was a white elephant that broke a billionaire but, six years on from receivership, its crisis has been turned into a triumph, writes Brian Carey