

CREATE CASH!



CASE STUDY 1: A \$160 million healthcare services business was divested from its parent company. The new entity had no focus, minimal operating cash and was projected to lose over \$17 million dollars in 2007. We identified several critical problems, took action and achieved some amazing results.

<u>Problem</u>	<u>Actions</u>	<u>Results</u>
Minimal Operating Cash	Implemented new accounting policies that reduced DSOs from 108 days to 62 days. Instituted collect now A/R and pay slower A/P culture. Renegotiated credit payment terms from 30 days to 50 days. Stopped all non-critical projects and R&D spend.	Grew cash position from \$3 million to \$20 million in 7 months.
Expensive Legacy Contracts	Replaced large India based IT and application development team with small US team. Renegotiated insurance agreements.	Reduced yearly IT spend by \$6 million. Reduced yearly insurance premiums by \$375,000.
Unfocused Business Strategy	Sold two non-core business units. Merged 3 business units together to maximize marketing spend and selling efficiencies.	Turned balance sheet liabilities into \$2 million cash.
Projected -\$17 million EBITDA	Focus, innovation and determination.	+\$2 million EBITDA

We specialize in solving operations and cash flow problems for businesses. Contact us today for a complimentary evaluation that identifies cash creating opportunities within your business. This is a no cost, no obligation process that requires minimal time from a few executives. We work fast, efficiently and produce results.

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