

Case In Point



INDUSTRY

- Retailer of Pool Supplies, Hot Tubs, Outdoor Furniture, Play Systems and Fireplaces

SERVICES

- Turnaround Management, Financing, Liquidation



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CHALLENGES

- Bank had ceased funding.
- Weakening economy and increased competition were causing continued sales decline.
- Company had antiquated computer systems and poor information integration.
- Customer deposits were consumed without buying new inventory.
- Suppliers had put a hold on all orders.
- Proper disposition of retail stock inventory.
- Had five retail locations in multiple states with management in multiple offices and no clear and consistent communication protocols.
- Landlord wanted to evict company.

SOLUTIONS

- Immediately negotiated with the landlord to avoid eviction.
- Improved bank relations to resume normal funding.
- Implemented a weekly cash management system to ensure all obligations were paid on time.
- Implemented changes to ensure accurate financial records and the reliability of both financial and operational data provided to all constituents.
- Negotiated with suppliers to re-establish supply chains.
- Negotiated the disposition of the entire retail inventory.
- Created the Sale Book and reorganized historic and projected financials for potential purchasers of the chemical company.
- Led and managed all communication with the unsecured Creditor's Committee to maintain the committee's confidence.

RESULTS

- Identified and led negotiations with the bidder that ultimately purchased the chemical company's assets out of the bankrupt entity.
- Managed the liquidation of the retail inventory bringing maximum value to the company's creditors.
- Brought numerous potential purchasers/plan proponents to the bidding table, which helped raise the final purchase price to an acceptable level for all constituents.
- Developed procedures to maximize the recovery to the estate and coordinated the transaction documentation efforts with Debtor's Council.
- Brought credibility to the entire process that the debtor did not possess, thereby avoiding the appointment of a trustee.



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