

Success Stories – Display Manufacturer

Overview

This POP Display company was consistently producing moderate gains over its thirty year history. Costs were controlled as a percent to revenues and everything seemed in place for continued steady growth. That is until the marketplace changed and the company experienced significant decreases in revenue. The revenue declines also lead to unparalleled bottom line losses. The company needed to shed costs quickly, but still maintain control of its operations.

Solution

BIK was engaged to provide part-time Controller | CFO services. We reviewed the present situation and immediately made recommendations of overhead changes. The “business as usual” was replaced with cost minimization and containment procedures. An emphasis was placed on turning costs into variable and reducing fixed costs as much as possible. A new focus was placed on its break-even point. New costs were not added unless they played a role on top-side performance.

Client Benefits

The company not only has returned to profitability, but their revenues are now three-fold. They were able to survive where other similar sized competitors were not. Rather than returning to its old business model the company choose to maintain the CFO role as a variable cost. They have flexed up with BIK as its business demands required deeper analysis. Also, receiving financial information from BIK their bank relaxed the need for an independent accounting review, and now relies on a compilation report saving the company yearend fees. Ownership has learned to rely on the unbiased monthly financial communication.

If you have any questions, please contact, Tony Battaglia, Director of Controller|CFO services, at 847.281.3209.

