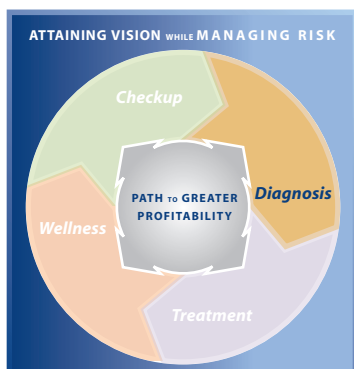
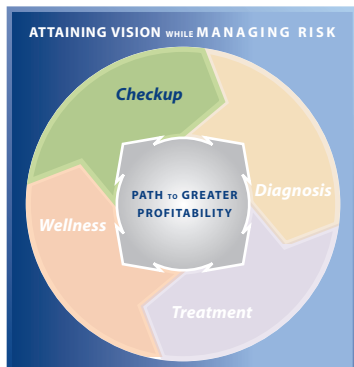




FiscalDoctor™
Enhancing Growth & Profitability



Case Studies

A CLEAR FINANCIAL PICTURE

Checkup

Challenge

In order to make a series of strategic alliance and customer decisions, the CEO of a \$15 million revenue technology company needed to accurately understand:

- current capacity available for its product line
- variable costs to scale
- component costs to revise its primary product offerings within three months

Partial estimates had been provided by four departments for each of these items. Each department had come up with different figures, leaving the CEO without accurate financial and operational information to reassess key strategic alliances and to create product lines and variations within existing lines.

Methodology

FiscalDoctor™ performed a Checkup, obtaining financial, operating and technical information to prepare a framework based upon the three factors. These factors were then refined by meeting with each of the four departments to either improve their estimates or explain why a different number was appropriate on these metrics.

Result

The new information obtained through the Checkup enabled the CEO to revise the company's product line and costing structure to compete more effectively. Two outcomes — quantifiable profitability and customer return on investment — verified the accuracy of the data and approach.

A FINANCIAL CRISIS RESOLVED

Diagnosis

Challenge

A \$40 million consumer products company revolutionized the industry by developing luggage with wheels. Management faced a unexpected challenge discovered through FiscalDoctor™ Diagnosis. The Diagnosis revealed that, unknown to management, \$30 million in inventory had been purchased and was to be received within 180 days.

Methodology

Once the problem had been identified, FiscalDoctor™ developed financial and inventory reporting methodologies and conducted a financial review to determine optimal funding to resolve this inventory and financial crisis. Resolution included renegotiating order mix and obligations and reworking orders for faster product turnover. More effective product costing and metrics for supplier effectiveness and supplier costing were also developed.

(Diagnosis continued on next page)

(Diagnosis continued from previous page)

Result

The solutions provided through FiscalDoctor™ Diagnosis helped management resolve \$15 million in inventory problems within 6 months. FiscalDoctor™ also helped the company obtain a \$25 million revolving asset-backed money center bank loan to resolve the financial crisis, created controls to prevent future recurrences and returned the company to profitable growth.

A STRONGER LEGAL POSITION

Treatment

Challenge

The CEO of a multi-million dollar service company was involved in a messy, complex dispute which had been ongoing for several years with a former business partner. Both parties wanted to settle outside of litigation.

Although the company had prepared a lengthy, detailed summary of economic loss, they needed a fresh set of eyes to review their recap, particularly to identify any weaknesses the other company would present

Methodology

Operating on a stealth basis through the company's law firm, FiscalDoctor™ performed a thorough review of all materials, identified additional facts and raised important related issues. FiscalDoctor™ provided suggestions as to changes in wording and presentation of the summary, as well as modifications to the approach on economic damages presented.

Result

FiscalDoctor™ Treatment shored up support for apparent weaknesses, providing the framework for a clearer and more defensible legal presentation. The revised approach was presented to the former business partner for continuing discussion.

A SUCCESSFUL RELAUNCH

Wellness

Challenge

When Cellular Wireless first began, the original concept was to provide rental phones for rental cars. But this business model was both labor and capital intensive and was slow to ramp up. No additional equity funding was available and resellers were only willing to vendor finance if the proper plan and support structure could be put in place and agreed upon milestones met.

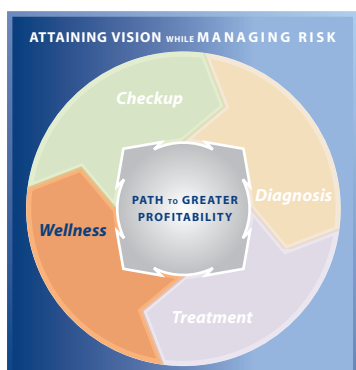
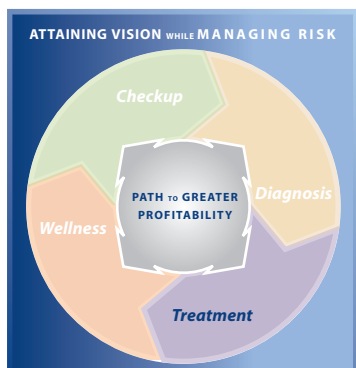
Methodology

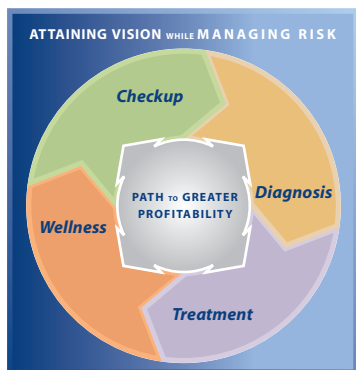
FiscalDoctor™ Wellness was vital to the solution: Create a national infrastructure of reseller and agent relationships with cellular providers. This solution reduced capital requirements, provided for vendor funding and increased distribution. FiscalDoctor™ also partnered with the senior executive team to implement the solution, which included recruiting and training corporate personnel to support the distributors, training customer personnel and installing the required software.

Result

FiscalDoctor™ Wellness distribution solution not only solved Cellular's financial dilemma, it helped to grow the company's revenues from \$1 to \$10 million and achieve profitability in less than one year.

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A RETURN TO PROFITABILITY

Fiscal Clinic

Challenge

A British manufacturing and distribution subsidiary of a US Fortune 500 parent company was under-performing, barely breaking even with \$150 million in annual sales. Management's ability to improve operations and create new products was severely limited by a lack of reliable financial and operational information.

Methodology

A full complement of FiscalDoctor™ Fiscal Clinic services was employed to achieve three goals: 1) re-engineer the company's supply chain 2) acquire and implement new software and network systems, and 3) convert to a total quality concept.

FiscalDoctor™ led the worldwide pilot project, planning, staffing, budgeting and directing a series of re-engineering projects throughout manufacturing, distribution and sales order processing functions of the company. The project used J D Edwards software (the company was named a Premier location) which also required upgrading the corporate hardware and network.

Result

Through the leadership and expertise provided by FiscalDoctor™, the project self-funded after the first year. The information system implemented by FiscalDoctor™ was key to the company's return to profitability and to securing an ISO 9001 Total Quality Certification, the first awarded in the UK to a building materials manufacturer.

For more details and information on how FiscalDoctor can help you know where your company really is, and help reach long term goals, contact Gary Patterson MBA CPA at (781) 237-3637 or by email at Gary@FiscalDoctor.com.

Enhancing Growth & Profitability so CEO's and Investors Sleep better.

