

CASE STUDY:

# Heavy Equipment Sales and Service



## Rethink

Aurora was engaged as financial advisor to the Board of a family-held franchisee of an international heavy equipment manufacturer. Disputes between senior management (family members) resulted in a dysfunctional organization with cash flow and operational issues. This situation was exacerbated by the franchise agreement restricting the sale of the business to the franchisor.

## React

Aurora performed a formal evaluation of the management structure and interactions between departments and presented a plan to the Board. Aurora assisted in modifying the Company's Cash Management Tool and serving as the conduit to distribute financial and operational information once the accuracy was verified by same. Aurora was also tasked with coordinating the work by the franchisor's financial advisor to generate the buyout numbers.

## Results

Aurora was successful in negotiating a buyout of the Company which satisfied all secured debt, unsecured debt and provided a significant return to the equity holders of the Company. Aurora's cash management system is still being used by the new franchisee's management team.