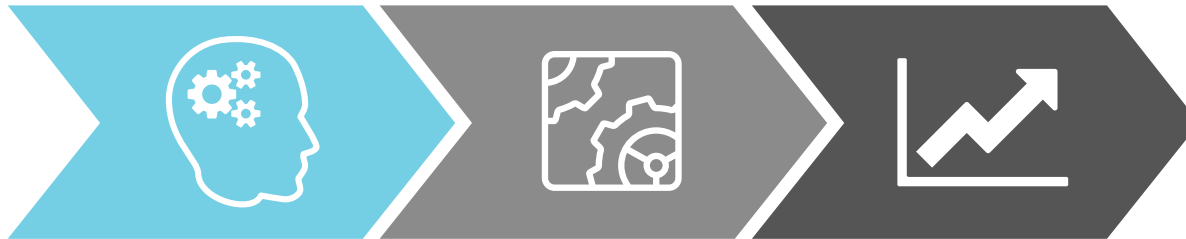


CASE STUDY:

International Plywood Company



Rethink

A Carolinas based Company harvested timber in Western Canada and shipped the logs to Asia for conversion into finished plywood. The finished product was shipped to a port on the East Coast of the United States for distribution into a major home products retailer. The Company defaulted on its loan covenants and because of unfavorable contracts with the converters and the retailers the Company was experiencing severe cash flow issues.

React

The debtor engaged Aurora to perform business plan analysis and management assessment. Upon arriving on site Aurora identified significant shortfalls in the existing cash flow budget. Aurora identified the supply contract shortfalls and renegotiated the terms to reflect current market conditions. The same was done with the Company's largest customer and another customer was terminated. Aurora also assisted management in reconstructing its cash flow.

Results

The Company implemented a revised business plan based upon Aurora's recommendations and using Aurora's assistance. The Company's secured lenders supported the plan and provided the additional liquidity needed to implement the plan. The plan proved successful and the Company was sold two years later satisfying all outstanding liabilities and providing a return to equity.

AURORA MANAGEMENT PARTNERS |