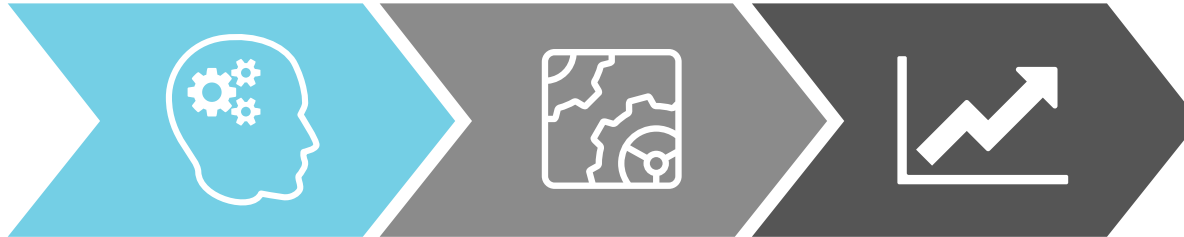


CASE STUDY:

Laminate Manufacturer



Rethink

A Company which supplied laminate flooring to big box retailers defaulted on its operating covenants. The Company was experiencing cash flow issues resulting from its shipment of raw materials from British Columbia to contract manufacturing plants in the Far East before shipping to Charleston for distribution. The Company was experiencing an extraordinary level of returns and charge backs from retailers.

React

Aurora was engaged as the Financial Advisor to the Board of Directors and was tasked with developing a plan to return the Company back to profitability. Aurora reviewed supplier contracts as well as documentation from the big box retailers. Aurora also reviewed the logistics contracts and was able to negotiate alternative contracts into the Charleston port.

Results

A number of cost downs were negotiated with the Far East suppliers including implementation over a period of time of thirty day terms. Additionally, the dilution was analyzed with the retailers and a significant sum of money was agreed upon as a settlement.