

CASE STUDY:

Importer of Case Goods



Rethink

Privately owned manufacturer, distributor, and retailer of high-end residential home furnishings, primarily case goods, with significant import operations. \$40 million in volume. Company had defaulted on covenants and was left with no cash.

React

Named Chief Restructuring Officer as compromise between secured lender and equity holders. Validated cash flow, identified questionable accounting practices and 20% over advance. Directed sales force and operations while managing relationships with overseas suppliers. A trip to Asia to switch to higher end suppliers and increased quality control procedures.

Results

Successfully managed supply chain and met sales order fill rate expectations. The secured lender gave funding to transition to new suppliers. Marketed the company and conducted a successful sale process resulting in full repayment of the outstanding secured debt and a substantial return to the unsecured creditors.