

CASE STUDY:

Metal Processing - Copper Tubes



Rethink

Aurora was engaged as CRO of a \$100M international metal processor that specialized in manufacturing copper tubing used in household appliances and air-conditioning units. The Company was undercapitalized, had significant vendor credit restrictions, and disgruntled customers. Additionally, the company had no accurate current or historical financial data and did not maintain any cash flow forecasting tools nor inventory costing ERP to provide accurate data to sales force for product pricing. Lastly the Company had no strategic plan for long-term sustainable success.

React

To evaluate a path forward, Aurora reconstructed and validated historical financial data, developed and managed a 13-week cash flow, and worked with management to develop a 2-year P&L forecast. Based on our review of current market data, Aurora recommended a full sale of the Company's assets via a 363 sale. Through the process Aurora continued to manage day-to-day financials and oversaw operations.

Results

During the 3-month sales cycle, Aurora brought the Company to a cash flow breakeven position and reduced the bank's exposure while maintaining steady operations. Though various sales processes were discussed, ultimately, the Company's remaining debt was purchased in full out of court, operations continued, and the Company is still in business today.