

# Accelerating Business Cycle Times Generates Cash

## Strategy: Increase net worth

The Company had experienced 4 years of losses and its net worth was virtually eliminated. They needed to **generate cash quickly** to reinvest in the infrastructure. Jacquard helped them increase revenue and achieve cost savings through process improvements that affected both profit and cash flow – in a very short timeframe!

Success Thread™	Profit Projects®	Highlights & Client Comments
<b>Customer Focus</b>	<ul style="list-style-type: none"> <li>Customer Segmentation</li> </ul>	<p>Executed strategies to increase the profit from the smallest customers and achieve additional business from the larger accounts.</p> <ul style="list-style-type: none"> <li>Smallest customer group produced additional significant profits while reducing the number of small transactions by 30% during first two months</li> </ul> <p><i>"Customer segmentation was eye-opening. We should have done it a long time ago."</i></p>
<b>Financial Discipline</b>	<ul style="list-style-type: none"> <li>Accounts Receivable</li> </ul>	<p>Implemented a process to generate more cash by controlling cash flow.</p> <ul style="list-style-type: none"> <li>Reduced AR from 46 to 37 days</li> </ul>
<b>Operational Speed</b>	<ul style="list-style-type: none"> <li>Shop Cycle Time &amp; Throughput Improvement</li> </ul>	<p>Established a formal production scheduling and release process</p> <ul style="list-style-type: none"> <li>Increased throughput thus increasing weekly invoicing by 10% while decreasing labor 15%</li> <li>Decreased Work In Process by 45% while maintaining increased incoming orders</li> </ul>
<b>Leadership Practice</b>	<ul style="list-style-type: none"> <li>Management Reporting Systems</li> </ul>	<p>Performance and results became top priorities in all meetings</p> <p><i>"We needed a wakeup call and we got it." "Jacquard provided great value to our organization, no doubt about it."</i></p>

**The Bottom Line:** After four years of losing money, the company is now operating with both profitability and positive cash flow, and is well positioned for growth.



## At a Glance

### : The Client

Privately owned since 1971, the \$10M distributor and manufacturer of countertops and related products prided itself on giving the highest level of service to all customers

### : The Goals

Make both divisions profitable, achieve positive cash flow quickly and have fun again

### : Project Time Line

12 weeks

### : The Impact More Profit!

- \$150 K profit improvement from throughput improvements
- \$100K of add'l cost savings from reduction of three positions, with spare capacity for growth

Plus

- Increased sales in manufacturing division from better cycle time
- Additional profits achieved from smallest customer group while decreasing transactions

### : The Impact More Cash!

- \$300K profit improvement achieved in *first six months*
- \$150K cash from AR improvements
- \$25K cash from inventory reduction

Jacquard Associates is a team of hands-on, roll-up-your-sleeves business professionals who help clients identify strengths, raise expectations and improve the way they do business. We help **motivate** people, **streamline** processes, **impose** financial discipline and **create** systems to yield better customer service, faster turnaround, improved sales and enhanced profits.

Our single goal is to provide clients with tools to improve business performance fast. Organizations typically are full of opportunity. Owners and executives have great ideas and increasingly urgent needs. We specialize in transforming those **Ideas to Action** through a set of simple, proven, proprietary tools for improvement. A client's customized program of Ideas to Action may include:

- **One-to-One Coaching**, to develop mission-critical personnel
- **Wonderments**<sup>®</sup>, highly revealing and effective mini-projects demonstrate the impact of executing fundamental improvement opportunities
- **Profit Projects**<sup>®</sup>, longer-term improvement initiatives tailored to the client's needs and implemented by Jacquard and the client's team

Jacquard Associates also helps companies and industry groups develop **performance improvement expertise** through seminars, workshops and focused roundtable discussions.

**Work with us is easy.** We connect the dots between entrepreneurs, managers, investors, and bankers. We also perform certain services that other turnaround firms may not provide, and we are able to seamlessly integrate with any existing professionals in situations that warrant it.

Last but not least, **we put our money where our mouth is:** our fee structure is tied directly to our performance.

To learn more, call us at 847.945.8700 or visit us at [www.jacquard.com](http://www.jacquard.com).

### Industries Served

#### Manufacturers

Automation – very small to very large  
Automotive Aftermarket  
Bicycle Parts  
Cases “sample and department store”  
Cleaning Supplies  
Clothing  
Consumer Auto  
Electrical Assembly equipment  
Electrical Components  
Fabric Printing  
Food Consumer, Staples, Flavoring  
Forgings  
Grinding  
Home Builders  
Jukeboxes  
Kitchen Assemblies  
Medical Equipment  
(hospital and private practice)  
Medical Test Equipment  
Metal Forming  
Mops  
Packaging – dangerous material  
Packaging – temperature controlled  
Packaging Materials  
Plastic Extrusion (consumer parts, plastic wood, electrical parts)  
Point of Sale Displays  
Printed Circuit Boards  
Printing (commercial, display, label and fulfillment)  
Specialty Albums  
Test Automation  
Valve Regulators  
Vending Machines

#### Distributors

Collectibles  
Electronic Assembly Equipment  
Ethical Drugs  
Exotic Metals  
Factory Automation  
Fulfillment (various)  
Ice Cream  
Janitorial Supplies  
Jewelry  
Manufacturing MRO Supplies  
Medical Supplies  
Screen Printing  
Specialty Foods  
Used Production Equipment  
Wholesale Foods  
Wines & Beverages

#### Service

Audio Visual Systems  
Banking – mid market lending  
Communication Software  
Contractors (general, electrical, HVAC and plumbing)  
Engineering  
Environmental Testing  
Industrial Cleaning and Coating  
Investment Bankers  
Marketing  
Point of Sale Marketing  
Public Accounting  
Publishers  
Surveyors  
Telephone Systems

#### Retail

Carpeting  
Clothing  
Jewelry  
Music and Games  
Restaurant Chain  
Toys