

Improve Cash Flow. Reduce Stress. Realize Dreams.



BABER
TURNAROUND
CONSULTING

Since 2001

A Message From Bob

Helping business owners improve their financial situation, reduce the stress of running a business and realize their dreams makes what I do meaningful, it's not just a way to make a living.

My father was a career army officer as was my grandfather, so I am an "Army brat." During my Dad's 31 years of service, we moved 13 times. I attended four high schools in three countries and these experiences helped shape the perspectives that I draw on when solving client problems.

After graduation from Western Michigan University, I spent 25 years gaining industry experience in manufacturing (apparel, chemical, wood flooring, textiles), mobile home sales and retail stores. I worked for Blue Bell (parent company of Wrangler Products, now part of VF Corporation), Kayser-Roth Hosiery (parent company of NoNonsense Fashions, Rolane Stores, Burlington Hosiery) and other companies located primarily in the Triad.

In 2001, I left "corporate America" and struck out on my own as a consultant serving small to mid-sized companies, with annual sales typically ranging from \$1 to \$20 million.

As a Certified Turnaround Professional (CTP), I specialize in improving cash flow, increasing organizational performance and providing part-time CFO services which are focused, affordable and unobtrusive to the day-to-day operations and staff of my client companies.

Community service is important to me. I am the past chair of the Greensboro Boys and Girls Club's Advisory Council, past member of the Salvation Army Board and a Rotarian.

I look forward to learning about your business and discussing how I can help your company achieve its full potential.

Sincerely,

Bob Baber



Robert D. Baber - CPA, CTP



How We Can Help Business Owners

Baber Turnaround Consulting has worked with over 100 companies in 50 industries helping business owners increase sales, profits and cash flow. It is our goal to help you improve your business's financial results, reduce your stress and realize your dreams.

About our process:

- Certified Turnaround Professional (CTP) and CPA*
- Half-day consulting format that is focused, affordable and doesn't overwhelm our clients or their staff
- No charge for the first meeting, which is an opportunity for us to learn about your business and to see where we can help
- Typical referral sources are attorneys, bankers, CPAs and other business service providers

As your consultant and/or part-time CFO, we will focus on the following:

- Certified Turnaround Consulting
- Organizational Development and Compensation Strategy Consulting
- Start-Up / Part-Time CFO
- Financial Reporting and Business Process Improvement
- Cash Flow Consulting
- Benchmarking Analysis and Internal Controls Review with Risk Solutions
- Strategic Planning and Business Plans
- Succession Planning, Mergers and Acquisitions

"Bob is my go-to guy when I have a client who doesn't know whether he is making any money in the business, doesn't know where the cash is going (or coming from), and doesn't know whether to shut the business down or look for a way to restructure the debt.

Bob has developed some templates, etc. that allow him to efficiently input data from the client and use the resulting spreadsheets to show the client (and often the bank) what is going on in the business. He has also earned the respect of a number of bankers, who know that he is a straight-shooter.

Bob is a person you should know. Your business lawyer partners should know him. Your banker buddies should know him. Your accountant friends should know him. If you ever have business clients who are wandering in the financial darkness, I encourage you to give Bob a call and arrange a lunch. You'll be glad you did."

Rayford K. (Trip) Adams III
Board-Certified Specialist in Business and Consumer Bankruptcy Law
Higgins Benjamin Eagles & Adams, PLLC

** Although Bob Baber is a licensed CPA, we do not offer tax, audit or other CPA-related services.*



Certified Turnaround Consulting

Are you waking up in the middle of the night wondering how you will make the right decisions that will keep you in business?

Are you overwhelmed deciding which suppliers to pay and when?

Do you struggle deciding if or when to make staff reductions?

Do you have the answers when your bankers or owners ask when will business turnaround and what are you going to do if it doesn't?

Unless you have in-house resources with the experience and time to develop and implement a turnaround action plan, you need a Certified Turnaround Professional.

"The CTP designation is the industry's most recognized certification of experienced and skilled turnaround professionals. It is a mark of distinction for professionals who have demonstrated their commitment to the corporate renewal industry and to a high standard of excellence and integrity."

ACTP Chairman Anthony M. Bergen, CTP

As your Business Turnaround Consultant and Certified Turnaround Professional, we will:

- Provide objective, quantifiable options to quickly improve your cash flow, operating efficiency and business strategies
- Help you make and implement the tough decisions, especially regarding employees, in order to stay in business
- Serve as an interim or part-time CFO, if you don't need one full-time
- Prepare cash flow models (short term - 12 weeks, long term - 2 years) to predict current and future cash requirements so that your stakeholders can manage their expectations
- Serve as a facilitator between company owners and their lenders to renegotiate loan terms or locate new capital
- Analyze your financial procedures and controls, organizational structure, supply chain management and customer profitability, then make recommendations for improvement and implement action plans



Are you satisfied with your company's ability to predict cash flow requirements?

Do you know how many "days" of inventory you need to run your business, by customer or product line?

Do you know which customers generate cash vs. use cash?

Are you able to explain to your banker or owners why cash flow is worse than expected - and how much/when/why it will improve in the future?

If your answer is "no" to any of these questions, you are not alone. Very few companies have developed processes or systems to track, let alone predict, their business cash flow needs.

As your Cash Flow Consultant, Baber Turnaround Consulting will:

- Use ROI analysis to identify where you make money and where you don't — and then fix the problems
- Implement processes to harvest, review and act on employee suggestions
- Teach your staff specific cash flow management methods and best practices
- Prepare cash flow models (short term - 12 weeks, long term - 2 years)

Baber Turnaround Consulting strengthens the relationship between company owners and their lenders by facilitating discussions to renegotiate loan terms or locate new capital.

"I met with Bob with the intention of getting some ideas on helping cash flow. I received so much more. Bob's years of experience, listening skills and ability to ask the right questions helped me design a plan that has grown my company more than ever expected in a short period of time.

Bob is a delight to work with - it does not matter if you are struggling or a success. Get to Bob before your competitors do!"

Owner, Website Development Company



Start-Up/Part-Time CFO

"I don't know where to turn to get the advice I need to start a company..."

A new business owner

"I need higher level help than my bookkeeper or controller is capable of, but can't afford and do not need a full-time CFO"

An existing business owner

By providing outsourced CFO services, Baber Turnaround Consulting has made life easier and reduced headaches for business owners by taking care of high-level financial issues that our clients preferred not to handle in-house. These businesses now focus on what they do best.

As your part-time CFO, Baber Turnaround Consulting can:

- Integrate rapidly and seamlessly into your management team
- Solve business problems and if necessary locate and work with attorneys, bankers, insurance agents, computer specialists, marketing specialists, tax CPAs, financial planners, etc.
- Prepare and negotiate loan packages
- Develop "bank ready" financial projections and locate funding sources for your business
- Identify, recruit and train accounting and office staff
- Improve the effectiveness of business processes and systems

"In my experience, Bob's clients have benefited from the type of proactive financial insight that you would expect from a first-rate internal CFO. This extends from cash flow management and operational effectiveness, to getting the right personnel in the right positions. Bob is a valuable resource to his clients."

R. Milton Howell, III, CPA, CSEP, Partner
Davenport, Marvin, Joyce & Co, LLP





Financial Reporting & Business Process Improvement

Why does it take two to three weeks for us to get month-end numbers?

It seems like our company generates a lot of reports, but I am not sure they are meaningful or being used.

Why don't we have meaningful data daily or weekly on our core business processes so that we know how we are doing?

Why don't our reports show more trends and comparisons so we have a clear understanding - are we getting better or worse?

I wish our reports had more graphs and fewer numbers, so that I could understand trends more easily.

If owners, managers, investors or bankers are asking you questions like these you need Baber Turnaround Consulting to get you back on track.

In today's uncertain and rapidly changing economic environment, financial reporting and a reliable financial process infrastructure is more important than ever.

Baber Turnaround Consulting can improve your company's financial reporting and business processes in the following areas:

- Review accounting department organizational structure, business processes and employee capabilities
- Train, mentor and coach accounting employees to help them achieve maximum effectiveness and career potential
- Ensure that financial and operational reporting is timely, accurate, meaningful and serve as a "financial dashboard" for management to run the business and external users to understand the business
- Create financial analysis models for capital expenditures, products, services, customers, business segments, business units
- Create budgets, cash flow projections and debt covenant forecasts for both internal (owners, management) and external (banks, investors) users

"Bob clearly focused our attention on the key drivers for success in our industry. He did this quickly and concisely. We continue to reap the benefits from his past contributions today."

Owner, Greensboro Manufacturer



Organizational Development & Compensation Strategy Consulting

I have no one to talk to about my really big business issues and know that I am working more “in the business” than “on the business.”

*I feel like my employees tell me what **I want** to hear, not what **I need** to hear.*

Why does it seem like we can't keep the really good employees, and when they leave, we usually don't know why?

Our employees keep asking for raises, and while we don't think we can afford it, we know that we need a process to let them know that they are valued and can make more money.

I don't like our current compensation process of giving raises to “favorites,” especially when they feel like they are entitled to a raise just because another year has passed.

Baber Turnaround Consulting helps take the stress out of compensation issues and will:

- Provide real-world compensation information for specific geographic areas and specific jobs, to help you develop a strategy to make sure that employees are paid fairly
- Create meaningful job descriptions specifying required core competencies, define career paths and establish realistic compensation ranges based on employee knowledge and performance
- Develop bonus/incentive plans which give employees the opportunity to make more money, even if their current base pay is “red circled” because they are at the top of their pay range
- Use “Employee Capability Assessments” to cultivate teamwork, define training curriculums, improve time management skills and help employees realize their full potential
- Administer a “360-degree survey” to a cross-section of employees, in a guaranteed, confidential process. This powerful technique reveals to owners what employees really think about the company, their managers and current business issues, including possible solutions, without fear of “shooting the messenger”

In a nutshell, we become trusted advisors because we take the time to understand the problem, challenge assumptions, offer options and don't pull any punches...with an honest, caring, respectful approach.





Benchmarking Analysis & Internal Controls Review with Risk Solutions

Do you know how your company's performance "stacks up" to competitors?

If you don't, you may be lacking the competitive knowledge you need to grow your business, or to even stay in business.

Benchmarking Analysis

Through business benchmarking, you receive:

- An analysis comparing your company's financial performance to financial ratios for similar size companies (assets, sales revenues) in your specific industry (SIC code or NAICS code)
- Information on the selling prices and sales terms of similar size public and private companies in your industry, with similar financial profiles

Baber Turnaround Consulting will:

- Compare your company's financial performance to similar companies in your industry
- Provide a rough estimate of what your business may be worth
- Show you how to increase the value of your business
- Determine if a merger or acquisition may increase the value of your company
- Help you justify making the tough decisions if performance trails industry averages
- Help you create a succession plan or exit strategy

We don't ever seem to have enough cash, even though our company reports show that business is good and expenses are in line.

Our Internal Control Review with Risk Solutions provides:

- An evaluation of the controls for important business processes and procedures
- A report detailing your company's vulnerability to misappropriation of assets and inaccurate reporting
- Recommendations on organizational structure to improve controls
- An analysis of business processes including:
 - Accounting systems and computer operations
 - Cash receipts and accounts receivable
 - Cash disbursements and accounts payable
 - Inventory and fixed assets (property, plant and equipment)





Strategic Planning & Business Plans

If your management team hasn't updated your strategic plan recently, you have plenty of company.

Very few business owners make the time to implement a thoughtful, meaningful and actionable strategic plan, nor do they take the time to consistently monitor customer and supplier financial status and strategies.

The process of creating a Business Plan and Strategic Plan are similar, depending on the objectives of the exercise, importance of various elements and whether outsiders, as well as insiders, will use the information.

Using an outside facilitator such as Baber Turnaround Consulting can reduce the stress and time involvement of owners, managers and staff. More importantly, we provide perspectives that “insiders” may not have...or may not be willing to share.

Baber Turnaround Consulting can jump-start your strategic planning process by helping:

- Define the company vision – where does the owner want the company to be/look like/function in the next three to five years
- Identify the “gap” between where the company is today compared to the vision (go back from the future...)
- Facilitate a SWOT exercise to determine Strengths – Weaknesses – Opportunities – Threats:
 - Internal factors: define strengths, weaknesses and related implications for the business
 - External factors: define opportunities, threats and related implications for the business
 - Define the key milestones to get from where you are to where you want to be including quarterly goals, individual responsibilities, department responsibilities, internal resource allocations, external resource requirements, measurement systems and financial implications.
 - Prepare a financial forecast based on the output of the strategic planning process

“Bob Baber was brought into an old, troubled and complex international family business to help us improve the financial worth of the company. After 1½ years of hard work and dedication, financial indicators pointed to a new and more profitable future. This turnaround could not have been accomplished without Bob’s skill, insight and effort. He not only became part of our management team, but he also became a part of our extended family.”

Owner, Manufacturing Company





Succession Planning, Mergers & Acquisitions

What will happen to my company if I die or can no longer make business decisions?

If you do not have a well-documented succession plan, the government, the legal system, your creditors, your family members and attorneys will determine what happens to your business when you are not there.

Succession Planning:

Baber Turnaround Consulting can guide business owners through the process of establishing a succession plan that makes sense for the owners, family members, stakeholders and employees who will be impacted by the plan.

We will help to ensure that the future of your business is logically planned for, with specific actions, responsibilities and timetables to ensure a smooth transition.

Mergers and Acquisitions:

We offer advisory support for business owners considering strategic transactions such as selling their company to outsiders or family members and buying a competitor or supplier.

Part of that process can be an estimate of the value of the company based on real-world recent buy/sell transactions for companies similar to yours.

“Over four years ago, I began discussions with a very important client who indicated a desire to buy part of my business. Several years earlier, I had invited Bob Baber into our organization, once for cash flow analysis work and another time to evaluate our management structure. He had proven his ability to look at business issues with exceptionally good judgment and develop actionable recommendations, so I brought him into the dialogue with my client.

Four years later, my former client (and current partner) and I have both benefited significantly from this new relationship. Bob was able to get all the issues out on the table in a manner that generated a high level of confidence in all parties that a fair agreement would result. Without his timely, well-articulated input during the negotiation process, things would not likely have progressed as smoothly as they did. I would recommend him, without hesitation, in any sensitive business negotiation or discussion.”

Jeff Burkett





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