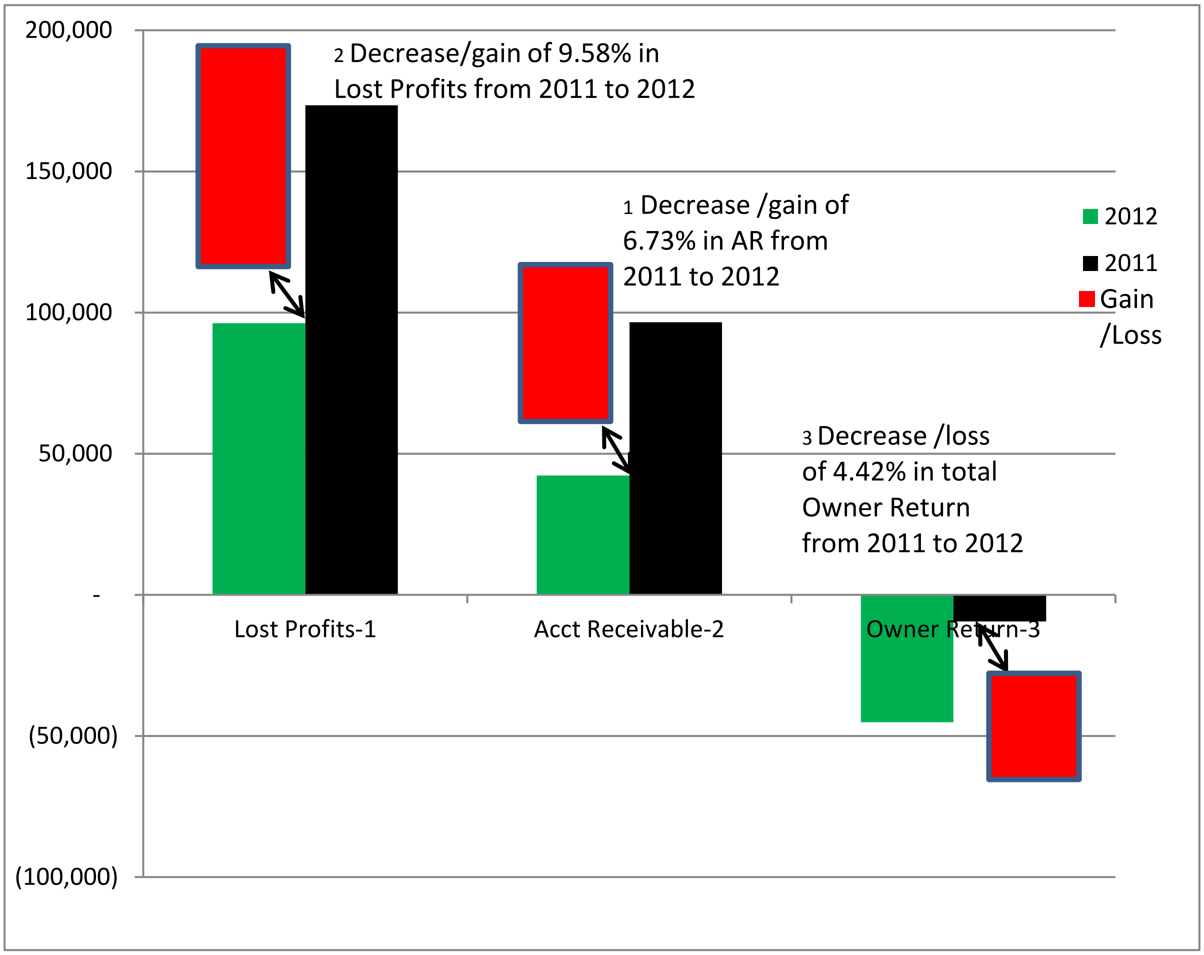
6/20/2013

1 Year Case Study - Promotion Company

The graph below represents the change in this company's financial gains from 2011 to 2012 in 3 important categories Lost Profits, Accounts Receivables, and Total Owners Return.



This business had a net profit margin of -3.36% in 2011. By identifying 2 issues within the company "Aging Accounts Receivables" (AR) and "Lost Profits" (LP), and effectively decreasing the (LP) balances helped increase the total positive gain of 11.89% even though the company is still showing a loss overall.

1 - "LP" decreased by 9.58% or $77,247 in 2012.
2 - "AR" decreased by 6.73% or $54,304 in 2012.
3 - "OR" decreased by 4.42% or -$35,670 in 2012.

This is a total increase of $108,292 or a total gain of 20.09 % in 2012. The 2013 goal is to get the "AR" undercontrol and decreased by 4% and continue to decrease the "LP" by another 6%, that will in turn increase the "OR" by 10% or a profit of about 5%. If the company continues at the same growth rate of 11.90% then the Total Owner Return would be potentially about $50,830 in 2013.