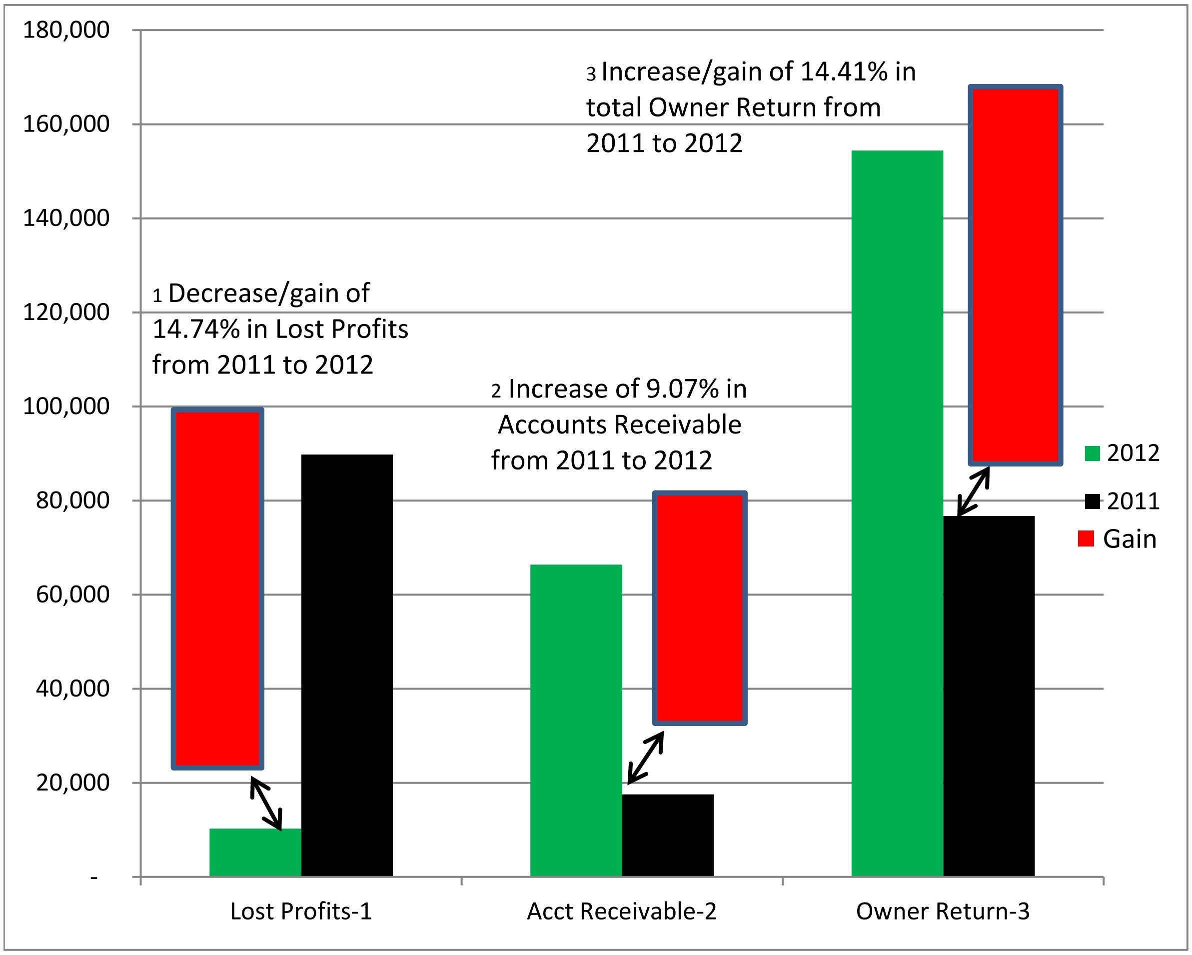
6/12/2013

1 Year Case Study - Marketing 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 24.08% 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 profit margin to 25.95% and ultimately the "Total Owners Return" (OR) for 2012.

1 - "LP" decreased by 14.74% or $79,467 in 2012.
2 - "AR" increased by 9.07% or $48,876 in 2012.
3 - "OR" increased by 14.41% or $77,701 in 2012.

This is a total increase of $108,292 or a total gain of 20.08% in 2012. The 2013 goal is to get the "AR" undercontrol and decreased by 7% and continue to decrease the "LP" by another 2%, that will in turn increase the "OR" by 9% or an additional $48,000. If the company continues at the same growth rate of 40.92% then the Total Owner Return would increase from the current $154,404 to potentially about $265,586 in 2013.