



# RESULTS NOT REPORTS

## AMERICAN MANAGEMENT SERVICES

### MANUFACTURING CASE HISTORY #19954

#### Client Profile

Water filtration manufacturer founded by owner in 1981 in his garage. Company has grown to 40 employees with sales of \$4 million. Hired American Management due to decreasing profits, flat sales growth, inadequate inventory control, ineffective management structure, and poor employee morale.

#### Programs Implemented

- Implemented weekly management meetings and employee evaluation procedures
- Eliminated duplicative accounting systems
- Installed Work-In-Progress tracking
- Integrated price quote system
- Implemented inventory control system

#### Results Achieved

- Increased communication between departments
- Created cohesive and structured management team
- Reduced outside accounting expense and increased control over variable expenses
- Increased throughput, reduced overtime
- Involved engineering in all price quotes
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- Increased sales accountability to profit margins
- Lowered reconciliation period from 30 days to 2 days

#### CHALLENGES

#### BEFORE

#### AFTER

#### RESULTS

SALES	\$4,000,000	\$5,500,000	UP	\$1,500,00
GROSS MARGIN	20%	28%	UP	8%
NET MARGIN PRE-TAX	0%	8%	UP	8%
OVERTIME	4% of sales	0%	DOWN	4%

**3-YEAR CLIENT RETURN ON INVESTMENT 1700%**