



RESULTS NOT REPORTS

AMERICAN MANAGEMENT SERVICES

MANUFACTURING CASE HISTORY #5641

Client Profile

Manufacturer of supermarket display fixtures with approximately \$4.2 million in revenue and 27 employees. Losses were masked by poor accounting practices and increased borrowings. American Management Services was retained to increase profitability, control production processes, manage assets, and provide a working organization.

Programs Implemented

- Improved and established an accounts receivables process
- Instituted a weekly cash flow statement and flash reporting
- Established gross profit benchmark for bids/quotes
- Established review process to analyze overhead items
- Implemented job costing analysis and quality control

Results Achieved

- First week, accelerated collections and brought in \$320,000
- Identified and removed non-collectibles
- Brought negative operating accounts and accelerating bank borrowings under control
- Management became more aware of resources/needs
- Added \$300,000 to net profit per year
- Reductions of over \$25,000 per year
- Eliminated 90% of overtime, increased efficiency

CHALLENGES

BEFORE

AFTER

RESULTS

PROFIT

(\$180,000)

\$300,000

GAIN

\$480,000

SALES OBJECTIVE

Win at any cost

Defined goal

GROSS PROFIT UP

7%

JOB COSTING/QC

Non-Existent

Controlled

REVENUE UP

\$250,000

3-YEAR CLIENT RETURN ON INVESTMENT 1116%