

Bankruptcy and Turnaround Services

Bankruptcy and Turnaround services CMG's Bankruptcy and Turnaround Practice specializes in turnarounds of companies facing difficulties. CMG has served as both Examiner and Trustee in bankruptcy work using its experience in strategy consulting to focus on quickly understanding underlying central business issues and dynamics, then structuring solutions that have revived successful long-term operations for most of the companies CMG has been involved with.

CMG has also applied its approach to troubled companies at a point before business has deteriorated to a level where a bankruptcy filing is needed. CMG is experienced as well in business valuations; such value assessments are often useful in guiding decisions taken in turnaround work.

Sample bankruptcy and turnaround clients include:



After operating at a collateral-neutral level in Chapter 11, Scott's assets were sold at a substantial premium over liquidation value. The company, a maker of medical diagnostic kits with associated research facilities, is continuing its operations in different parts of the US today.



CMG was retained to help this leading computer software company design a new product strategy to capitalize on the market position won by its early success, Wordstar. CMG's work reoriented the company toward feasible new products and helped it attain, then maintain positive cash flow. Previously, overly optimistic growth prospects and associated hiring led the company to experience intermittent negative cash flow despite good margins and nearly \$50 million of annual sales. The company later merged with Softkey.

SCANDINAVIAN DESIGN

As Examiner, CMG audited this business in bankruptcy and concluded that the inventory liquidation sale did not provide sufficient incentive to the court-approved liquidator to work diligently for the estate. CMG predicted that the sale would fail to meet its projections, a prediction later proved to be correct.

Content copyright 2017. Cambridge Meridian Group, Inc. All rights reserved.