



## Retail

### Financial Solutions for Retailers

The recent economic troubles that are plaguing the world are devastating the retail industry. Tight credit and the Wall Street meltdown have led to greatly reduced consumer spending – the “perfect storm” for many.

#### Why Tatum

- 79% of our clients turn to Tatum in need of urgent help
- Tatum has helped 6,000 clients
- Proprietary tools help Tatum achieve results quickly
- Professionals in 37 offices nationwide for coverage where and when you need it
- Unmatched financial expertise

*Tatum helps retailers develop financial strategies to rapidly improve liquidity and strengthen profitability.*

Leading a retail company has never been more challenging. With the recession well underway, minimizing risk this year requires a thoughtful, informed and deliberate approach.

#### Lowering Risk, Driving Value

Tatum is known for our unmatched level of financial expertise and our unique role working alongside CFOs to support the Office of the CFO. As the nation’s largest organization of Chief Financial Officers, we can help you expand your bandwidth to quickly assess issues and opportunities and then provide practical, hands-on assistance for managing capital and protecting profitability.

Tatum expands your capacity to tackle time-sensitive needs such as:

- Assessing financial issues and opportunities
- Forecasting 13-week cash flow
- Analyzing debt covenant compliance
- Managing working capital
- Restructuring
- Assessing inventory opportunities

#### Accounting and Financial Services

Tatum can:

- Supplement or fill interim controllership and/or financial accounting functions
- Manage internal audit
- Develop and implement financial reporting, budgeting and forecasting processes
- Manage complex reconciliations

#### IT: A Competitive Advantage

Tatum’s technology practice can help you transform technology from a constraint to a competitive advantage. We assess technological issues, including cost containment and inventory management to determine appropriate options and develop an action plan, helping you prioritize and manage initiatives to reap rewards quickly.

# Representative Engagements

## **\$800M HOME ELECTRONICS COMPANY**

*SOX Compliance, Capital Raise, Cash Management*

A 180-store, \$800 million chain turned to Tatum for an Interim CFO, SOX compliance, financing assistance and cash management. Tatum concluded \$103 million working capital financing; negotiated and closed \$14 million headquarters sale and leaseback; negotiated improved payment terms with major electronics manufacturers and distributors; implemented improved financial reporting to meet lenders' needs.

## **\$60M TOY COMPANY**

*Cash Flow Improvement*

Troubled toy company was purchased out of bankruptcy. The new owner called on Tatum to undertake operations and determine how to improve cash flow. Tatum completed the liquidation of one of the two retail stores, sold off \$10 million of stale inventory and developed a strict 13-week operating cash flow, enabling the company to generate positive EBITDA.

## **\$3.5B DISCOUNT RETAILER**

*SEC Compliance*

Recently purchased discount retailer needed SOX compliant, SEC-style financial statements for their second full year of operation. Tatum was hired to manage the SOX field work and testing being done by a CPA firm, and to work specifically to remediate internal control weaknesses related to inventory, including purchase order control, store and DC receiving, physical inventories and IT systems interfaces.

## **\$200M OFFICE PRODUCTS DISTRIBUTOR**

*CFO Services, Cash Management*

Tatum served as CFO for this manufacturer and distributor of office products. Tatum amended the credit agreement which allowed the company to defer principal of \$8M, retain proceeds of divested assets of over \$10M and permit the equity sponsor to invest \$5M. Tatum also advised the company through the consolidation of its US operating plants to Mexico, securing savings of \$6M annually and consolidating multiple accounting transaction environments to a shared services center, eliminating 13 people, multiple general ledger environments and reducing costs over \$1.4M.

## **\$80M CANADIAN CHOCOLATIER**

*Interim CFO Services, IT Support, Cash Management*

150 unit retailer of confectionary products and ice cream was acquired out of the bankruptcy of its parent company. Tatum was asked to assume an Interim CFO role as the incumbent departed this troubled company. Tatum established appropriate cash management, forecasting, inventory and cost controls, debt financing, and completed the implementation of a new ERP system to assist the organization in improving its operational and fiscal health. Tatum also provided a second resource as the Interim Controller and assisted in recruiting and training the company's permanent financial team.

## **\$13B CONSUMER PRODUCTS MANUFACTURER**

*Division spin off*

Popular consumer products manufacturer planned to spin off its apparel division. Tatum provided an interim CFO while the company conducted a search for a permanent replacement. Tatum prepared the company for the public spin-off and provided ongoing financial leadership support and acted as corporate controller after the transaction.

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## **About Tatum**

Companies turn to Tatum when critical business challenges arise because we immediately deliver C-level financial and technology operational expertise via solutions tailored to the Office of the CFO. We understand the urgency of NOW and our VELOCI-T solutions were designed to help business leaders accelerate results to create more value.™

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