

\$20 Million Granite Quarry Company Hires Lavallee and Associates

Lavallee & Associates was hired by a \$20 million granite quarry to perform an “assessment” of the company-prepared budget. At the end of this phase, the company continued using Lavallee & Associates to assist them with cash flow management through their seasonal down-turn. The situation was so dire upon the consultants’ arrival, the company was not in a position to cover its payroll the following week.

Ultimately, Lavallee & Associates was able to assist the company through both the immediate cash crunch, the longer seasonal downturn and proceeded to address the issues that put the company in such dire straits. Through detailed analysis, it was discovered the client had relied upon the purchase of outside feedstock. This reliance resulted in a higher cost to the company than was necessary. Internal operations were improved which allowed management to focus available resources on improving technology and quarry development. As a result of these improvements, the company recently completed its first year in quite some time in which it did not need to buy external feedstock to meet its sales demand.

Additionally, Lavallee & Associates assisted the company in shifting some resources to other underfunded, underdeveloped divisions and products that have proven to be more profitable and provides significantly better cash flow. Simultaneously, funding was secured so the client could recapitalize its balance sheet, provide working capital to mitigate the seasonality inherent in the industry and return previously pledged capital to the owners.

Lavallee & Associates continues to work with this client on a routine basis.