



PRE-EXIT PLAYBOOK: STRATEGIC FINANCIAL TRANSFORMATION TO DE-RISK DUE DILIGENCE & MAXIMIZE EXIT VALUE

CASE STUDY

BACKGROUND

The investment banker representing Chemistry Communications, a nationally recognized and award-winning advertising agency, recommended Fahrenheit Advisors to provide an interim CFO with deep transaction experience to partner with the on-staff CFO and accounting team during the sale process.

OBJECTIVES

- Provide experienced deal leadership to guide and support the due diligence process.
- Drive financial and process improvements to maximize deal value and ensure a successful closing.

RESULTS

TRANSACTION COMMUNICATION:

Acted as the liaison between internal executives and external parties to facilitate an efficient information flow and diligence process.

MONTH-END CLOSE AND FINANCIAL REPORTING IMPROVEMENTS:

- Clarified profitability and established a documented defensible position on EBITDA for the Quality of Earnings.
- Integrated financial reporting by using a simplified chart of accounts and streamlining select areas to provide accurate reporting across Chemistry's five companies.
- Shortened month-end close cycle from 3+ weeks to < 9 days.

ENHANCED DEAL VALUE FOR SELLERS:

Identified key FP&A initiatives that drove significant mid 7-figure deal value for the seller by:

- Aligning current liabilities to deferred revenues, and
- Reducing tax liabilities while successfully navigating an IRS audit.

PE & B2B

INDUSTRIES

**SUPPORTED
SUCCESSFUL SALE TO:**

**BREAKWATER
MANAGEMENT**

**WITH DEBT & EQUITY
CAPITAL FROM:**

**TECUM CAPITAL &
GENESIS PARK**

**FAHRENHEIT
ADVISORS**

A  SMITH+HOWARD Company