

Leading “Mission Impossible” Investment Returns



Electronics Company

Situation: Comprehensive crisis-to-profitability turnaround of AMEX-listed international designer, manufacturer and marketer of electronic devices, with operations in North America, Europe and Asia. Upon VERTO’s deployment, the company’s shares traded at \$0.75 and a delisting was imminent. Furthermore, the company was bleeding cash such that the horizon for payroll breach was approximately one month.

Actions: VERTO immediately implemented top- and bottom-line actions to make payroll and thwart bankruptcy. Once cash was stabilized, VERTO set out to turnaround the company. Through progressive union negotiations, domestic manufacturing was migrated within the US to a less costly venue for both production and distribution.

Results: Despite yet another hiccup, where a fire destroyed the company’s factory in Switzerland, VERTO was able to react swiftly and rebuild the factory with Swiss government help for less than insurance recovery. The company was cash-flow positive within 60 days and returned to profitability in six months. As a result, the stock price rose more than 700% from \$0.75 to more than \$5.00.