

TWOEYES

Mini Case Studies

'Making Companies More Valuable'



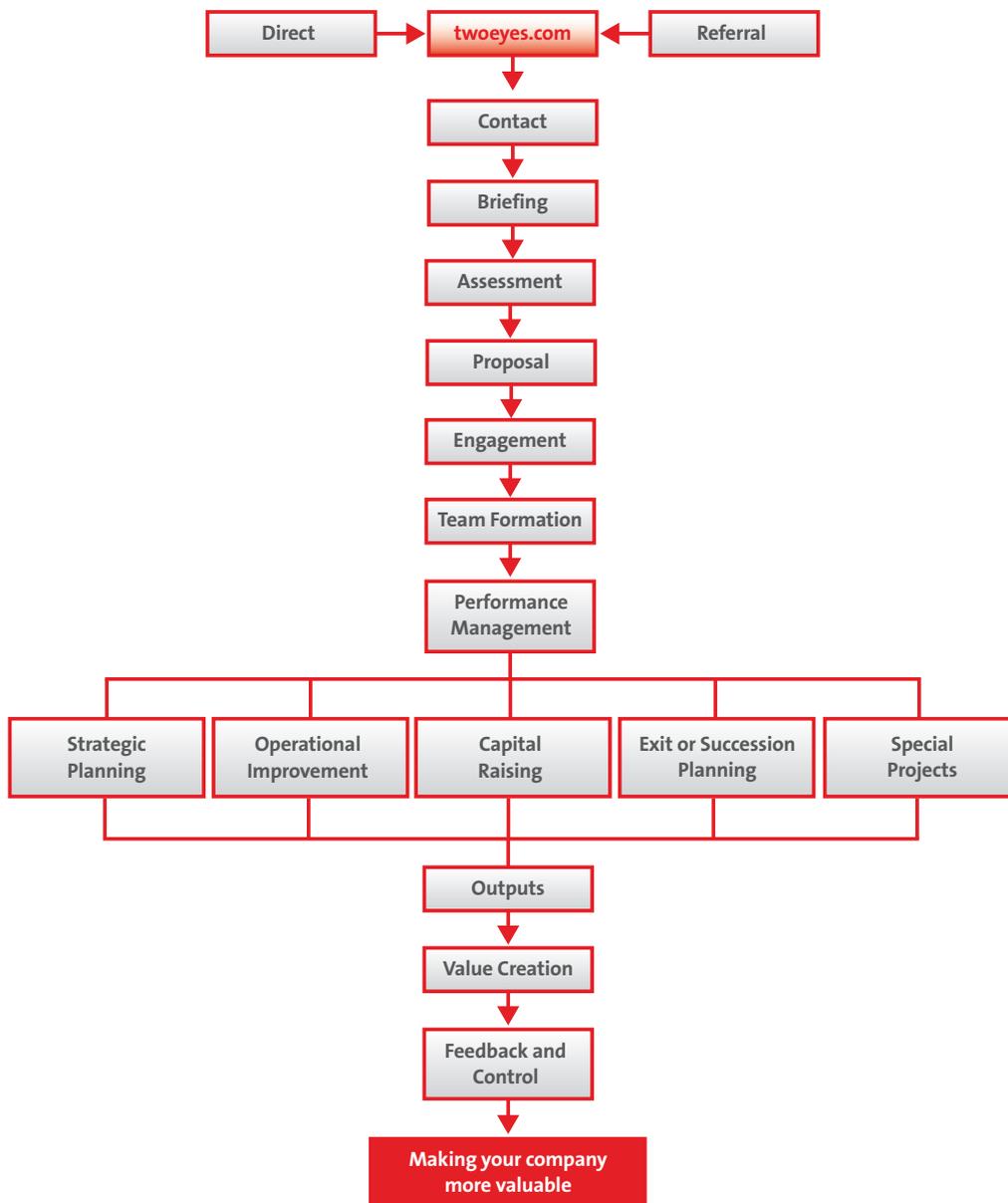
Twoeyes Mini Case Studies

TWOEYES MINI CASE STUDIES

The following 10 Mini Case Studies are provided to demonstrate the wide variety of engagements that Twoeyes undertakes across industries types, market segments and stages of development.

As detailed in the Twoeyes Client Pathway Blueprint (below), engagements are classified internally under the following 5 categories:

1. Strategic Planning
2. Operational Improvement
3. Capital Raising
4. Exit or Succession Planning
5. Special Projects.



Please note that Case Studies are anonymous - Twoeyes works in strict confidentiality with clients and, by agreement, does not reveal identities.

Twoeyes Mini Case Studies

Case Study 01:	KS
Industry Type:	Health
Market Segment:	Medium
Stage of Development:	Growth
Project Type:	Capital Raising
Issue:	After 5 years of operations, founder advised to close business by company accountant due to cash flow issues.
Output:	Strategic operational assessment completed. Recommendation made to continue the business with a recasted business model. A 10-year strategic plan was developed; an online/offline integrated marketing communications plan was effected to drive top line revenues; a strong operational plan was executed focussing on transforming operating efficiencies and effectiveness and reducing overheads.
Result:	Strategic plan completed and executed resulting in operational transformation and rapid growth and delivering strong cash flow, reduced overheads and increased profitability. Business rapidly became the leader in its field; nationally recognised at the Best Small Business in South Australia for two consecutive years; secured venture capital to execute the strategic plan to roll out multiple centres across Australia.

Case Study 02:	OI
Industry Type:	Packaging
Market Segment:	Large Corporate
Stage of Development:	Mature
Project Type:	Operational Improvement
Issue:	Client was the Australian subsidiary of a US multinational. A major customer was experiencing significant quality issues with delivery and supply of packaging components resulting in unacceptable production-line disruption and delay. A \$50 million supply contract with the strategic client was at risk. Quality issue compounded by the emergence of a new market entrant who was aggressively seeking to win over client's strategic customers with keen pricing and promise of consistent delivery and quality supply.
Output:	Situational Analysis completed; Operations Plan developed; Plan of Action implemented; Progress Report submitted to executive management of client and customer.
Result:	"Delivery In Full, On Time" (DIFOT) rating significantly improved; significant increase in customer satisfaction; renewal of \$50M supply contract, despite increased competitive pressure from new market entrant; client awarded "Supplier of the Year" by a very satisfied client at their 'Golden Circle' Annual Suppliers Awards.

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Case Study 03:	MDA
Industry Type:	Community Services
Market Segment:	Large
Stage of Development:	Mature
Project Type:	Strategic Planning
Issue:	New CEO of not-for-profit parent organisation had “inherited” 8 disparate social enterprises, with each business operating independently - and all operating at a loss. No formal business or strategic planning had been completed before and business unit managers were not trained or experienced in strategic operational planning. CEO was seeking assistance to clarify the organisation’s vision of the future; to review the current business portfolio and activities; to formulate corporate and business strategy and to implement, monitor and review operational improvement at a business-unit level.
Output:	A series of strategic planning workshops delivered to the CEO, executive team and business unit managers. One-on-one mentoring, consultation and support was provided to each business manager as they prepared their strategic and operational plans. Eight Strategic Operational Plans were developed in collaboration with each business manager. Eight Strategic Operational Plans presented to the CEO, board and executive management team.
Result:	Strategic recommendations for eight social enterprise business units endorsed by CEO, approved by the board and embraced by the executive team and executed by the business unit managers.

Case Study 04:	P-C
Industry Type:	Building and Infrastructure
Market Segment:	Large
Stage of Development:	Growth
Project Type:	Capital Raising
Issue:	Client was facing a major cash flow crisis and required AU\$15 million to shore up operations and fuel growth. Required strategic assistance to prepare the business for capital raising. Post situational analysis, entrepreneur/CEO was advised that the capital raising approach was left very late and the company was not in an investment-ready state. As a consequence, advice was that an equity marketing exercise would most likely be unsuccessful within the required time-frame.
Output:	Sell-side Due Diligence completed. Business plan, equity marketing pitch and presentation and Investment Memorandum were developed and embraced by the CEO and management team. Under Twoeyes’ caveat, an equity marketing strategy was pursued by management team.
Result:	Company was unsuccessful in its equity marketing efforts and was placed into receivership due to major cash flow crisis.

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Case Study 05:	IPM
Industry Type:	Business Services
Market Segment:	Medium
Stage of Development:	Growth
Project Type:	Special Project (Board Building)
Issue:	5-year old company with 22 staff and annual revenues of AU\$5 million. CEO seeking to put corporate structure in place, in particular a formal board of directors.
Output:	Short-list developed of candidates for Chairman and Non-Executive Directors. Recommendations made.
Result:	Inaugural Chairman secured complete with high quality credentials, relevant industry experience and value-adding skill set.

Case Study 06:	PI
Industry Type:	Construction
Market Segment:	Medium
Stage of Development:	Early Stage
Project Type:	Strategic Planning
Issue:	Based in Adelaide, entrepreneur/CEO seeking to expand business operations to Melbourne and Sydney. No formal strategic or business plan in place.
Output:	Strategic Operational Plan developed and recommendations made. Key recommendation was to consolidate Adelaide-based operations and strengthen cash position before pursuing interstate growth.
Result:	Strategic advice and recommendations rejected by entrepreneur. Facility subsequently opened in Melbourne. Company was liquidated due to cash-flow crisis.

Case Study 07:	R-A
Industry Type:	Water
Market Segment:	Medium
Stage of Development:	Early Stage
Project Type:	Strategic Planning
Issue:	Entrepreneur/CEO seeking to develop core reverse osmosis technology into products and services designed for the industrial, commercial and consumer markets.
Output:	3 Business Plans developed for manufacturing, retail and specialty products businesses.
Result:	3 new businesses established. 3 trade sales followed.

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Case Study 08: **R-HP**
Industry Type: Water
Market Segment: Small
Stage of Development: Early Stage
Project Type: Strategic Planning
Issue: Niche producer of high-purity packaged water products. Entrepreneur/CEO seeking to develop new markets – particularly Retail Pharmacies, Medical and Dental.
Output: Strategic and Marketing Plans developed with recommendations made.
Result: New product line developed and introduced to the target market. Deep market penetration of all target markets achieved with 100% uptake in retail pharmacy sector and strong penetration into the medical and dental auto-clave markets.

Case Study 09: **ZK**
Industry Type: Packaging
Market Segment: Small
Stage of Development: Start Up
Project Type: Capital Raising
Issue: AU\$15 million equity investment required to commercialise innovative packaging technology with global market potential.
Output: Multi award-winning Business Plan and Investment Memorandum developed and Exit Strategy recommended with primary target buyer identified (US multi-national); Venture Development team recruited; Equity marketing program executed; 3 successful rounds of equity investment secured.
Result: Over AU\$15 million of venture funding raised from angel and venture capital investors and government grant funding programs. Manufacturing established on 3 continents. International distributor network established in 63 countries. As identified, strategic trade sale to US multi-national buyer achieved.

Case Study 10: **OS**
Industry Type: Cosmetics
Market Segment: Small
Stage of Development: Start Up
Project Type: Special Project (Technology Commercialisation)
Issue: Opportunity to commercialise University-owned super-critical carbon dioxide extraction technology for the production of high-purity essential oils and other applications (i.e. extracting TCA taint from natural wine corks).
Output: Exclusive licensing agreement with major University secured; Award-winning Business Plan developed; Pilot production plant established.
Result: Post-production, technology identified as flawed and significant barriers to market-entry identified. Recommendation made and accepted for venture development project to cease operations. Company wound-up.

About Twoeyes

Founded in 2000, Twoeyes is a boutique venture investment and strategic advisory firm based in Adelaide, South Australia. Our business purpose is to help Entrepreneurs, Business Owners, Boards and CEO's make their company more valuable.

As a venture investor, Twoeyes actively develops an equity portfolio of investee companies at various stages of development.

As a strategic advisor, Twoeyes brings together a 'virtual' team of highly experienced business, commercial and investment specialists who provide outstanding clarity to help private, public and non-profit organisations reach their potential.

By combining the principles of Venture Capital, Private Equity and Strategic Operational Planning with first-hand entrepreneurial and senior executive experience, Twoeyes offers clients a unique approach to business consulting and the delivery of special projects.

While Twoeyes preferred approach is a flat-rate fee or retainer arrangement, from time to time, we may take success fees and/or minority equity investments as a fee for advisory work or to assist emerging entities and non-profit organisations.

Where we can help

- New venture development and structuring
- Technology commercialisation
- New product/service development and launch
- Business planning and risk assessment
- Operational review and risk assessment
- Strategic operational planning and implementation
- Strategy workshops and presentations
- Strategic marketing planning
- Corporate Identity
- Brand design & realisation
- Brochures & Annual Reports
- Website development
- Integrated on-line/off-line marketing communications strategies
- Board building
- Team recruitment and development
- Performance appraisal
- Executive coaching & mentoring
- Corporate and sales training
- Family business consulting
- Succession planning
- Company sales and divestments
- Mergers and acquisitions
- Buy side/sell side Due Diligence
- Equity procurement, including private equity, venture capital and angel funding
- Government grant funding
- R&D Tax Concessions
- Debt procurement
- **Special Projects**

Twoeyes Investee Companies



From clarifying strategy to preparing for strategic sale, Twoeyes can help make your company more valuable.

For a confidential, obligation-free meeting to explore your business needs or brief a special project, please contact:

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Managing Director

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