

Case Study

Norflex Ltd

The Company

Plastic Extrusion Twine and Drain Manufacturer. The company extruded PVC plastic land and road drainage pipe, baler and packing twine, and cable ducting. The company also bought and resold 4 types of road gullies, these products were sold to the agriculture and civil engineering markets through wholesalers and agents.

Background

Norflex started as a joint venture in 1975, manufacturing extruded PVC land drainage pipes, in 1979 a new French drain was introduced into the civil engineering market becoming a major market factor in the UK land drainage business. By 1985 the company operated from 3 sites, one being the head office. With the pressure of growth and success the branch manager of the company's bank offered his services as Finance Director.

A sharp drop and a series of frauds affected by the Finance Director brought the company into a loss position.

The M D who had been spending his energies opening factories and increasing sales was dumb founded to find this fraud behind his back and the realisation of what had happened created a shock wave throughout the company.

In a desperate effort to turn round the company, the West Coast Factory was closed, assets sold off and staff reduced. The Finance Director was dismissed along with his accomplice and all other staff checked to discover their honesty. Throughout this period of shock, the other shareholder would not help, nor attend board meetings nor provide financial or emotional help.

Objectives

- Rescue Planning Project – to stop Barclays from bringing in the liquidators.
- Stop the bank's intended action
- Increase the equity base
- Improve the level of profitability, and cash flow of the operations
- Reduce the level of debt
- Restore the enthusiasm of the management team, staff and work force

The Results

A formal Board Meeting was called and provisions were made to issue shares and record in the minutes the circumstances supporting the decisions taken.

- Improve Banking Relations
- Introduce Cash and Financial Planning

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TAM is an advanced Change and Leadership Advisory business, focusing on mid-sized companies and larger Public Sector organisations.

We have a strong track record built over 40 years, underpinned by our focus on developing long term relationships with clients, a reputation for integrity, and offering an independent programme that is knowledge transferred to your Senior Management team upon the Instructions of your Board or CEO.

These core principles help us to sustain effective business relationships with our clients and are consistent with our aim - to be the Change Advisors of choice in our specialist sectors.

Our focus is on providing a clear development path for our clients to enable them to outperform in their markets. Our Specialist Advisors are experts in their chosen sectors and work closely with our Clients to help them deliver their strategic goals.

The Benefits

Guaranteed facilitated change

Strategically align and optimise your organisation

Create a cultural platform for efficient and effective change

- Develop effective leadership
- Cut costs before jobs
- Improve productivity
- Maximise employee inclusion
- To deliver the change to a financial outcome

Leading **Organisational** Change

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- Develop new markets
- Improve Budgeting and Cost Control
- Improve Production Control System
- Improve Purchasing Activities
- Establish Pricing Policy

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