

CENTRUS SOLUTIONS



Centrus
Group, Inc.

Herald Printing: "There's a Company Here Worth Saving"

Since 1881, Herald Printing has been a community institution in the small town of New Washington, Ohio. It started as a local newspaper, grew into a printing company and became the town's largest employer in a county with Ohio's second highest rate of unemployment.

So as Herald Printing teetered on the verge of bankruptcy in early 2005, the community took notice. "If we had shut down it would have affected the entire town," says Dave Stump, owner and president of Herald Printing. "I needed some help to turn the ship around."

While the turnaround consultants hired by Herald's bank were recommending bankruptcy, Stump sought another opinion – that of The Centrus Group.

"I asked for just two weeks to put together an assessment and delay the bankruptcy," says Terry Humphrey of The Centrus Group. In that time, The Centrus Group team created a turnaround plan that included a complete financial and operational restructuring, a reduction in Herald's workforce and a shift in cost structure and market focus. Though wary, the company's secured lenders, investors and bank gave The Centrus Group 90 days to execute the plan.

And it worked.

"This has been the most extensive restructuring I've ever seen in my career," says Humphrey, who today serves as interim CEO of the now-viable Herald Printing. The company's once-falling sales figures are plateauing and showing signs of upturn. Costs are down and margins are up. The company's debt has been restructured, allowing access to new sources of capital. Investments in technology have opened up new markets, with new customers from professional sports franchises to national hardware distributors now on board.

"When I look to the future of Herald Printing, I see growth in sales. I see leadership in technology in the printing industry. I see success," says Humphrey. "The tools are in place to move this company forward."

That's a future that Stump and his team are looking forward to as well. "Terry came in and said, 'I think there's a company here worth saving,'" says Stump. "Fortunately for all of us, he was right."



WE CAN SOLVE THIS



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