

Increased Profitability By Providing Margin Expansion for Improved Liquidity & EBITDA

Client

PE-Owned Global
Consumer Products
Company

Services

Consulting

Areas of Expertise

Operations &
Administration

Industry

Manufacturing &
Industrial

Our Challenge

Our client, a Private Equity-owned global Consumer Products Company, planned to consolidate US assembly operations with its China operations to leverage under-utilized buildings, equipment, and people. The objective was to reduce the high US and China fixed overhead costs to improve profitability in their respective markets. Unfortunately, the product fell under trade tariffs imposed by the US on Chinese imports which offset all planned savings.

Our Solution

Vaco's original engagement changed from offshoring to China, to remaining US-centric with EBITDA uplift. Vaco was well-suited for this initiative and implemented a proven strategy in COGS and supply chain cost reduction models, along with profit and loss program management. In addition, Vaco's unique approach to Bills of Materials analytics and benchmarking competitive product costs provided insight to the business to improve product gross margin with high confidence.

Vaco saved the client
90%
of their cash outlay

Within a year, Vaco was successful in delivering 2.5% margin expansion and EBITDA uplift earlier than the original program, with one-tenth of the cash outlay, and without disruptions to operations.

Free Yourself. Get in touch today.

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