

THE GENDREAU GROUP REVENUE STRATEGISTS

Delivering revenues, not just strategies, to companies worldwide since 1989.



We are **REVENUE STRATEGISTS**.

We help clients maximize revenues and increase the value of their businesses.

We specialize in:

- Partner and channel strategies that maximize revenues and reach
- Finding untapped revenues by repurposing existing products and technologies
- Revenue Strategies to help clients prepare for merger, sale, or acquisitions

Our clients are high tech and services firms located in the US and abroad.

We have been in business since 1989.

We are located in the San Diego area.

Exit Strategy Opens Doors to New Revenues

This Atlanta-based software company marketed, licensed and delivered point-of-sale credit application processing and decision management solutions.

At the start of our relationship, the company was profitably generating \$1.8 million in annual revenues. Our consulting engagement began as a strategic effort to help the company's young principals identify and evaluate possible exit strategies. We started by examining the company's potential for market penetration and revenue growth.

During the engagement, we oversaw four strategic initiatives:

The Company's Value Proposition: Working collaboratively with the company's three technically-oriented founders, we objectively evaluated the company's product and competencies, and the value these delivered or could deliver to clients. With this information, we were able to identify unexplored market opportunities in credit card application processing, telecom service application processing, and short-term loan application processing for the non-secured credit market and for secured line-of-credit application management.

New Delivery Models: To create new revenue streams and more predictable cash flows from operations, and to increase return on investment from existing software assets, we helped the company define and implement new lines of business using a service bureau delivery model. Service bureau offerings would enable new clients to focus on their core competencies, reduce their costs of acquiring new point-of-service credit solutions, and gain better control of operations through more predictable and manageable operational costs.

New Pricing Options: To support the new service bureau offerings, we developed new pricing models based on per-transaction pricing and a recurring revenue licensing model.

Team Development and Interim Management: To build the team needed to support the company's new offerings, lines of business and subsequent growth, we helped recruit, train and manage the company's sales and marketing staff.

Results: Within 7 months after the start of these initiatives, the company had signed multi-year contracts worth over \$7.5 million in annual revenues.

We helped this management team prepare to market their company and be prepared for a smooth due-diligence phase. We also introduced this company's management to a potential buyer. This eventually led to the sale of the company as part of a four year earn-out that would eventually net \$60 million for the three principals.

The owners were offered a premium for their business because the new service bureau offerings that we had helped identify filled gaps in the acquiring company's business portfolio. (The earn-out was completed within 2.5 years.)