

PROCESS OVERVIEW

PRODUCT SEGMENTATION AND ANALYSIS

One of the critical actions in addressing an underperforming company is to quickly evaluate its' product and services mix. Often we find that there are too many loser and marginal products in their product offering. The key is to use tools which can help in this evaluation to determine not only the current state of affairs but the future potential as well. Then once winners and losers are identified we dig into the details and determine what can be done to change the situation quickly. Obviously the goal here is to sell more of the winners and less of the losers. Ideally you seek to turn some of the losers into winners!

At STORM we have proven tools and techniques to work with management to quickly access the productivity and service offerings to identify winners and losers. Examples of some of these tools and techniques appear below.

Growth Share Matrix

Strategically, one must quickly assess the positioning of the company's current product offering. The Growth Share matrix illustrated below is a useful tool to accomplish this objective. Of course, understanding what to do to dramatically improve the results is paramount.

High Growth	<p>High Growth / Low Share <i>...Invest to become Major Player</i> Revenue & GPM\$ / %</p>	<p>High Growth / High Share <i>...Invest to Increase Market Share</i> Revenue & GPM\$ / %</p>
Low Growth	<p>Low Growth / Low Share <i>...Exploit Individual Opportunities</i> <i>...Exit Unprofitable Segments</i> Revenue & GPM\$ / %</p>	<p>Low Growth / High Share <i>...become a low cost supplier</i> <i>...Use cash to fund High Growth & profitability Projects</i> Revenue & GPM\$ / %</p>
	Low Share	High Share

Action To Results

As with all tools the key is in knowing how to effectively use them in determining actions which can be implemented aggressively. At STORM we pride ourselves on quickly assessing the situation, developing corrective actions and then using our operational experience to execute on these plans to achieve rapid results!