

Metro Corp Media cut costs, increased revenue, and reduced debt with the FP&A Elite Managed Service Package from Cadilus.

SITUATION

Founded in the 1940s, Metro Corp. Media is the parent company to *Philadelphia* magazine and *Boston* magazine.

Everything was going well in early 2020. Then things changed.

“During the emergence of COVID-19, we saw a sales decline, and our margins were constantly shrinking,” said Kathy O’Dea, Vice President of Finance, Administration, and Human Resources of Metro Corp Media. “Also, collection of our accounts receivable was getting tough, and that made it hard to pay vendors.”

Chairman of the Board David Lipson decided that the company needed a partner that could provide a financial planning and analysis (FP&A) solution that would relieve the burden on executive leaders like Kathy so that they could focus on growing the business.

“I originally went to Cadilus before COVID-19 because of the growing complexity of our company,” said David. “Kathy simply didn’t have the bandwidth to handle everything that needed to get done. The pandemic made things worse. So, I hired Cadilus to help us manage the disruption in the marketplace and determine what activities would drive the most profit.”

SOLUTION

Metro Corp selected Cadilus’s FP&A Elite Managed Service Package, which is designed to be an operation partnership to help businesses grow faster, improve profitability, and increase cash flow.

“Cadilus brought real discipline into cost management and the work that we do in terms of reporting and better forecasting,” said David. “For us, it meant cost containment and cost-cutting trying to be as efficient as possible to weather the COVID-19 storm.” **CONTINUED**



Overall, we accelerated the savings and had better discipline and better communication throughout the organization.

The Cadilus team has done exactly what they were asked to do, and even more.”

DAVID LIPSON
Chairman of the Board
Metro Corp Media

METROCORP

SOLUTION CONTINUED

Satisfied with the work that Cadilus performed in regard to financial planning and analysis, David trusted Cadilus to supply Metro Corp Media with an interim CEO to instill a more operationally disciplined management culture with FP&A as the central management system. The objective was to build better competency in managing operations to make the business more profitable.

“It’s pretty impressive what we’ve accomplished since the interim CEO came aboard,” said Kathy.

Then the Cadilus FP&A team went to work. They quickly integrated with all key stakeholder groups from different departments, including the editorial team, publishing and sales, audience, operations, finance, and human resources. The team also established robust, weekly operational forecasts so the executive team could look at the latest information, choices, and assumptions and respond quickly.

RESULTS

-  **Sales Growth**
According to Katherine, sales are expected to be up 15% Y/Y Q2-Q4 2021.
-  **Reduction in Overhead**
Metro Corp Media experienced a permanent 30 percent reduction in overhead expenses.
-  **Positive Cash Flow**
Metro Corp Media now has consistently positive free cash flow.
-  **60% Reduction in Debt**
Liquidity improvements increased to historically high levels by the end of 2020.

SOLUTIONS PROVIDED SUMMARY

■ Business Planning and Budgeting

Strategic plans reflecting winning ambition, long-term performance goals, strategic choices and initiatives

■ Financial Modeling and Forecasting

Financial to management accounting along with a comprehensive, statement-linked driver-based financial model

■ Performance Measuring and Reporting

Performance goal setting followed by regular business reviews, accountability scorecards, and actionable management reporting

■ Business Analytics and Insights

Scalable analytics integrated across the entire organization to drive insight-based decisions