

## Ascent Partners & Rodgers Reidy / TBA solutions unite to bring business turnaround services

*Ascent Partners, headed by well-known industry specialist Richard Rasmussen, has formed a strategic alliance with turnaround professionals, Rodgers Reidy/ TBA Solutions, to provide Australian printers who have experienced significant sustained downturns, with options to modify their business and trade on or, if necessary, make an orderly exit from the industry via voluntary administration or liquidation.*



*(L) Brent Morgan - dir. Rodgers Reidy with (R) Richard Rasmussen, dir. Ascent Partners*

Ascent Partners director, Richard Rasmussen says: “Unfortunately, many printers are still experiencing 30% plus declines in sales and are surviving off the back of JobKeeper and lenient landlords and creditors. This is fast coming to an end which will place many businesses in financial stress especially when future sales remain depressed.”

He continues: “We want to provide a ‘One Stop Shop’ where printers can confidentially contact us for advice, comfortable in the knowledge that we understand the industry and their business and then, where applicable, work hand-in-hand with Rodgers Reidy/ TBA Solutions to provide the best solution,” says Rasmussen.

A free initial consultation and discussion with Ascent Partners is offered. After analysis of the business, they can then provide applicable options that could be considered. These options could include, but are not limited to:

1. Changing the business model to provide for the new norm in their sales. This could mean downsizing the operation and outsourcing work.
2. Selling or merging the business.
3. Going down the new Chapter 11 ‘Debtor in Possession’ path. This program [started on 1<sup>st</sup> January](#) this year – basically it allows SME firms, with less than \$1 Million in liabilities, to trade on whilst developing a turnaround plan to put to their creditors.
4. Safe Harbour – in certain instances, protection for being personally pursued for insolvent trading can be put in place, to enable business owners to continue to trade whilst formulating a turnaround

plan.

5. Voluntary Administration or Liquidation. In some instances, no amount of turnaround work can help and the business' best option is to go down these paths.

### Trusted industry experience

Rasmussen says: "Partnering with Rodgers Reidy / TBA Solutions makes sense as they have the turnaround and insolvency expertise for options 3 -5 above with us assisting and we already have the industry knowledge and expertise to provide services 1&2, as we do now. For example, we may get involved with the sale of plant and/or goodwill (client base) and perhaps place key staff, including the vendor, with another business."

Another factor in partnering with Rodgers Reidy/ TBA Solutions is that they have a National footprint – we can therefore service the whole Australian market as we do with our other services.

Brent Morgan, director of Rodgers Reidy / TBA Solutions, Melbourne says: "The insolvency industry has had a very quiet year in 2020, mainly because of the Government's COVID-19 insolvency protection laws. This ended on January 1<sup>st</sup> 2020. Unfortunately this, coupled with the removal of JobKeeper and with creditors such as landlords and the ATO chasing money or tougher trading terms, will mean that many businesses will struggle to make ends meet. Our aim, together with Ascent Partners, is to help printers find the best solution to suit their needs and thereby provide the best return for them and, where applicable, for their creditors."

We will only get involved where necessary but, we see that for many, the new Chapter 11 'debtor in possession' model may be widely used throughout the industry. This allows the printer to continue to trade whilst a plan is developed to turnaround their business. It is important to note however that there are specific eligibility criteria, such as less than \$1 million in liabilities and that employee entitlements, including super and ATO lodgements, are up to date.

Rasmussen concludes by saying: "The aim of this strategic alliance of having an industry specialist working hand in hand with a turnaround / insolvency specialist is to provide more options and better outcomes for print businesses who continue to experience significantly less sales and, if applicable, for their creditors.

For more information or a confidential discussion, please contact Richard Rasmussen

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For further background about the new laws and 2021 outlook, please view this 10 minute presentation by Rodgers Reidy by clicking the image to go to Youtube.



*Click image to view 10 minute video on new insolvency laws*