

Selected Articles of Interest

by John M. Collard

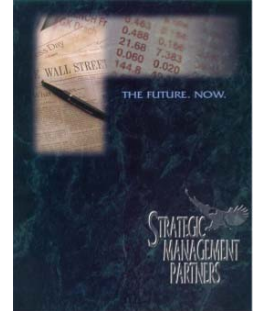


SMP Library



Create Value.

John M. Collard is a nationally recognized turnaround professional, interim executive, advisor and equity capital investor; is a frequent speaker, often quoted by the press, and has authored many articles on the topics; *Early Warning Signs Pinpoint Business Trouble, Change Leadership Style to Affect a Turnaround, Working With Turnaround Pros to Preserve Value, Turnaround Management and Equity Investing Techniques, Incentive-Based Management, Value Creation Model, Buying and Managing Distressed Companies, and Investing in Underperforming Companies, a Rx to Renewed Health and Asset Recovery*



The Future. Now.



**Investing in Underperforming Companies
A Rx for Renewed Health & Asset Recovery**
Buyouts Magazine, Feature Cover Article

The newsletter for management buyouts, leveraged acquisitions and special situations. Investing in underperforming companies can be profitable if you know what to look for and how to execute. The fundamental premise is to get a company that is turnable, know how

to fix the problems, be able to not spend money on past sins, obtain at the right price, manage the turnaround and sell at increased value.

Steering Clear of the Brink
The Journal of Private Equity

Strategies and Techniques for Venture Investing. Published Quarterly by the Institutional Investor, Inc. In looking at portfolio companies, John Collard notes that differences in leadership style can be an early warning sign of impending trouble. In addition to leadership style, he notes 10 other common signs of difficulty.

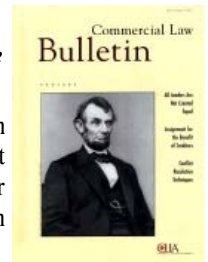


Buying and Managing Distressed Companies
Thomson Venture Economics' Symposium
John M. Collard, Chairman, Strategic Management Partners moderated the panel. Participants included

Robert D. Denious, Managing Director, Questor Management Company; Michael Psaros, Managing Principal, KPS Special Situations Funds; Mark J. Schwartz, President, Gordon Brothers Group; and Bhavin B. Shah, Vice President, Ewing Management Group, L.P. This article is excerpted with permission from the panel discussion.

All Leaders Are Not Created Equal
To save a company -- change leadership style
Commercial Law Bulletin, Feature

"When it rains, it pours" may be clichéd, but when applied to a troubled company, one can be sure that 'Murphy is shaking the clouds.' Leadership styles differ between stable growing companies and those that are in trouble; look at contrasting styles.



Value Creation Model, Built to Sell
Shareholder Value Magazine, Feature

A primer on how to build a value creation model aimed at achieving the kind of **steady growth** that attracts investors and future buyers of the business. Key business attributes and how to create the most value in them are spelled out. While focused on private companies, the learning offered here can apply to any business.



Is Your Company at Risk?
Early-Warning Signs pinpoint troubles.
Manage Magazine

A monthly publication of the American Management Association. This featured front page article deals with early warning signs of companies headed for trouble. If allowed to persist without correction they can split the company apart.

Work With Turnaround Pros to Preserve Value
Capital Growth Venture Guide

Published by Capital Growth Interactive, and focuses on investing venture, angel, and equity capital. The Guide provides information and advice from leading experts in the field of equity investing. There is a listing of investors and their investments, as well as a list of state funding sources and formal angel investor groups.



More Than Words—Mission Possible
Fabricator Magazine

Mission Possible: What Your Mission Statement Should Say. Developing strategic direction and a mission statement by using a template with six key elements, and the importance of each. The Mission Statement should properly reflect company direction and solicit support.



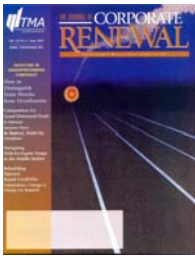


Businesses in Distress: [2 Parts]
Is Your Company a Candidate for Failure?
Turnaround Financing for Distressed Companies
Journal of Working Capital Management
 Published by Warren, Gorham & Lamont, dedicated to advancing the management of, and discussing the issues related to corporate working capital. Describes *Working With Turnaround Professionals*, the benefits, process, how to select and engage.

Working With Turnaround Professionals to Preserve Value
An Overview of the Profession

TMA Directory of Members and Services

This section was written by John M. Collard. While that section has been condensed in later versions, many excerpts still are used. Excerpts are also being used as part of the Training Course offered by TMA to teach Loan Officers the value of working with turnaround professionals. Mr. Collard is an authorized instructor.



Competition for Good Distressed Deals Is Intense
Investors Warn: Be Skeptical, Hands-On, Disciplined
The Journal of Corporate Renewal

Excerpted with permission from the Thomson Venture Economics' Buyouts Symposium panel "Buying and Managing Distressed Companies. There is a distinct advantage to using professionals who bring C-level operational, transactional, and turnaround expertise together to determine what's wrong, how to fix it, and

how much to pay for it. Don't spend investment on past sins, be patient when valuing, take control, and insist on professional leadership.

Turnaround Specialist says his 'product is me'
Baltimore Sun Feature

Specialist: John M. Collard's job, which he has done around the world, is to turn around distressed companies, but Network Technologies presented a different challenge. Collard arrived at NTG to an empty office, bare walls, no computer, empty file drawers. "There was nothing here," Collard recalled. A turnaround specialist whose job is to rescue troubled companies, Collard had been hired by the investors and the board to figure out what was going on inside, to stabilize the company, and to find and hire his replacement. This time was different.



Bring Leadership
Focus/Change/Teach

Set Strategy
Vision/Direction

Build Quality Management Team
Credibility/Consistency

Acquire New Business/Sales
Market Driven

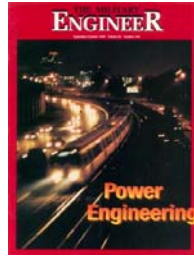
Establish Sound Capital Structure
Reasons to Invest

Implement Processes
Cost/Cash/Value

Nurture Resources
People/Facilities/Advisors

Growth⁷

Build Enterprises Future Buyers Want to Invest In!



Defense Conversion, Myth or Mystery?
The Military Engineer Magazine
 A magazine for engineering management professionals. Transition between markets, from and to commercial, international and federal, is complex business and must be handled by professionals who have been there before. There is a process by which to succeed.

Is Your Company in Trouble?
The Corporate Board Magazine

The Journal of Corporate Governance, for the directors of Fortune 1000 companies. There are early warning signs to gauge corporate health, management effectiveness, and predict when a company is headed for trouble.



Incentive-Based Management -- Show 'em the Money
Printing Impressions Magazine

America's most influential and widely read publication for commercial printers. The magazine focuses on informing the executive management in the industry. This piece demonstrates the importance of utilizing incentive compensation plans aimed at accomplishing goals and directives to achieve results.

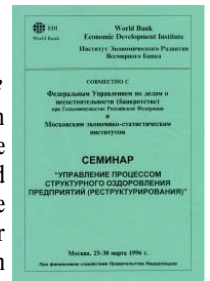


A Director's Guide to Market Conversion:
How to Avoid Minefields in the Marketplace
Director's Monthly , Strategy Briefs

National Association of Corporate Directors. Defense contractors can convert to commercial and international markets, but doing business is not the same the world over. Do business in the way your customer expects.

Western Turnaround Management and Equity Investing Techniques

World Bank, Economic Development Institute
 Course developed for World Bank to teach Privatization and Bankruptcy Agency officials, and industry leaders the way turnaround management and investing is carried on in the western world. A *train the trainers'* course now being delivered throughout Russia, the former USSR countries, and Central Europe. President Yeltsin declared anti-crisis management as a new profession.



John M. Collard, is Chairman of Annapolis Maryland-based Strategic Management Partners, a turnaround management firm specializing in investing private equity capital into underperforming companies, and interim executive leadership. He is Past Chairman of the TMA, a Certified Turnaround Professional, serves on boards of directors, is an advisor to companies, and private equity capital investors, and governments. www.strategistlibrary.ws



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