

AWARDS EDITION 2024

Swift

The Online Turnaround Times

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WINTER EDITION



AWARDS EDITION 2024



2024 AWARDS WINNERS



IFT EVENTS



WORKING CAPITAL



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2024 AWARDS EDITION

MESSAGE FROM THE CEO

Welcome to our 2024 Annual Awards edition of Swift.

This year we were in the new surroundings of the Pan Pacific London for our annual Awards dinner on 17th October, but there was no change to the high quality of our annual awards submissions. Once again the judging panel had their work cut out choosing between excellent submissions showcasing the best in turnaround and transformation.

On p2 you can read our Chair of Judges, Peter Charles' account of the challenging task for the panel and their approach, as well as some thoughts on developing some of processes for the 2025 Awards. As ever, we enjoyed celebrating and catching up with our members, partners and colleagues at the dinner. You can read articles and interviews with Awards winners in this edition of Swift.

We have now held two Board meetings with our new Chair Claire Burden and new and existing Board members, which have had some really stimulating discussions about how we build on The IFT's priorities next year and continue to develop the benefits and services we offer our members. Our recent Fellows dinner at El Vino was an opportunity for our new Chair to discuss some of these priorities with our Fellows.

The new-look website and new CRM system launched in November, and feedback suggests that it was worth the wait, with a sleeker look and an improved Find An Expert search function on the website, as well as a greater focus on thought leadership and insight pieces. The new CRM integrates with the website and makes it easier to manage your profile, IFT membership, access resources and engage with IFT events. From the end of January 2025 we will switch from our current event booking system and you will be able to book events directly and, where relevant, pay for events on the website.

Our usual hectic Q3-Q4 - with the annual publication of our Societal Impact report, as well as membership renewals and planning for upcoming events and projects - has been supplemented this year with the relaunch of our website in conjunction with a new CRM and a report on funding.

Our 2023-24 impact report estimates that IFT members have delivered significant positive outcomes for UK businesses in 2024, including £3.1 billion in added shareholder value generated by independent members and 56,000 jobs safeguarded. Over 80% of IFT members report activity levels comparable to or busier than in 2023 and nearly four-fifths (78%) of members expect further growth in turnaround activity in 2025. Further key findings of the report can be found on p14.

Speaking of events, as usual we have finished off a jam-packed year strong, with recent varied and practical webinars covering topics including financial planning, energy and networking as well as some fun festive IFT Next events.

We already have a number of our core conferences and events for next year booked in with preparations well underway, and you can find the key dates and details for these on p20. Our 2025 webinar programme also kicks off early in the new year with an update on funding trends.

We are also planning some new events in 2025, including an IFT Next conference, an update conference on Restructuring Plans to build on the programme of work in relation to RPs in 2024, additional special interest group events, as well as a packed programme of regional events, IFT Next and Women in Turnaround.



In terms of other plans for 2025, we will be building on some of the new content we have provided in 2024. This will include work on developing our engagement with private capital providers and ensuring our members and partners are aware of developments in this area.

We will be publishing a report looking at operational turnaround and transformation in the first half of the year as well as continuing to look at areas of corporate governance and directors' duties relevant to the IFT community.

After a busy 2024, both in the turnaround community and more broadly in political and geopolitical terms, we hope you all have a restful Christmas period and a wonderful start to 2025.

Milly Camley
IFT CEO

The IFT 2024 Awards: Adapt. Transform. Succeed.

The Chair of our Awards Panel, IFT Fellow and Board Member Peter Charles reflects on another year of tough decisions in choosing our Annual Awards shortlists and winners.

Even within the context of turnaround, taking on the role of chairing The IFT judges for the second year is intellectually stimulating, exhausting – and a great privilege. My fellow judges were Dave Amber, Steve Bengner, Kelly Jones, Steve Keating and Antonia Silvestri. The panel is selected for their independence as members and fellows, and the breadth of their expertise, which is essential in moderating the different categories and providing technical insights.



How does the process work?

The IFT executive publish the categories and deadline for submissions as early as possible to encourage entries. These are then sifted to ensure that they meet the category criteria for timing, company size and so forth. The submission bundle is shared with the panel alongside referencing and a reminder of the criteria. We then meet as a panel to moderate selections and views, which is why the breadth of experience amongst panel members is so important.

We then summarise and agree on the shortlist and winners, and The IFT executive will pick up any outstanding questions and references, as well as conferring across the judging panel to agree the judging summaries which will form the commentary on the night.

All categories are tightly contested, but we do find that we need to leave Rising Star to the end of the process given the volume and enthusiasm of the entries submitted – a great indication for the future. Each individual shortlisted in this category is awarded a three-year associate membership of The IFT in recognition of this achievement.

THE JUDGES



Peter Charles <i>Managing Director,</i> <i>Peter Charles</i> <i>Associates</i> Chair	Antonia Silvestri <i>IFT Fellow</i> <i>TLT Solicitors</i>	Dave Amber <i>IFT Independent Member</i>	Kelly Jones <i>IFT Independent Member</i>	Steve Bengner <i>IFT Fellow</i>	Steve Keating <i>IFT Fellow</i>
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The categories

The IFT experience is that having a small number of categories provides great value in those awards. We do however have flexibility to award more than once in a single category, if appropriate. This is important where we may see a very wide range of practice in a category. This year after much debate we chose to do this in two categories. In the Rising Star category, we recognised the different skill set but equal excellence of an adviser (Tom Miller of AlixPartners) and a lawyer (Dan Stathis of Kirkland & Ellis). Legal Adviser of the Year is always a competitive category but over the recent period the scale, complexity and impact of activity, particularly with new UK-based tools and cross border work, has meant that this year we recognised two firms that presented exceptional submissions in both UK-based innovation and delivery, and in international work which is crucial to the success of the UK turnaround professions. We therefore awarded to DLA Piper and Freshfields this year.

At the other end of the scale, despite widely advertising the award, CROs were unusually reticent and we received no nomination for Independent Adviser of the Year. This is not to say that independent turnaround advisers and directors were not represented in the awards – indeed, they were central to key winning cases such as Grainger and Worrall, which scooped Mid-Market Turnaround of the Year and Specialist Aviation Services, which triumphed in the Community Impact category. We recognise the greater barriers for entrants in this category – not only in securing the support of companies to be used as case studies given commercial sensitivities, but as independent members with less corporate capacity to form a submission. Given the centrality of independent practitioners to the market, we have decided to change the nomination process for this category. It will be a peer and market nominated award, and we will be working with the IFT executive team to map out the process. Watch this space!

So what makes an entry stand out?

Meeting the criteria is obviously the first step. A key consideration here is securing the support of stakeholders early, including the company for those categories. Compelling references also play an important role in telling the story, so identifying referees who can effectively highlight the achievements, including external referees, such as client or stakeholder, is important, and that they know that they have been suggested.

The next step up is a well-articulated, evidenced and focused submission, which outlines the turnaround case, or the impact of the individual or firm. Strong evidence is a must – it is essential to demonstrate sustainability. Alongside this, the most compelling submissions tell a story, bring out the impact of the case in terms of the context and stakeholders from start to end point. A key element of the turnaround story is often the strategies considered and overcoming problems, so submissions that articulate innovation stand out. Overall, winners effectively demonstrated the IFT strapline: Adapt, Transform, Succeed.

Congratulations to all our IFT winners and shortlisted firms, individuals and companies this year. The range and depth of submissions was outstanding and demonstrates the excellence of the turnaround sector – and I'd like to encourage individuals, companies and firms to start thinking now about submissions for next year!



We were privileged to have Credebt as our Annual Awards sponsor again in 2024.

Credebt are specialists in Receivables Management and Risk for the Invoice Finance, Insolvency and Turnaround Industries. Established in 2009, founder and managing director Glen Morgan and his colleagues have assisted IFT members to add value to their clients for over a decade.

Their flexible and trusted support includes the following aspects:

- Generating Working Capital - with a quick instruction, Credebt review the business order to cash process and look to generate cash, fast. The team's expertise and experience enable them to make recommendations to reduce bottlenecks and improve internally generated working capital when it's needed most.
- Turnaround - No two businesses are the same. Credebt advise on and help implement new credit policies, internal procedures and recruitment to drive the changes needed to maximise working capital and greatly improve the chances of a successful turnaround.
- Restructuring - Should a business unfortunately require formal restructuring through an insolvency process, via early instruction and access to key sites, systems and people, the team use the information gained and contingency planning to maximise capital recoveries for key stakeholders.

Credebt have had significant success in generating cash quickly, to assist with the turnaround of businesses in industries ranging from recruitment to construction, manufacturing, distribution, freight, FMCG and many more. Operating from three offices, Credebt offer comprehensive coverage across the entire UK, delivering solutions for various scenarios faced by funders, Insolvency Practitioners, and turnaround specialists. These scenarios encompass insolvency, business distress, irregular audits, suspected fraud, high 90-day columns, client demands for over-payments or increased pre-payment percentages, inadequate facilities due to unpaid invoices, and the management of complex overdue ledgers.

For a closer look at Credebt's work, please visit www.credebt.co.uk, where you'll find case studies, testimonials, and a comprehensive service portfolio.



Glenn Hutchinson, Credebt, welcoming attendees at the awards

Credebt's Glen Morgan on the value of IFT Specialist Members

With experience across turnaround scenarios and providing complementary specialist services and advice, founder Glen Morgan was a natural fit as an IFT specialist:

“As one of the original Specialist Members of The Institute for Turnaround, I have seen the value of specialist members to the broader turnaround community.

IFT Specialists are specialist individuals who are experienced in a turnaround and transformation context, who have a trusted track record and who would be suitable to provide specialist skills as part of a turnaround assignment or team.



In response to requests from IFT accredited members and partners regarding sourcing specialist individuals to work as part of a turnaround assignment or team, The IFT created a specialist membership category to build a ready-made, tested and trusted network of qualified and experienced individuals. IFT Specialists are referred or recommended by accredited IFT members or corporate partners and will have a high degree of experience providing specialist support in turnaround situations.

The range of allied and supporting specialisms held by IFT Specialist Members range from commercial and programme management, M&A, to debt recovery (such as myself) and finance, to Human Resources, business psychology and specific sectors such as retail.

Given the increasing diversity and complexity of turnaround situations and the range of stakeholders involved, having access to support with specific aspects of a broader assignment augments and increases bandwidth, maintains best practice in all aspects of a turnaround scenario and supports achieving best possible outcomes.”

If you would like to hear more about IFT Specialists, please contact info@the-ift.com.

Special Situations Debt Provider of the Year

BZ picked up the award for Special Situations Debt Provider of the Year.

Flexible debt funding for complex situations

Part of a global asset manager with \$37 billion of assets under management, BZ is recognised for its innovative funding solutions for large transactions that are often complex and multi-jurisdictional. With a strong track record in structuring and delivering transformative asset-based lending (ABL) and cashflow solutions, BZ delivers facilities ranging from £20 million to £150 million, with full underwrite and hold capabilities.

BZ operates a sector agnostic approach and is committed to offering businesses creative and bespoke solutions aligned with their objectives. BZ's core focus is to bring certainty to deal delivery, maximising value and minimising execution risk.

Cem Yaslak, Regional Director, BZ, said: "We are delighted to have received this prestigious award, which is a testament to the dedication and expertise of our team in delivering tailored and flexible debt solutions for some of the most challenging and complex financing situations across multiple jurisdictions. At a time when traditional lenders are increasingly selective and risk-averse, private credit funds like BZ offer an important liquidity option for businesses."

Innovative deal structures

Recent transactions include a large, multi-jurisdictional refinancing for Cooper Turner Beck (CTB), comprising full-suite ABL and cash flow loans across five countries. The facilities provide CTB with a more optimal capital structure to focus on its longer term strategic goals. Elsewhere, BZ provided an £80m ABL facility, alongside a club partner, in support of Endless LLP's acquisition of ASCO, as well as a \$70m growth funding facility for Amius featuring a bespoke receivables structure with an accordion for future expansion.



Looking ahead

While ABL was traditionally perceived as a product primarily focused on supporting turnaround situations for businesses lacking the earning profile to obtain traditional leverage funds, its scope has expanded significantly. Today, private equity houses collaborate routinely with BZ to not only fund turnarounds but also drive growth opportunities including acquisition finance. BZ's hybrid model, comprising ABL and cashflow, plays a crucial role for businesses as it bridges the gap between the asset value that can be leveraged and the required funding.

BZ is anticipating an increase in demand for private credit in 2025, especially as M&A activity lifts, and is looking forward to working with sponsors, advisors and management teams in the new year.

Rcapital was the winner of the Special Situations Private Equity Provider award.

Rcapital: A Perspective on the Special Situations Market

Rcapital, with over 20 years of expertise in special situations investing, holds a clear and confident outlook on the evolving market landscape. At a time when businesses face unprecedented challenges – ranging from economic uncertainty to supply chain disruptions – the need for innovative, hands-on investment strategies has never been greater. Rcapital’s track record not only reflects their ability to navigate complex situations but also their willingness to take risks where others hesitate.

Complexity as an Opportunity

The special situations market thrives on complexity. Over the past two years, Rcapital have completed 14 acquisitions, spanning diverse industries such as aerospace, defence, and precision engineering. Their approach involves taking on transactions deemed “unworkable” by competitors, such as corporate carve-outs and distressed sales. Deals like Surface Technology International and Bromford Precisions highlight their capacity to execute swift turnarounds under challenging circumstances. These investments are not only financial transactions – but transformative investments that preserve jobs, rebuild businesses, and create sustainable value.

This proactive mindset is crucial in today’s market, where distressed businesses often come with tangled stakeholder relationships, from overseas vendors, customers through to government entities. Rcapital’s experience shows that success in such scenarios demands more than capital – it requires strategic agility, operational expertise, and an unwavering commitment to collaboration. On reflection the key skill increasingly required is patience, in building new relationships, and letting a situation unfold, even if the eventual transaction still requires clear decision-making and commitment to a speedy transaction.

Shaping the Turnaround Culture

Rcapital’s influence extends beyond dealmaking. They actively contribute to the broader turnaround and restructuring ecosystem through thought leadership, industry engagement, and professional development initiatives. Their Future Leaders networking programme exemplifies their dedication to cultivating talent within the special situations space, ensuring the industry remains dynamic and innovative.



Moreover, Rcapital’s integration of ESG (Environmental, Social, and Governance) considerations into their strategy marks a forward-thinking approach. Recognising the importance of sustainability, they embed ESG principles not only in their operations but also across their portfolio companies, driving long-term value creation.

Lessons from the Field

One of Rcapital’s key insights into the special situations market is the importance of adaptability. The fast-paced nature of distressed investing requires the ability to act decisively, often within tight timeframes. For instance, their acquisition of Temple Lifts – a complex carve-out from a Japanese-listed corporate – was completed within a month, demonstrating their operational readiness and strategic focus. It is worth noting that this followed an extended period of getting to know and building confidence with an expanded group of stakeholders.

Another lesson lies in the value of building and introducing the right expertise to support management teams. By carefully selecting and embedding experienced professionals into their portfolio companies, Rcapital ensures that each exit not only delivers commercial value but also strengthens the business’s foundation for long-term success.

The Road Ahead

As the special situations market evolves, Rcapital sees opportunities in sectors undergoing structural shifts, such as aerospace and engineering.

In a marketplace where risks are high, Rcapital remains committed to their ethos that complexity is not a deterrent but a challenge to be met head-on. Their experience and focus create a meaningful impact in the special situations market, proving that bold thinking and decisive action can redefine what’s possible in business turnaround.

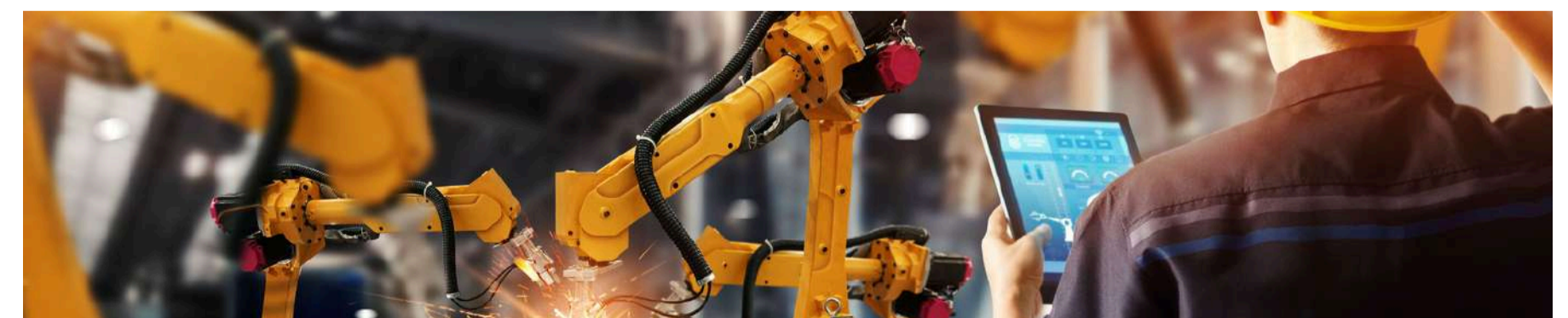
Grainger & Worrall was our Mid-Market Turnaround of the Year

After 77 years of family ownership, Grainger & Worrall – a Bridgenorth company with a customer line-up including Formula 1 and NASCAR teams, Porsche, McLaren, Rolls-Royce, Maserati, Bugatti, Aston Martin and Tesla – was facing administration.



As a global supplier of complex sand castings and engineering services, the company was plagued by operational issues, making losses for three consecutive years. A fully funded management buy-out was completed and a new senior management team put in place to turn the business round.

The company has since transformed operations, doubled its production volume, restored profitability and has an orderbook that secures its financial future.



Four Seasons Health Care Group, a nationally significant senior care provider in the UK, faced understandable and considerable challenges as a result of the Covid-19 pandemic and its impact on the adult social care sector. The Group also suffered from legacy underperformance, leadership and business culture issues, and was not equipped with the expertise to deliver a transformation and turnaround.

In early 2022 Joe O'Connor (Healthcare sector leader and Partner and Managing Director at AlixPartners) was appointed as Chief Restructuring Officer (CRO) and in March 2022 became the Group's Interim CEO. With the support of an experienced team working with Joe, AlixPartners successfully led a comprehensive transformation, addressing financial underperformance in profitability, cash generation, and an oversized central cost base, whilst driving significant improvements in care quality, customer experience, team satisfaction and retention. This turnaround stabilised the organisation and facilitated a complex sales process, ultimately returning value to secured creditors after seven years of payment default.

Operational Turnaround: Working closely with management, the AlixPartners team implemented multiple initiatives aimed at driving sustainable and measurable change, with key achievements including:

- Industry-leading revenue growth focused on building profitable occupancy, with 16 consecutive quarters of income growth by the end of Q3 2024;
- Increased occupancy, exceeding 91% in 2024 reflecting an improvement of more than 8% and ahead of sector benchmarks;
- Reduced reliance on agency labour from over 20% of payroll costs in April 2022 to under 7% today through rapid implementation of digital solutions; and
- A right-sized central cost base, reduced by over two-thirds.



Stakeholder Management: A key element of this transformation was to restore trust, build confidence and drive action after years of paralysis. Leveraging strong relationships with care quality regulators, the Department for Health and Social Care, and the Care England policy board, Joe and his team earned crucial support. This included earning continued backing from the instructing lender group, shareholder administrators, and the Board/management team.

Care Quality: The turnaround had a significant focus on resident experience, achieving the Group's best care quality ratings in 14 years and earning high regard from regulators. This is a testament to the comprehensive changes implemented across the organisation.

The overall results of these efforts have been remarkable, with a sustained top line turnaround and improvement in EBITDA margin from 6% in FY21 to 18% in Q3 2024. AlixPartners' support in strategic leadership, effective stakeholder management, and a relentless focus on financial and operational excellence, has enabled the Four Seasons Health Care Group to transform into a high-performing group, delivering outstanding outcomes in the UK social care market.



Complex Sales Process: Joe and team, supported by Christie & Co, delivered a sales process, which successfully created a smaller, high-performing core business through the sale of 66 homes to 39 different buyers. This approach delivered materially higher value compared to a single corporate transaction and ensured continuity of care for over 4,000 residents and preserved jobs for more than 5,000 employees.



FRP earned the Community Impact award for their work with Specialist Aviation Services Ltd.



SAS delivered critical air ambulance services across the South of England, providing operations for charities covering an area that stretches from Somerset and Dorset in the west to Kent and Essex in the east.

The business had reported sustained losses over several years and since late 2020 had been undergoing both an operational and financial restructuring. Whilst good progress had been made, with the addition of profitable maintenance contracts in the Middle East, the business was still unable to service the costly overheads that come with aviation operations – especially one with such a high risk and regulatory profile.

Having sought to achieve a sale of the Company, the owners of SAS were unable to commit further funds in support of operations beyond the end of 2023. FRP was therefore instructed to run an AMA process in late October 2023.



A targeted sale process ensued which was successful in identifying a potential acquirer although it was very clear that more time would be required to facilitate significant and complex due diligence as well as to collaborate with the CAA to agree a plan for an orderly transition of operations – an unprecedented requirement in such an accelerated timescale.

An approach for funding was made to the Air Ambulance charities who relied upon SAS for ongoing operations and with the assistance of two such charities as well as the requisite approval from the Charity Commission, the required funding was provided.

Nonetheless, it remained a race against time to negotiate and finalise all the various elements of the proposed transaction, at all times aware that any interruption to its operations had the potential to put lives in danger.

All efforts were eventually rewarded with a sale being successfully concluded on 31 January 2024 to Gama Aviation, with all but 2 staff members transferring to Gama and the air ambulances remaining operational throughout. This case study highlights the important role professional advisors can play with real world consequences.



The entire team at FTI Consulting are incredibly proud to have been awarded Turnaround Adviser of the Year. The award reflects FTI Consulting’s dedication to excellence in the Turnaround & Restructuring market, being the advisors behind some of the most successfully sustainable, long-term turnarounds over the last 40+ years.

At the core of our success is our people. Dedicated experts, who provide exceptional client service and are devoted to driving successful turnarounds. We remain committed to investing in top talent and attract the best in the market. In 2024 we promoted seven professionals to Senior Managing Director within our EMEA Corporate Finance & Restructuring practice, and today our global network consists of 2,200+ professionals across 70 offices and 26 countries.

We are proud of our position as the #1 global expert firm for organisations facing crisis and transformation, bringing together deep industry experience, distinct capabilities and technical excellence. We are often first to the scene advising government, regulators, corporates, shareholders and lenders.

Over the last year the team advised on flagship cases which have undeniably shifted the future of turnarounds and restructurings; from the first major recapitalisation of one of the largest offshore wind farms in Taiwan, to advising on the landmark Project Fürst judgement and overturning the Adler plan to safeguard the pari passu principle.

We are continuing to expand our presence in the North West of the UK and recently acted as administrators to TriRx Speke Ltd, successfully completing the sale of its manufacturing facility to Elanco Animal Health following a two-month trading administration. The transaction safeguards over 300 jobs and preserves the site’s significant annual economic contribution of more than £100 million to the wider Liverpool region. Our team worked rapidly to create an effective solution which will positively impact hundreds in the North West.

At our core we are committed to innovation and creating a positive future; from leading turnaround in the sustainability sector, investing in young professionals and learning & development opportunities, to working on pro bono cases and charity initiatives, to making change and shaping the future of restructurings in the Court of Appeal. We look forward to continue fulfilling our purpose in 2025 and for many years to come.

Thank you to our clients, fellow advisors and The IFT for this wonderful recognition.



Global law firm DLA Piper retains premiership as IFT's Legal Adviser of the Year.

DLA Piper have been recognised for a consecutive year by The Institute for Turnaround as the UK's leading Legal Adviser. The firm's work in corporate rescue, particularly the use of the Restructuring Plan as a tool for delivering transformation in businesses of varying size, continues to shape the market. DLA Piper's commitment to use of debtor-in-possession solutions in cross-border and international jurisdictions was also commended, as the firm provides a joined-up cross-border offering for corporates experiencing financial difficulty.

James Davison, Partner in DLA Piper's UK restructuring team, said "We are honoured to have been selected for the second year in a row by the IFT's membership for our work in turnaround and rescue. The landscape for businesses over the past years has put undeniable strain on the market, in the UK and beyond, and the skills of the turnaround community have never been more important. We are proud that our team continues to support clients in a wide range of sectors ranging from aviation, energy and public infrastructure through to retail, hospitality and leisure."

The IFT judges noted DLA Piper's broad portfolio of work acting for corporate clients, as well as investors in distressed assets, and the variety of tools which the DLA Piper team have deployed to deliver solutions for their clients.

James added "Our team has been involved in many of the high profile turnaround deals in the market throughout 2024. We are delighted that The IFT recognised the breadth of work we have delivered, from refinancing and recapitalisation through to formal restructuring plans and accelerated M&A. This year we have put the legal tools through their paces to maximise value and build creative solutions for our clients, and we are proud to remain at the cutting edge of turnaround solutions as they continue to develop."



DLA Piper's global restructuring team is one of the largest in the world, with over 200 dedicated insolvency and turnaround lawyers working across the Americas, Asia Pacific, Africa, Europe and the Middle East. On the ground they have extensive knowledge of local markets and the associated challenges clients face operating within them. They manage assignments from the mid-market to the largest national and international turnarounds and insolvencies, serving a diverse client base that includes debtors, lenders, government entities, trustees, shareholders, senior executives, as well as distressed debt and asset buyers and investors.

Partners from the firm regularly feature on IFT event agendas, sharing their experience and know-how with turnaround professionals across the UK. Having worked on some of the most prominent cases, at both the national and international levels, the team at DLA Piper are always eager to share their insights. The UK team are deeply embedded in the sector, as demonstrated by their alignment with many leading industry bodies including TMA NextGen, R3, IWIRD and The Insolvency Service.





Freshfields received recognition from The Institute for Turnaround for the firm’s work over the past year, delivering excellence through a diverse range of mandates including Cazoo, Casino and the McDermott Restructuring Plan.

The IFT judges noted Freshfields’ presence across large and international cases combined with a strong domestic footprint. The firm provides a full service offering covering capital solutions, liability management, the full restructuring toolbox, distressed M&A, formal insolvency proceedings and insolvency matters. We represent all relevant constituencies in the capital stack, including credit investors, sponsors and borrowers. Acting for clients at all levels of the capital structure gives us more well-rounded expertise, with a full appreciation of different stakeholder perspectives and dynamics.

With the firm having recently hired Paul Stewart, Mark Davis and Nick Fortune into the private capital and restructuring spaces it is further strengthening Freshfields’ global Private Capital and Restructuring practices. They bring a skillset which on top of their client base and product expertise, will complement and build out our existing product offering and which aligns with our clients’ needs in this rapidly evolving market.

The firm’s commitment to D&I, support for colleagues’ wellbeing, as well as a diverse thought leadership portfolio was also commended. Freshfields recognises the crucial role diversity and inclusion plays. Our D&I work aligns with our purpose and values, and our responsible business and people strategies. This was further recognised at the recent GRR Awards, with Freshfields winning ‘Contribution to diversity in restructuring’.

2024 was not only a busy year for Freshfields. It has been a busy year for the entire restructuring sector. Company insolvencies in the UK in 2023 and in 2024 to September were at levels last seen during the 2008-09 recession. Construction, retail and accommodation & food service have unsurprisingly been the most impacted sectors. However, it has also been a year for legal firsts. We saw the first restructuring plan coupled with a private placement and delisting all of which were inter-conditional (Superdry). We continued to see the theme of restructuring as litigation with Consort Healthcare which would have been the first PFI contract to be amended by a restructuring plan, instead it was the first case where a scheme creditor applied (and succeeded) for security for costs. The theme continued with Chaptre Finance where the courts reiterated the need to be CPR compliant in challenging (and presenting a restructuring plan). The theme of contentious restructuring will stay with us to 2025, for sure.

As Freshfields looks to the future, we remain committed to continue delivering outstanding results for our clients and shaping the future of the industry.

Ken Baird, Global Head of Restructuring, said “This award is a testament to the hard work and dedication of our lawyers, who consistently go above and beyond to meet the needs of our clients. We are thrilled that the IFT recognises the depth and breadth of our practice and our position to support our clients against the backdrop of a rapidly evolving market.”

Rising Star 2024: Adviser

Amongst a huge number of exceptional submissions this year, the judges recognised that there are different categories of skills that contribute to turnaround from different professional disciplines, and have therefore recognised two incredible individuals as Rising Stars.

Our first winner was Tom Miller of AlixPartners, and The IFT spoke to Tom about his career and advice for other professionals developing their career.

In terms of my background, I didn't start out in restructuring. In the early part of my career I was a more general management consultant but following a secondment to a restructuring team I realised that what I enjoyed was working with companies, in highly pressurised and time sensitive conditions, to help them overcome significant financial and operational challenges. Often, I found myself working in situ alongside very talented management teams who clearly cared about the success of their business. It was in these situations where I felt that as a professional adviser, I could add the most value and create a meaningful and positive impact with my work.

Given my background and path to restructuring, my view is that whilst having a financial background and an appreciation of the technical restructuring 'toolkit' is clearly beneficial, what is equally as important is recognising the importance of building relationships across a broad range of stakeholders, whether management teams, creditors, shareholders, regulators or fellow advisers.

Looking at career highlights, I've enjoyed being in situations where I see through an 'end to end' turnaround, from initial restructuring of the balance sheet through to the implementation of operational performance improvement plans that ultimately lead to not only the preservation but also the creation of value for the company's stakeholders. One particular example comes to mind, where I worked with a European telecommunications provider to support them through an enforcement process and subsequent debt restructuring. Once the business was stabilised we worked with the commercial team to appraise their key contracts with other network operators and drove negotiations that led to significant improvements in profitability.

I have enjoyed working on multiple cross-border restructurings (for example Steinhoff and Adler) including being embedded into the local management teams. Being exposed to these situations has given me an appreciation of the way in which different cultures conduct their business.

My advice to anyone starting out in their career now would be to understand and value the importance of building relationships. Of course, numbers and analysis are important, but a successful turnaround and restructuring is about building common ground with stakeholders and developing relationships. My perspective is that this is a lot easier to achieve if you are 'in the room' and although remote working has numerous benefits it is no substitute for being physically present with your colleagues, clients and other advisers and accelerates your learning and the situations you get exposure to.



“

I had the pleasure of working with Tom for 6 months on a sensitive and difficult project. I found him be an excellent consultant with strong industry expertise and an excellent set of tools to analyse and recommend approaches. He worked incredibly hard and I was constantly impressed by the quality and speed of Tom's outputs. He was expert at getting under the skin of any issue quickly and proposing creative and different solutions. He was highly regarded by all stakeholders at all levels of the organisation. And he's a great guy also. I wouldn't hesitate to recommend Tom.

- David Sangster | COO & Founder

”



Rising Star 2024: Lawyer

KIRKLAND & ELLIS

Our second Rising Star of 2024 was Dan Stathis of Kirkland & Ellis.

The IFT also caught up with him about his background and tips for others in the turnaround and restructuring world.

I began my career as a lawyer in Equity Capital Markets back in Sydney. However, when I made the move to the London market, I was quickly seduced by the exciting world of turnaround and restructuring.

Turnaround and restructuring was incredibly interesting to me. There are two main reasons for that:

- The first, is that as a lawyer, it gives you a broad practice; operating across finance, corporate, litigation and employment law (just to name a few). No two days are the same on the job!
- The second is that you are often working hand in hand with companies, management teams, shareholders/sponsors or financial stakeholders to deliver something tangible, whether it is an operational or financial solution, the “ideal” outcome is very much the going concern rescue of a business (and usually by the end of a mandate, you get to know the business and its people well, so it becomes personal). There is something deeply rewarding in that.

In terms of some career highlights, it is so hard to pick a few, because it is not always the large, juicy deals in the market that are the biggest highlights. A very recent one is the successful completion of the recapitalisation of the Consolis Group last month, where for the better part of a year I was speaking daily with a truly fantastic management team on the turnaround of their business. And being involved in the Spanish Restructuring Plan of the Celsa group and the Restructuring Plan of Smile Telecoms were also particular highlights, given they were both “market firsts” in their own ways: Celsa, as the first Spanish Restructuring Plan (and a creditor-led one at that); Smile because it was the first UK Restructuring Plan to disenfranchise out-of-the-money stakeholders and to compromise shareholders in a foreign company.

Of course, it wouldn't be fair to name career highlights without mentioning being made up to Partner at Kirkland this year, and winning the 2024 IFT Rising Star Award (of course).



What advice would you give to young professionals looking to get into turnaround?

Three things:

Be passionate about your career. Find something in your career to be passionate about, whether it is finding reward in the delivered outcome, the challenge provided by the complexity or the ability to have a varied practice. Turnaround is not a 9 to 5 job, you need to be agile and it can be demanding, so you really need to like what you do.

Be solutions oriented. No two days are the same, so be ready to roll up your sleeves, embrace challenges and work together with a team (usually comprising legal / financial / operational advisors, and management personnel) to find solutions to new and complex real-world problems for businesses.

Find the right fit for you. Finding a team that allows you to be yourself at work and embraces the skillset and perspective you bring is key. I feel incredibly lucky at Kirkland to be surrounded by so many exceptionally talented people (mentors and peers). Everyone on the team is so different, not just as practitioners but also on a personal level, but it's really those differences that make the team, the work it does and the solutions it delivers so world class.

SOCIETAL IMPACT REPORT 2024: Executive Summary

Our recently published Societal Impact Report for 2023-24, based on an annual survey of our members and partners and company data from FRP, highlighted the continued challenges facing UK businesses, with increasing levels of distress, as well as the substantial value of turnaround support. Below you can read some of the key findings of this year's report, which received widespread coverage across regional and sector media as well as nationally in The Times.

Executive Summary 2024

There is no imminent end in sight for growing corporate distress in the UK, as business leaders navigate higher funding costs, political change and capital constraint. While levels of insolvencies in the UK have fallen from the peaks of 2023, they remain at high levels, and there is continued growth in the number of companies experiencing distress.

Falling levels of inflation and the beginnings of downward trends in interest rates are of course welcome news for UK businesses, as well as the

UK economy returning to growth. But macro-economic indicators can miss the signs of stress that our members are attuned to. "We're definitely seeing more stress," says Jonathan Hughes, Regional Sales Director, Leumi ABL. "For instance, companies are increasingly taking advantage of HMRC's Time-To-Pay arrangements to pay tax liabilities in instalments. These can be quite reasonable deals, but we are starting to see companies then fail to meet these negotiated obligations."

A large number of businesses continue to

struggle with servicing high levels of debt, depletion of working capital and accessing further funding.

Often these are viable and productive businesses which have shown great resilience over the last few years but may be reaching the limits of such resilience. These are the very businesses that could benefit from the UK's breadth and depth of turnaround support and expertise, but the reality continues to be that many do not take advantage of such support or may seek support simply too late.

56k

estimated jobs saved in 2023-24

Independent IFT members have rescued an estimated 56,000 jobs in the past year, marginally up on last year.

£3.1

billion of added shareholder value in 2024

There was a continued increase in shareholder value added, with independent IFT members helping UK companies increase shareholder value by an estimated £3.1 billion in 2024.

Over 80%

of IFT independent members were as busy or busier in 2024 as 2023

The past year has shown continued high demand for turnaround support, with over 80% of IFT members reporting that this period was either busier or about the same as the same period in 2023. Almost four-fifths (78%) also expect to see more turnaround activity in the next 12 months.

81%

cite ongoing reluctance to seek early advice and support

The top reason cited by IFT members as to why businesses in distress do not seek support at an early stage remains cultural/psychological resistance to external advice, with this cited by 81% of IFT members in this year's survey. This was closely followed by a lack of awareness of difficulties (referenced by 62%) and a lack of understanding regarding turnaround (cited by 58%).

Consumer related woes drive 'most distressed' sectors

For the third consecutive year, the biggest sectors for corporate distress are retail, construction, and professional & technical businesses. The top three sectors for both distress and insolvencies remained wholesale, retail and repairs, construction, and professional, scientific and technical activities, with construction seeing the highest number of insolvencies. Manufacturing remains the dominant sector for IFT members, followed by construction. However, the automotive sector has leapt in importance, from 9th place to 3rd place, as regulatory changes put pressure on the sector. Over the next 12 months, IFT members expect retail to rival automotive for the third busiest sector for turnaround activity.

7-17% rise in distressed companies across all regions of the UK

Company distress continues to grow, with an average nearly 10% increase in the number of distressed companies across UK regions in the last year, and a rise of about 60% since 2017. All areas of the UK saw an increase in the number of distressed companies (ranging from between 7% and 17%).

Companies in the Wales & Borders region have seen the biggest jump in corporate distress, rising 17% year-on-year, followed by the Isle of Man and the South-West of England. London overtook the South-East to become the leading region for insolvencies, with 3,295 company insolvencies Q1-Q3 2024.

Understanding and managing cashflow is key

The top specific actions taken by IFT independent professionals in their most recent projects continue to include:

- **Improving governance and controls;**
- **Changing the organisational structure;**
- **Reducing costs.**

Meanwhile, the key actions of IFT turnaround professionals to support businesses in the past year were: cashflow forecasting (73%), and cost reductions (70%). This was however closely followed by supporting boards to create strategic change (69%), as well as transformational change in terms of changing delivery models (63%).

More than 60%

of IFT members have a key focus on business transformation

Similar to last year's report, given the often time-critical situations they will work in, over the past year, the main focus of turnaround professionals has been on short-term survival of companies (74% of respondents). This is however closely followed by business transformation, prompted by the operating environment/ operating conditions (61%).

Management morale and working capital depletion

Over the next six months, the biggest challenges for distressed-but-viable companies according to IFT members will be management/board bandwidth or fatigue (cited by 40%) and depletion of working capital (37%). The third most common challenge for these businesses according to IFT members will be changing their business model to match conditions, implying a high need for ongoing adaptation and transformation in the face of change.

254%

increase in turnaround job creation

IFT independent members responding to the survey reported at least 4,912 jobs created at companies rescued over the past year, a 254% increase on 2023 (1,387 + jobs).

What's Happening with Energy Prices? Is this The Great Gas Hoax?

Einstein is often quoted as saying that the definition of insanity is doing the same thing over and over and expecting different results. Insanity may be a stretch, but recent trading activity and market analysis have certainly led to plenty of head-scratching at Adalta Energy.

Anyone lucky enough to receive regular market updates from a member of our Energy Trading Team will be familiar with the largely ongoing positive analysis of the key market fundamentals, yet no matter how often we expect the results to be bearish, the bulls again win over, and prices remain stubbornly high for the remainder of Winter 24 and into Summer 25. Is there something more going on, or have we simply lost our minds?

What are the positive fundamentals?

Weak Economic Data

The energy crisis brought a major shock to the EU's energy-intensive industries, with consumption plummeting as prices skyrocketed. Whilst this initially eased the pressure on replacing all Russian Pipeline flows, the block is far from bouncing back with the manufacturing industry continuing in recession, for what is now the 27th month in a row, keeping demand well and truly down on pre-crisis levels.

Strong supply

Since the cessation of significant pipeline gas flows from Russia, the EU has been working tirelessly to put in place new contracts and infrastructure throughout the continent to ensure ample gas supplies are available from near and far. In addition, reliable pipeline flows from Norway have ensured there have always been ample flows entering the system.

Milder winters

Weather forecasting is always an unreliable science the further into the future you look. However, one element that is starting to feel more and more constant is the continued trend of milder, wetter, and windier winters. Following a mild start to Winter 24, with no shocks forecast into November in the long-term forecasts, it looks likely that the risk of a significantly colder than average winter is retreating as fast as Christmas is approaching.

Very high storage levels

Even if we ignore the above and worst-case winter temperatures materialise, it is forecast this would take us to a ~ 40% storage utilisation by the end of the withdrawal season, leaving the EU at no risk of not being able to replenish storage levels to the mandated 90% target in time for Winter 25.

Large renewable generation

Renewable generation is becoming an increasingly dominant element of the power generation stack across the EU, with more assets coming online all the time. This impact is being felt, with Day-Ahead prices crashing whenever the wind is blowing strongly. Whilst October has been relatively quiet, winter inevitably brings windy weather, with gas falling back down the merit order, as gas for power usage tumbles.

What are the negative fundamentals?

The singular negative fundamental that keeps stalking the market can be summarised under the title 'Geopolitical Risks'. Over the last year, time and time again the bulls have taken charge on negative news from the conflict in the Middle East and fighting between Ukraine and Russia. Has this news really justified the influence on prices?

The last remaining Russian Pipeline running through Ukraine has held firm, despite over two years of conflict. The reason? Money..... Russia still wants the gas revenues and Ukraine can't dismiss the ~€1bn revenue from the transit agreement with Russia, despite being at war with their paymaster. This transit agreement is due to expire at the end 2024, but market rumours suggest flows will endure into 2025 and beyond.



Similarly, if we look to the Middle East, subject to full-scale World War III, are supplies from the region really at risk from the ongoing military posturing? After all, conflicts surrounding Israel have been ever-present in modern world history.

The potential closure by Iran of the Strait of Hormuz is regularly quoted by media outlets, citing the risk to ~30% of the Global LNG cargo ships that travel through to gas-hungry states around the world. Given this has never happened before, would a country that has ~25% of their GDP coming from exporting energy ever take such a move that would damage its own economy? Would Iran risk upsetting China, who they export ~45 million barrels of oil every month to? And finally, is it even possible to close the Strait? Whilst ships transit via the north of the Strait by Iran, it is possible, albeit slower, to redirect ships via the southern route that borders the UAE.

Is this the next moon landing?

Whilst going as far as citing a conspiracy of dark power at work is farfetched, the evidence is starting to build that prices are being held at an unrealistic level and that the energy media is keen to continue the narrative of Geopolitical Risks and bullish sentiment, despite the fact that the crude oil markets are not reflecting the 'risk premium' seen in the gas markets.

Investment funds are playing a larger and larger part in energy trading, despite these parties never taking physical delivery of the commodity. These parties can drive up prices via paid agents to take large profits at the expense of the end user, you, and me.

Or maybe it is simply time for me to put on my tin foil hat and go hunting for aliens...



Ed Butler
Adalta Energy

Good cop, bad cop: Why reputation management during turnaround needs a two-pronged approach

In a turnaround scenario, managing and maintaining the business's reputation are crucial. Rory Lynch, a partner at Gateley Legal, and Gus Sellitto, founder of Byfield Reputation Counsel, discuss why protecting and rebuilding reputation requires both a 'bad cop' for legal advice and a 'good cop' for media relations and communications.

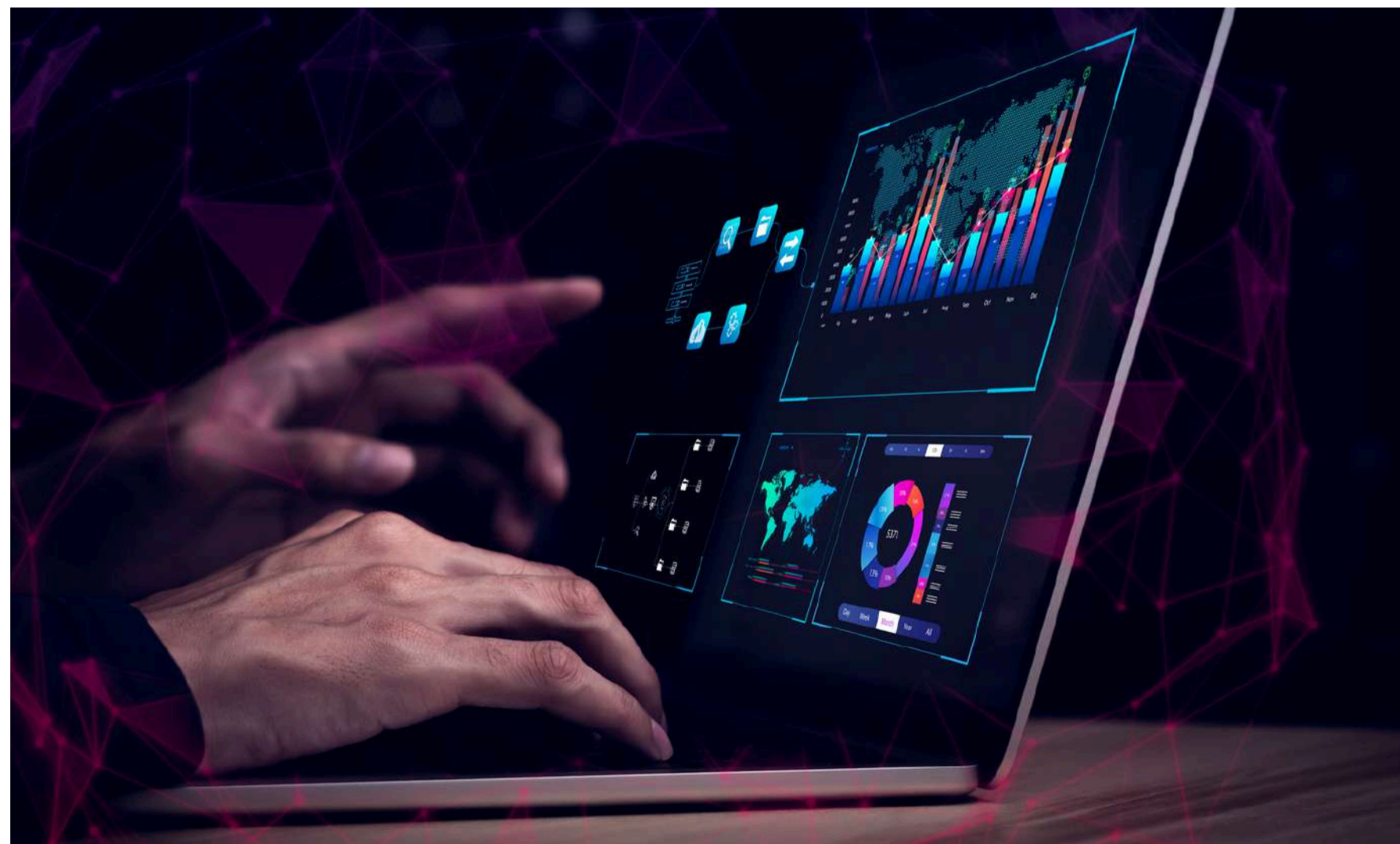
More often than not, a turnaround scenario requires a crisis response. Much is at stake, both financially and reputationally, with numerous issues to mitigate and manage.

Perhaps bad players that stand to benefit from the company's insolvency are spreading rumours about mismanagement or a steadily worsening financial situation. Maybe the company is facing potential employment tribunal proceedings for past failings, whilst trying to maintain business as usual.

Regardless of the challenges it faces, a business going through a turnaround needs the right blend of legal and PR advice from the outset if it is to manage the situation and, more importantly, ensure the turnaround is a success.

Whilst not every situation or incident will require legal and PR activity, having both options available helps a business to be both proactive and reactive.

Think of it as a 'good cop, bad cop' approach. The 'good cop' is your PR activity, communicating both the good and the bad news with internal and external stakeholders. The 'bad cop' is your legal team, there to protect you and provide recourse against malicious communication or misinformation that is published during the turnaround.

**The good cop**

Turnaround situations often require various forms of communications activity. One of these will, of course, include activity relating to the turnaround itself. Businesses will need to be prepared to answer questions – whether from the media or other stakeholders – on the reasons why the turnaround is necessary, what the business plans to change, and how it will continue to meet the needs of customers, investors, and suppliers during this time.

This will often necessitate the advance creation of holding statements for the company website and social media accounts, as well as comments from a nominated spokesperson.

Your business-as-usual PR is equally important, however, and should not be side-lined in favour of crisis communications. Demonstrating what the business is doing and achieving day-to-day is crucial to reassuring key stakeholders and securing their buy-in during the turnaround process.

This means continuing to highlight developments such as new hires, corporate social responsibility (CSR) initiatives, or projects to temper the unavoidably negative aspects of the turnaround and provide solid foundations upon which to rebuild the business's reputation, should the turnaround be a success.

The bad cop

Not all aspects of the turnaround situation will be under a business's control. While the good cop will support the business in delivering the most appropriate messaging for its needs, there will still be antagonists and other bad players ready to exploit the situation for their own gain, perhaps even by jeopardising the turnaround and ensuring the business enters into insolvency.

Social media is a particular risk factor here, as it allows anyone connected with the business to share confidential, or even factually incorrect, information quickly, widely, and anonymously.

This is where the legal team – or 'bad cop' – steps in. Working with the 'good cop' to monitor coverage and spot mentions on social media, the 'bad cop' can prepare the right strategic response to defamatory or reputationally damaging material, whether that is by demanding correction or clarification, sending a cease-and-desist letter, or issuing a take-down notice.

Our 'bad cop' can also double as a detective, calling upon digital forensics experts to unmask anonymous individuals on social media and pursue damages for any activity that constitutes harassment, defamation, or a breach of certain duties, obligations, or covenants.

The secret to success

A good communications strategy does not simply support a turnaround situation – it is instrumental to its success.

Turnaround scenarios often come with numerous questions and concerns regarding job security, debts, and even the competency of the management team. Having a proactive communications strategy in place, complemented by specialist legal support, allows a business to manage the turnaround in a transparent manner that, not only builds credibility and confidence amongst its stakeholders, but also provides recourse against those who would exploit the situation for their own gain.

For further information please contact:

Nicole Laffan, PR manager – Business Services T: 0121 234 0171 M: 07513 715 869 E: nicole.laffan@gateleyplc.com

More than a matter of cost: Understanding the true value of IP

When a business enters a turnaround scenario, intellectual property (IP) is an often-overlooked asset that could actually be crucial to the turnaround's success. But is it really possible to assign a financial value to something so intangible and, if so, how do you justify it? Andrew Tingey, director of Licensing & IP Transactions at Symbiosis IP, provides the answers.

In a turnaround situation, tangible assets are usually the first to be identified and valued. Behind them, however, is something equally important – something that may even hold a greater value than physical assets for the longevity of the business.

Intangible but valuable

A business's intellectual property (IP) can come in many forms. While commonly associated with patents, IP can also be hidden in plain sight via a business's know-how, trade secrets, designs, or trademarks.

In a turnaround situation, identifying and valuing this IP can support decision-making, whether internal or concerning third parties.

From an internal perspective, for example, knowing the potential value of the IP you have, and which technologies or projects it protects, helps the business to make decisions on strategy, cost-saving, and efficiencies.

For example, which of the business's IP holds the most potential for future exploitation via sale or licensing? Is any IP within a business's portfolio costing more money than it is making, and therefore better off being dropped?

Understanding your IP will also help to release its value during transactions with third parties, such as licensing, franchising, selling, or entering into a joint venture. The IP may even be one of the business's key contributions to the transaction, making it important to evaluate and justify this by the time the business sits down to negotiate.

IP can also be valued in financial contexts, such as taxation, options considerations, or valuing for insurance purposes, a particularly common aspect for early-stage companies.

Method in the methodology

Once you have identified why you are valuing the IP, you must consider how you will arrive at a valuation that is both accurate and justifiable.

Being an intangible asset, IP is not always straightforward to value on standard terms such as production costs or market precedents, particularly if the IP covers something that is highly novel, innovative, and at an early stage of development.

In IP valuation, there are three basic methods that can be used, which are the costs, market, and income methods.



The costs method is perhaps the easiest to understand, as it essentially requires adding up all the costs associated with developing the technology and IP in question or, alternatively, the potential costs involved in reproducing or replicating the technology.

Whilst the simplest approach, however, it is not always the most accurate. Technology development is rarely predictable, and there is no guarantee that extensive research efforts (along with significant upfront expenditure) will equate to a product or service that is profitable in the marketplace.

The markets method requires us to find comparable transactions and set our valuation against these data. Again, this approach can have drawbacks in that markets sometimes form bubbles that will overestimate or underestimate technology values. For a calculation to be truly comparable, we have to assume that the market in existence around the time of initial product development will largely resemble the market into which our IP will eventually enter.

This approach may not even be viable in novel and disruptive sectors with few or no deals against which to compare, or sectors in which deal terms are highly confidential or redacted.

The final, and arguably most accurate, method of valuing IP is the income method, which requires us to calculate the cash flow generated by, or attributable to, the IP over its lifetime. This method is particularly useful for licensing negotiations, where the IP's business case often needs to be emphasised. Some technologies will lend themselves more readily to this method, but it can be a challenge for early-stage technologies, for whom the likelihood and magnitude of future cash flows can be uncertain.

Context is king

Whether you choose to value the IP on the basis of one method, or a combination of all three, you need to make sure every decision can be justified by referencing relevant contextual factors, such as current market trends, regulatory issues or development costs.

IP transactions have the potential to generate high levels of income in a turnaround situation, but only if the IP within these transactions is valued comprehensively by someone that specialises in IP valuation. The more methods you use, the greater your chances of getting an accurate valuation that transforms your IP into an asset that could make all the difference in a turnaround scenario.

For more information on Symbiosis IP, please visit <https://gateleyplc.com/symbiosis-ip/>

With €1.56 trillion of global excess working capital sitting idle, businesses are missing a vital lifeline to drive successful turnarounds

By Daniel Windaus, Working Capital & Value Creation Partner at PwC

Working capital management (WCM) is at the top of the agenda in company boardrooms, with 83% of respondents to our poll citing protecting cash flow as an urgent priority. This aligns with the results of the recent IFT Quarterly Update Q2 2024, which highlighted the depletion of working capital as the leading cause of business distress, affecting all firms responding to the survey. In today's volatile market conditions, it is vital that working capital is released upfront to provide a crucial lifeline necessary for a successful turnaround. Our analysis of 19,000 listed companies revealed €1.56 trillion of excess working capital globally that could be freed up to support turnaround and operational transformation investment.

Historically high policy rates across the US, EU, and UK are set to persist, intensifying cash flow challenges. Businesses in distress are finding it increasingly difficult to access required capital as a result of these high rates, high costs of servicing debt, inflationary pressures and withdrawal of shareholder support. This makes the release of working capital, which is now even more so the cheapest source of finance, an absolute imperative. Our latest working capital survey has highlighted the following areas of focus for release of working capital:

Disparity of payment terms: Smaller corporations have seen a steady decline in days payables outstanding (DPO) over the last few years, in contrast to their larger counterparts. There is an opportunity for these firms to take advantage of new regulations to protect their cash position. Conversely, new regulations present a threat for businesses using extended terms as a short term cash lever and compliance or optimisation against these changes is required.

Pressure on DSO: Days sales outstanding (DSO) has increased by 6.6% over the past five years, as a result of ad-hoc and non-standardised processes. Businesses that standardise and optimise their collections processes, utilise automation and AI and leverage regulations will be the real winners here.

Capital intensive industries: Capital intensive industries, such as construction, manufacturing and energy, have seen a deterioration of net working capital (NWC) days since 2019. This is driven by increases in DSO, as well as days inventory outstanding (DIO), and suggests the continuation of a 'just-because' stocking strategy born from the pandemic. A more controlled and quantified approach to inventory management, as well as increased awareness of decision making on financial performance would help to release the significant amounts of cash tied up in inventory.



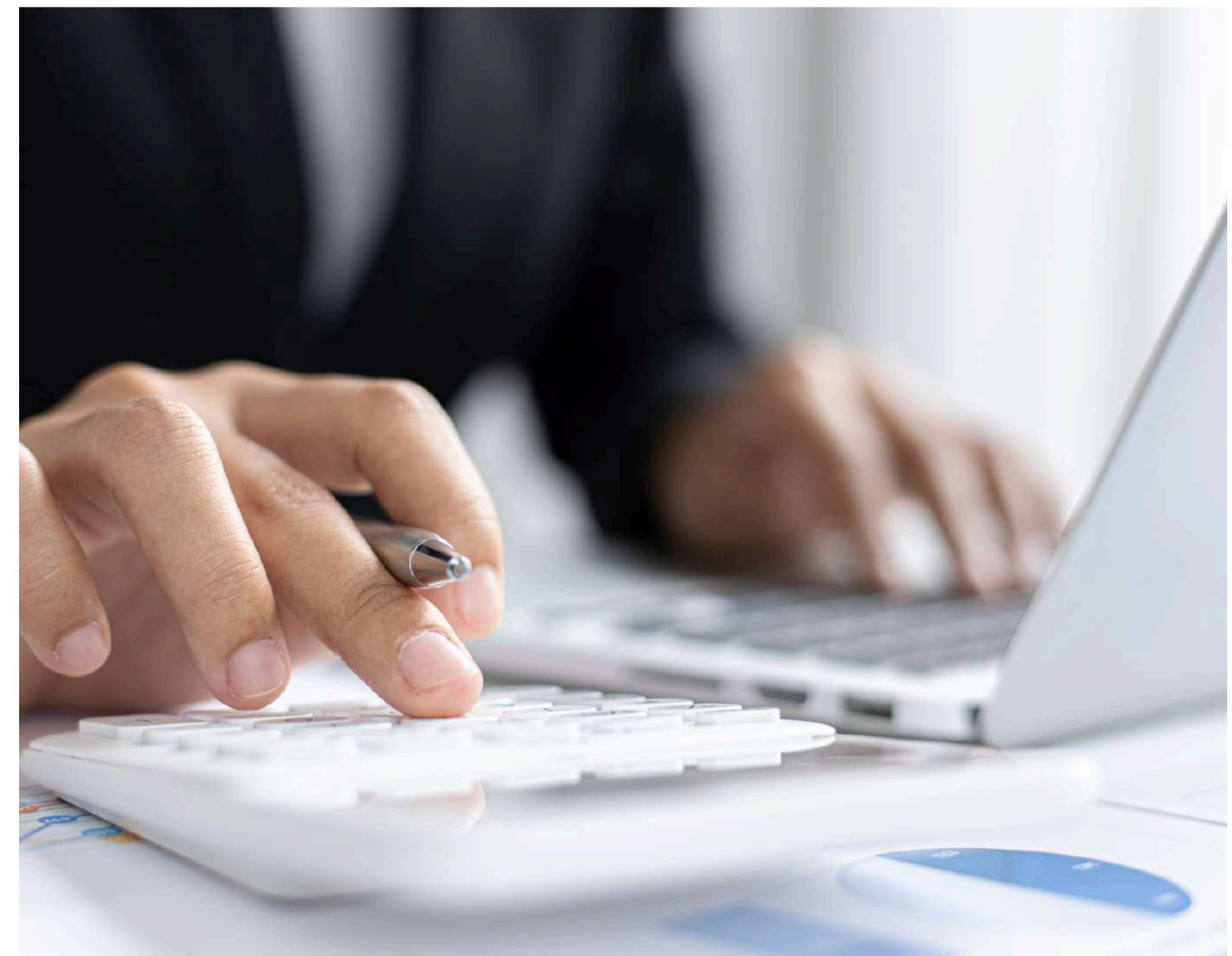
Trends for sectors with high levels of restructuring activity across the last few quarters highlight the importance of controlling capital metrics closely at operational level. Cash buys you time and time buys you options. When we support our clients we often start by focusing energy on a few key priorities:

Make people care: Everyone understands the importance of top line, and the impact of EBITDA. Closely managing cash is often an afterthought. Changing this mindset is key.

Break down silos: Work across functions and embed a cash culture to balance working capital demands against service levels.

Improve analytics and governance: Strengthen your suite of working capital analytics to ensure WCM is at the forefront of decision making.

Manage change: Back office functions, such as accounts payable can either unlock or erode value. Investment in refreshing skills, data-driven decision making, cross-functional engagement and challenging existing operating models are imperative to turnaround and transformation.



It's been an active pre-Christmas season across the regions thanks to our IFT Next Committee. Events included networking drinks at The Botanist for the London region, a games night at the Black Cat Club in the North West, and a Christmas lunch for South West & Wales.

These events are focussed on networking and help professionals who have identified turnaround and business support as their long-term career pathway. Typically, these professionals will have established themselves at a management level within turnaround and restructuring and are now looking to build upon their profile and network.

The IFT Next events and network is typically suitable for those with the following titles: Manager, Senior Manager, Director, Senior Solicitor/Relationship Manager/Director, Business Support Manager.

If you're looking to network with a focused community and are developing your career in turnaround, whether as an adviser, lawyer, banker or investor please contact us to join our distribution list.



IFT ACADEMY

The final module of our Academy Learning Programme took place in London this week, with two jam packed days of learning. Day 1 opened with a Tetramap exercise to learn more about communication styles and relationship building. The group then completed the Kolb Learning style diagnostic tool, which helps to understand how knowing your own learning style and those you're working with, can be useful in communicating more effectively. Shaun O'Callaghan then introduced attendees to a case study simulation exercise and we finished with a presentation on cash forecasting and management from Eoin Connaughton of EMRAK Limited.

Day 2 started with the case study simulations, followed by a UK economic outlook presentation from Kabir Seehra of Teneo. Module 5 concluded with graduation and certifications presented to attendees by our CEO Milly Camley.

Congratulations to The 2024 Academy Learning Programme cohort!



NEW IFT FELLOWS

We are delighted to announced two new IFT Fellows, Kerry Bailey and Tim Allen.

Kerry Bailey, BDO

Kerry is a partner at BDO and head of the Business Restructuring team in Manchester.

She has dedicated her career to guiding businesses through challenging times, with experience in diverse sectors including care homes and healthcare, manufacturing, retail and hospitality and leisure.

Kerry has been a member of The IFT since 2020 and is a long-standing key member of The IFT's North West Committee, supporting events and networking in the region.



Tim Allen, PwC

Tim is a partner with PwC and is the Value Creation and Realisation Leader for the PwC Deals business.

Tim has worked in the turnaround space for over 20 years and across sectors and clients including Baker Hughes, BP, GE, Aptiv, CBRE, Royal Mail, Dentsu, Travelex, Citibank, Deutsche Bank, and RBS.



Tim has been involved with The IFT nearly 15 years, including serving on committees, supporting the development of the IFT Academy and previously being an IFT Board Member for six years.

IFT FUNDING REPORT

The IFT recently published a new report on the UK's business funding landscape, **UK Corporate Funding: what to expect.**

The report outlines key points and information for turnaround professionals on the shape of the current funding landscape and how best to work with different funders. The report covers how approaches and considerations can differ across funding types and includes sections on mainstream corporate lending, leveraged lending, private equity and asset-based lending.

Some of the key tips for turnaround professionals (both independent CROs/directors and other turnaround professionals, include:

Stakeholder management: in the current funding landscape turnaround professionals need to take into account the different positions and drivers of the various funders, such as between ABLs and private equity, and how these interact, with added complexity of multi-creditor and multi-level agreements, as well as recognition of additional stakeholders such as auditors e.g. regarding headroom.

Clear evaluation of a business: funders value getting as clear a picture as possible on the financial position, what quantum of funding might be needed, why it is needed and as much clarity as possible around this and any risks/concerns about whether this may change, including the available runway, which can impact the ability to source funding. This builds trust and supports further requests.

Strategic and longer-term thinking: filling an urgent gap should be combined with modelling of longer-term funding sensitivities and requirements. Funders value the role of a turnaround professional in helping to assess “the right longer-term answer” as well as awareness of wider trends in particular industries or sectors and whether a business requires repositioning or other new strategies.



IFT EVENTS CALENDAR

2025 KEY DATES FOR YOUR DIARY

North Conference

Date/Time: 6th March 08:30
Location: The Studio, Leeds

In Partnership with **VALTUS**

Member: £75, Non-Member: £100

National Conference

Date/Time: 12th September, 08:30
Location: 20 Cavendish Square, London

Fellow: £250, Member: £325, Associate: £400, Non-Member: £450

Midlands Conference

Date/Time: 24th April 08:30
Location: The Studio, Birmingham

In Partnership with **ADALTA ENERGY**

Member: £75, Non-Member: £100

Annual Awards

Date/Time: 23rd October, 19:15
Location: InterContinental London Park Lane

In Partnership with **CREDEBT**

Table: Fellow: £3000, Member: £3950, Non-Member: £4395

Ticket: Fellow: £300, Member: £400, Non-Member: £480

Funding Conference

Date/Time: May
Location: Macfarlanes, London

Supported by **MACFARLANES**

Member: £75, Non-Member: £100



In addition to our key events for the year, we'll be holding a range of webinars to cover sector updates and key learning in the turnaround and transformation space.

Email info@the-ift.com for more information and to book your tickets.



IFT WEBSITE AND CRM

The IFT recently launched our new look website in conjunction with a brand new CRM system. We hope you enjoy the new system and please let us know any queries or feedback.

CRM

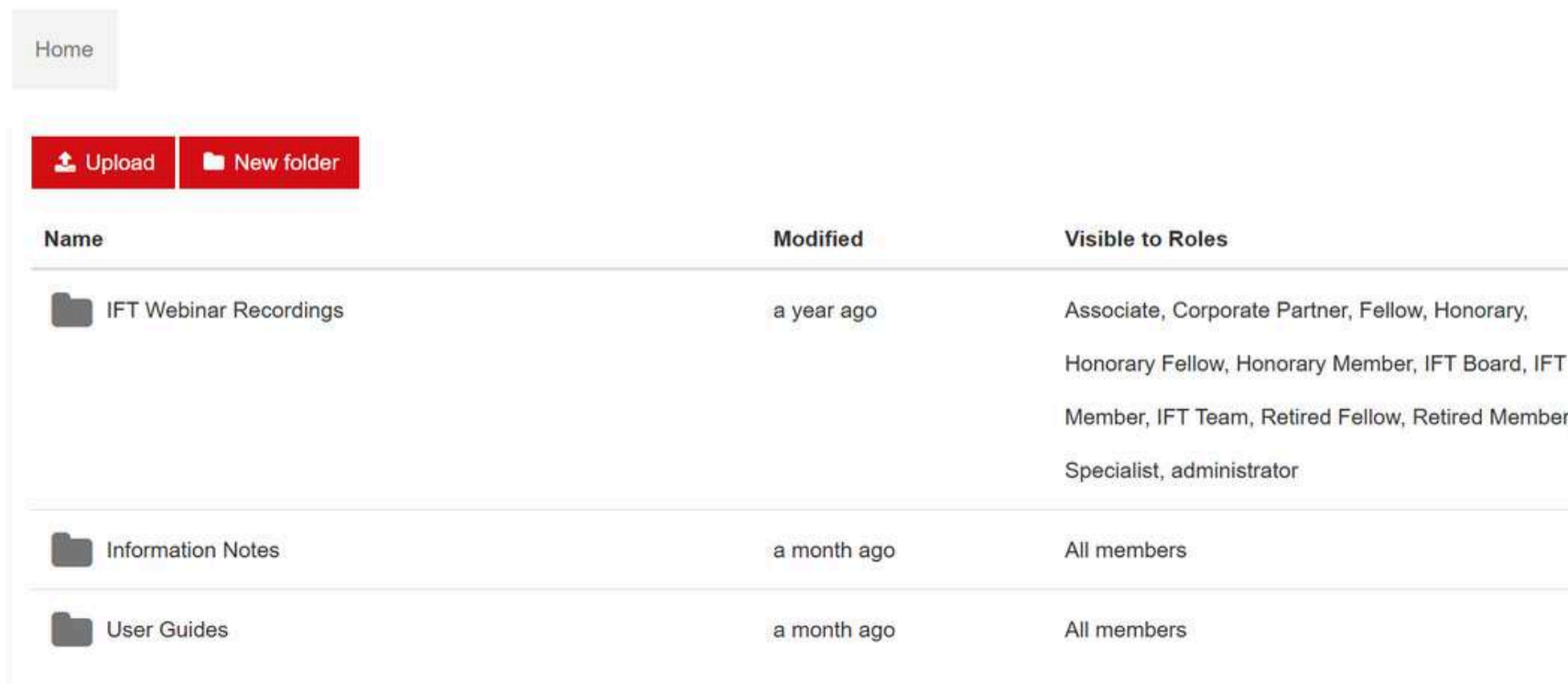
The CRM system makes it easier for you to manage and update your profile information, as well as being able to book events and make payments, including payment for your membership renewal.

Through the new CRM members and partners can:

- More easily and directly manage their membership profile, which feeds through directly to the website.
- Ability to book events directly and, where relevant, pay for events.
- Ability to pay directly for membership renewal.
- Ability to record CPD hours, including if desired automatic recording of event bookings as CPD hours, plus the ability to record external CPD.
- Access to refreshed library of information notes – short guides to essential turnaround and restructuring processes, related procedures and technical explainers.
- Access to download webinar recordings.

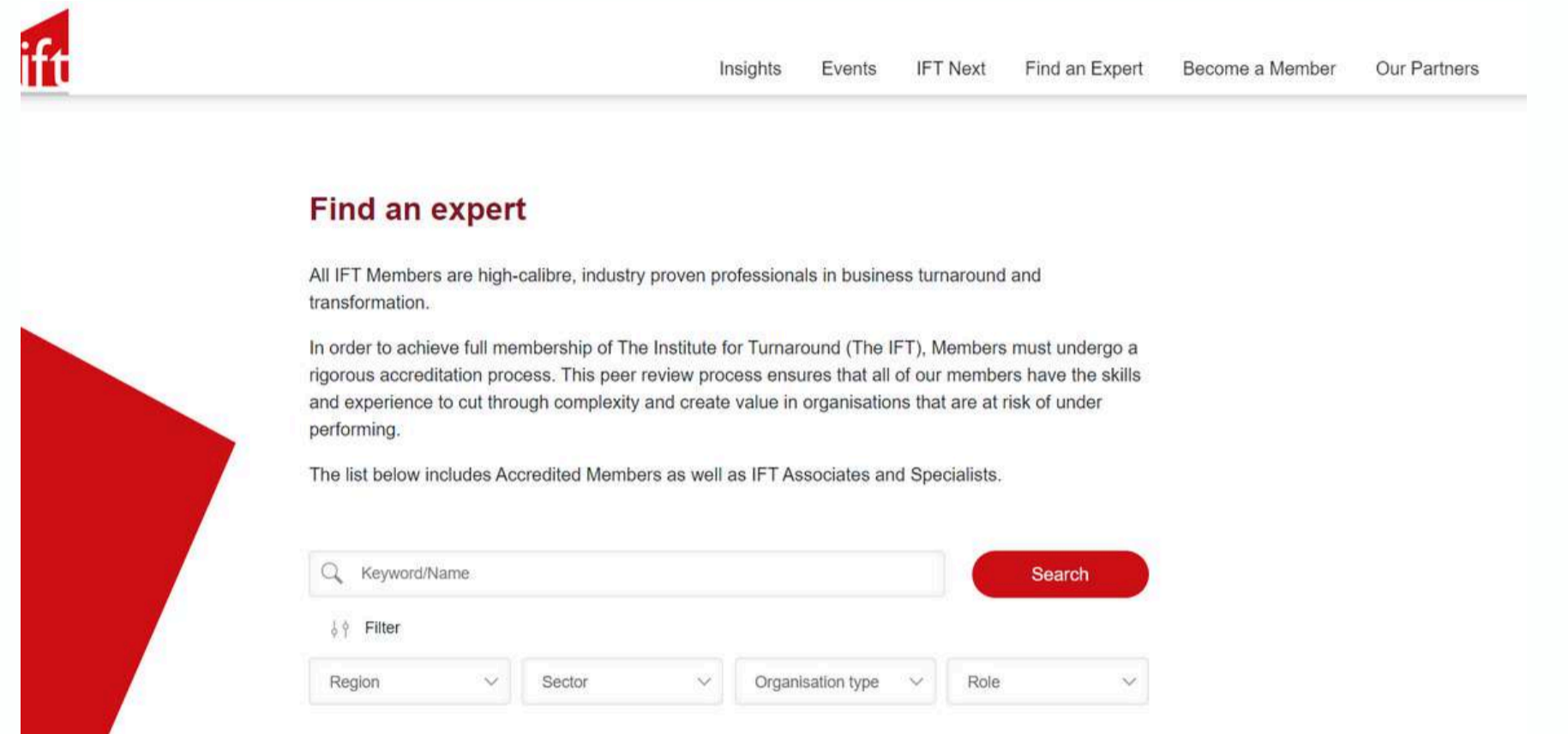


Through the Resources tab (highlighted below) you can access most of these IFT resources as well as a set of guides which support you through setting up your profile and using the CRM.



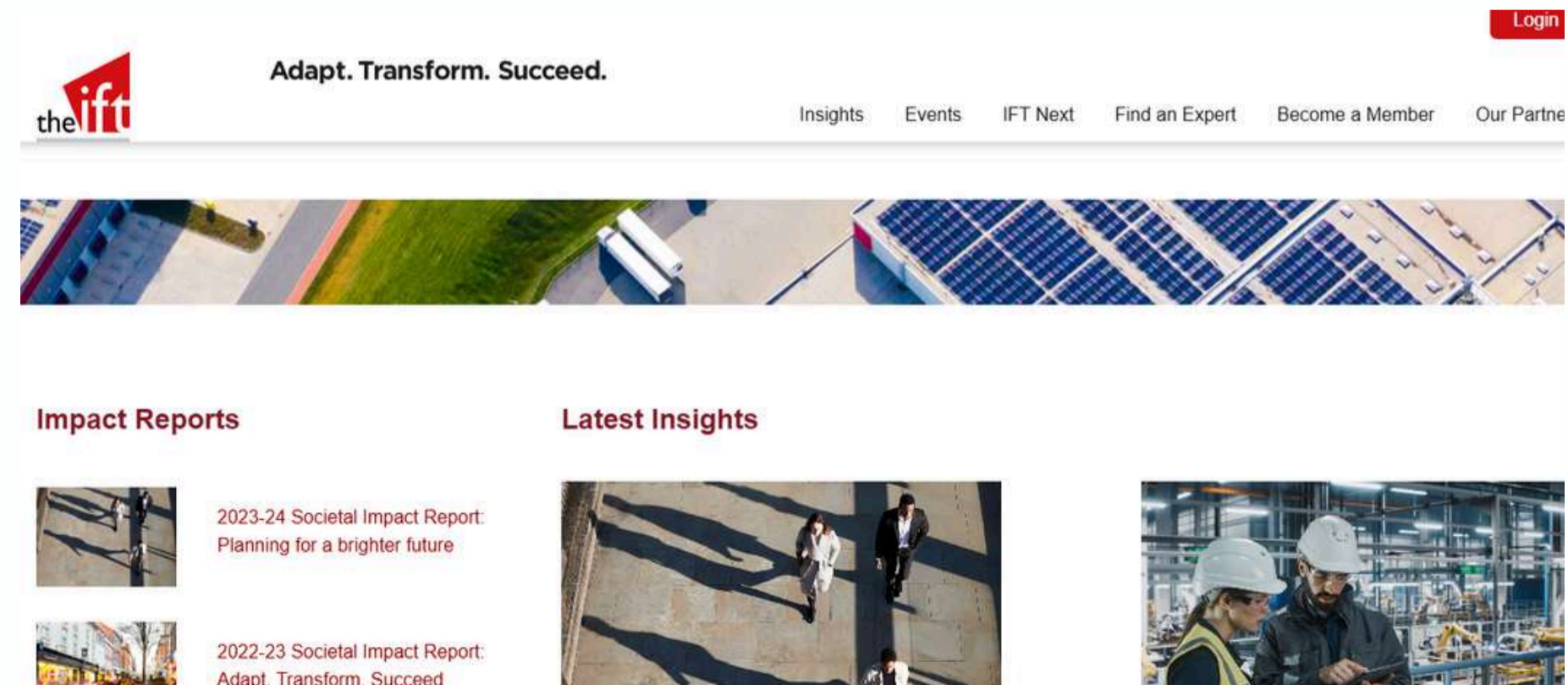
WEBSITE

The IFT's relaunched website features new and sleeker look members profiles, with easier functionality to link social media profiles such as LinkedIn and include additional information such as links to articles and quotes. We are continuing to develop the profile features even more to make it easier to be able to add information such as uploading your CV. The website also has an improved search function to make it easier to search the directory and identify suitable turnaround experts.



Starting in the new year (look at for further announcements), you will be able to book events directly and, where relevant, pay for events via the website.

The website includes an improved offering of research publications and insight articles from The IFT team and our members and partners, in an easy to navigate Insights page, which includes past editions of our Impact Reports and Swift.



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