

## **MSC Introduces:**

### **Crisis Management Solutions (C.M.S.)**

In October of 2008, in the midst of the financial meltdown, we realized that the collateral that was overstated reached farther than the financial sector and cut across the apparel industry that we had worked in for over 25 years. In talking to several of our friends in the apparel sector, we noted that with the pressure to survive, the mounting returns, excessive mark-downs, the decline in the customer base and huge deferments, the inventory, whether it be for the calculation of equity or collateral value to the banks was likely to be over-stated. Typically the lender's field auditor is trained to observe slow moving inventory, but in today's volatile economy, the banking industry needs to have a better handle on their collateral and what the true value of their client's inventory is.

This financial storm that hopefully is in the process of passing, still have plenty of dark clouds ahead, brought about a new company called "Crisis Management Solutions". Its principle objective is to do a "qualitative analysis" of inventory thru the process of liquidation when necessary. Owning and running a business, has given me great access to the market place to find a home for such goods. This experience has led us to rely on some affiliation with others in the trade to help clear out this inventory without the heavy hand of "liquidators". In order to be able to perform such a task, experience is the best weapon, and that being said, collectively we have over 65 years of experience in this industry.

This over-statement of collateral leads to the break-down of the balance sheet, a stronger need for cash, and a tendency to keep the old inventory at its old price. In some cases, these situations have become severe, placing the business near a point of liquidation and experts, not liquidators, are needed to come on the scene to access the true valuation of the inventory. We are those experts. Below is a summary of our qualifications and expertise.

Thanks, Stuart Gelb, Managing Partner Gelbstuart@yahoo.com

#### **Bios Of the Managing Partners:**

Stuart Gelb: Ohio State Graduate in the school of business with a B.A. degree and minor in finance. Started my own apparel company in 1985 called Coolwear and was president/partner for 22 years. At its height, we did over 50 million dollars a year in sales and had as much as 150 employees by the mid-nineties. I am a multi-tasked person but finance and acting C.F.O. for the firm was key to our success. I handled all bank negotiations, credit accounting issues and full credit staff. I resigned from the firm approximately a year before the firm closed.

Fred Stern: Former practicing C.P.A. with 40+ year career in public accounting. Former partner and ultimately managing partner of a prestigious medium sized New York public accounting firm that specializes in accounting and consulting substantially for the apparel industry. Participated in various credit industry clubs and organizations throughout the New York market and past president of two such organizations. Currently involved as a business and financial consultant for a few old line apparel firms.

Fred Stern, Managing Partner Fstern3831@aol.com

***For more information, call Bob Moss, Director of Business Development for MSC. Bob can be reached at (212) 997-6844 or e-mail at [bmoss@mscllc.com](mailto:bmoss@mscllc.com)***