

Business Review

Companies • Trends • Entrepreneurs • CEOs The Weekly Newspaper for Gulf Coast Business Leaders

FINANCIAL by Mark Gordon | Managing Editor

Borrowed Guidance

Companies that are growing too fast – or sometimes, too slow – can find solace in rentable chief financial officers.

When Ray Reher took hold of a struggling \$3 million Sarasota-based publishing company's books in the mid 1990s, his directive was to improve the company's financing and loan structures.

Reher came to the job with a stellar resume: The Chicago-area native had spent the first 20 years of his career working in accounting and financing for several Fortune 500 companies. Before that, he earned an accounting degree from Notre Dame and an MBA from DePaul University.

REVIEW SUMMARY

Business: Innovative CFO Solutions, Inc., Sarasota

Industry. Small businesses, financial services

Key. The one-man company provides financial-based consulting services to small businesses.

And he did his job so well that within a few years, the company, now called Miles Media, was generating \$12 million in annual revenues.

So well, that

Reher says the "running joke within the company was that I had great job security because I was the only one who understood the financing."

Reher has come full circle since that job, because the joke is now the better he does his job, the less secure his job actually becomes. That's because Reher runs Innovative CFO Solutions, Inc., a one-man chief financial officer for-hire shop, where he works with Gulf Coast-based businesses on a variety of financial and accounting issues.



Ray Reher has been running his own CFO-for-hire firm, Innovative CFO Solutions, since 2002. His jobs for clients range from standard general-ledger accounting to guiding a business through the government loan process to helping a business draft a new sales strategy or business plan.

His tasks range from standard general-ledger accounting to guiding an entrepreneur through the government loan process to helping a company draft a new sales strategy or business plan. "There needs to be a point of pain," says Reher. "That's where I come in."

But the ultimate goal is to guide the company into a higher revenue category, where, depending on how high it goes, it might mean the client no longer needs Reher's services. "This isn't about hitting a lot of home runs," says Reher. "It's about hitting a lot of short singles and advancing the runner."

Business articulation

Even if Reher's success with one client ultimately costs him a job, he won't likely have too much trouble finding other clients. First off, while the supply for independent business consultants who do something in the same vein as Reher is plentiful, so is the demand. And that's even truer on the Gulf Coast, which has several layers of companies Reher targets: Those with annual revenues in the \$1 million to \$10 million range.

What's more, Reher, who has been running his own business for about six years, long ago grasped the key small business concept of Always Be Networking. As such, Reher's name is regularly thrown around at chamber gatherings and other business get-togethers in Greater Sarasota as the guy to call for entrepreneurs and small business owners seeking help with a financial situation, be it the accounting books or finding investors.

"The major contribution I make to a

business," says Reher, "is to help them articulate what they are trying to do."

The businesses Reher has worked with include a geological services company, a metals fabrication business and several computer and networking services companies. Here's a glimpse into some of the companies Reher has worked with recently.

- **Apollo Sunguard Inc.**, Sarasota: The company, which manufactures and sells shades for outdoor structures, has about 15 employees and just over \$2 million in sales. "We aren't big enough to hire our own comptroller," says President Kevin Connelly, "but we are big enough to need the services of a comptroller."

That's why Connelly brought in Reher about two years ago. But what was initially going to be a look at the books has turned into an all-around consulting role. Reher has since helped the company rewrite parts of its business plan and refine its pro forma sales projections. The company, says Connelly, has also expanded its sales nationally under Reher's guidance.

The work Reher has done with Apollo Sunguard as worked out so well, Connelly says, it could be the one case where Reher has found himself some job security. Says Connelly: "We are getting big enough to the point where we would like to offer Ray a job."

- **CSI Networks**, Sarasota: Joe Brachle, the founder of the computer systems and Web site design firm, hired Reher about a year ago for an intricate tutorial in looking over his company's finances, so he could see how to improve profit levels. "I kind of play CFO," Brachle

says, "but I'm not really all that qualified to do all that work."

Reher began meeting with Brachle every Friday afternoon. Brachle says the sessions gave him one epiphany after another to improve various aspects of the company, which has about \$2 million a year in revenues. Brachle says the \$5,000 he's spent on Reher has resulted in more than \$100,000 in additional revenues and savings.

- **Sanwa Growers**, Inc. Tampa: This job is one of the largest Reher has had while running Innovative CFO Solutions. Sanwa is a 260-employee, \$98 million food distribution company that lost several people from its accounting department late last year. The turnover also happened just as the company was starting to go from a "C" corporation to a limited liability corporation, a bureaucratic process that takes a lot of lawyers, as well as a lot of patience.

"That is a side of the business I'm not familiar with," says Tony Leung, Sanwa's president. "I deal with the employees and the customers."

The switchover to becoming an LLC was promoted by Sanwa's growth. What started in 1992 as two facilities in Hillsborough County has since grown to include large operations in Atlanta and Orlando.

Reher, working at least two days a week out of a temporary office in the company's Tampa headquarters, has served as the contact between Leung and the attorneys going over the paperwork for the change to an LLC. Leung says Reher has also helped the company's remaining accountants create new asset allocation systems.

Innovative CFO Solutions, Inc.

Financial Management for Growing Businesses

941.378.9801 • www.innovativecfos.com