

Drive cost out of your Business

Increase cash

1. Increase turns
2. Stop discounting AR (net 0)
3. Ask for extended terms from vendors
4. renegotiate loans
5. make sure you get year end rebates from suppliers
6. Charge a delivery fee or a fuel adder
7. If you use propane on forklifts apply for tax credit (\$.50/gallon)

Payroll

8. reduce head count
9. limit overtime
10. reduce hours for employees
11. days off without pay
12. hire part-time employees instead of full time to reduce benefits
13. Mandatory vacation time for employees (extra week w/o pay) same as reducing headcount by 1 for every 50 employees.
14. cross train installation team members to reduce headcount
15. reduce health ins cost by looking at HAS
16. increase deductible on health ins
17. educate your employees about the cost of health insurance so they buy smarter
18. order medicine on line
19. Use Wal-Mart, Sam's, ETC for prescriptions

Inventory

20. auction off dead inventory
21. get rid of dead inventory by opening a thrift store
22. implement min max to help reduce inventory
23. use flea markets to dispose of dead inventory
24. consolidate buying
25. make slow moving items special order items and increase pricing especially if they have a shelf life
26. stop special order beams a stock them and cut to order
27. Use Amazon.com to sell inventory

28. Donate materials to Habitat for humanity at full cost (where they have a store)

Reduce Expenses

29. use smaller trucks for deliveries
30. mothball facilities
31. stop doing anything that does not add value
32. Set up incentive plans for as many employees as possible to get them more productive
33. Use pre lien and lien tracking
34. better/smarter buying of office supplies
35. buy energy efficient lighting and qualify for federal rebate of \$60/sqft
36. negotiate for fuel pricing
37. use (P) purchase cards
38. drop or reduce insurance – all kinds
39. Review ALL Insurance policies and get new bids
40. make sure delivery trucks are not crossing paths
41. with multiple operations reduce facilities and people
42. fire some customers who are not profitable (measure their profitability)
43. go to Google for email and stop paying for it elsewhere
44. look at going to DSL instead of T1 lines
45. Go to VOIP for phone service
46. cut back on entertainment
47. review maintenance on trucks
48. replace incandescent lights with florescent lights
49. go in house for vehicle maintenance
50. look at section 179 for tax credits on capitol equipment
51. look at 2004 tax act on employee creation act that gives a tax credit 3-9% for creating jobs
52. get your building more energy efficient (insulation/skylight/etc
53. install timers on heating / air conditioning
54. install zones for lighting in warehouse so only on when people present
55. don't do mass mailing only mail to targeted people around loyalty programs
56. GE credit cards (90 day same as cash) Homesource
57. Ask your credit card processing co for a reduction in fees for non qualified card fees. If they won't consider switching

- 58.go paperless as much as possible send invoice once a month or use email
- 59.look at qualification level on credit cards because companies charge more on some
- 60.use level 3 processing for AR
- 61.reuse truck oil to power heat
- 62.use co-op dollars for office supplies
- 63.recycle metal for cash at metal recycling plants
- 64.Look at Bio Diesel (buying or producing)