

# CFO CASE STUDY

Dual Path was founded in 2014 to provide internet service partnerships with property owners, allowing for the delivery of a fully managed and reliable internet service that bypasses traditional telecom and cable providers. Their customers range from power users such as college students to adults 70+. Based in Phoenix Arizona, the company utilizes innovative technologies throughout its service platform including a completely custom software solution that manages and monitors systems; a self-healing enterprise WiFi architecture; and a customer focused approach on technical support.

The challenge was simple; leadership was a best in class technician, but lacked the business experience to scale their operations.

Prism's work with the CEO and his expanding organization was extensive. Over a nearly 2 year period, Prism served as fractional CFO for the company, assessing the business operations and conducting a deep dive on business drivers as well as the CEO's leadership style. Early on, the Prism team helped establish a clear corporate mission and vision as well as an operating system to manage communication as the organization grew. Unit economics analysis was performed on all products and financial forecasts and budgets were established.

Strategy meetings led to the launch of two new operating businesses in order to help with revenue diversification and customer concentration risk, while the primary business was scaling up. Prism provided financial reporting and tax advisory support along with sourcing and coordinating a wide array of services for the respective and growing companies including legal, specialty tax and HR to name a few. Further support was provided in the hiring of workers in the UK and Mexico as the companies grew and searched the globe for top talent. Most recently, Prism provided decision support in the hiring of a new CEO for one of the companies while helping the respective businesses develop employee compensation plans and equity participation arrangements for leadership.

The results were nothing short of amazing. In less than two years, total sales for the CEO's enterprises increased 4x along with cashflow to the owner group. The respective team grew to 15 and included some of the best talent in the world. R&D tax credits provided the owners with a recapture of over \$62k of related expenses. The business systems developed enabled the owner to manage the enterprise rather than work in the business.



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## CHALLENGES

- Lack of clear vision
- No operational management system
- Limited strategic support
- No forecast budgets or financial management
- High customer concentration
- A highly interconnected personal and business balance sheet of the owner
- Limited working capital

## SOLUTIONS

- Establish a clear Mission and Vision for the firm
- Align company values and hiring processes with management style
- Leverage a competitive market advantage to launch a VAR
- Hire a new CEO
- Source the best talent around the globe
- Launch international sales
- Build a unique new business to support a large customer need
- Establish an annual R&D analysis to recapture related expenses
- Establish lines of credit and strategic advice on how and when to use it during the pandemic
- Establish score cards and operating procedures to improve employee management

## RESULTS

- Top line enterprise sales increased 4x in two years
- Pride in the development of a suite of world class businesses
- Owner income doubled
- A best in class team was built across the enterprise
- Sales went international
- R&D tax credits were identified and related expenses recaptured
- Customer concentration was reduced