

# Word of Mouth

From gingham to garden tools,

CMA Pramen Prasad helps

businesses 'rake' in the money

by John Cooper

“There isn't a day that goes by that I don't use my CMA skills,” says Pramen Prasad, who runs a small but busy consulting firm in Toronto's north end. In 12 years in the management of business services, Prasad has developed a diverse client list that ranges from food distribution and communications to transportation and fashion. “Clients require me to be a constant advisor in business and financial matters,” the enthusiastic 35-year-old says. “Whether it's day-to-day business or expansion plans, they're going to consult me first.”

The CMA designation is a “value-added component” to his work, says Prasad, who first enrolled in a CMA course in Vancouver, where he grew up. “I knew that I wanted to be a CMA, and knew that in business the CMA training would stand me in good stead,” he says while sitting back in an office furnished in functional cherry wood and accented by tropical plants.

Moving to Toronto to follow a door-opening career path in 1987, Prasad became a partner in a local firm. After his partner retired last fall, he assumed the reins of his own company under his name. Among his clients is a well-known fashion house for which Prasad has completed a major business plan. “We know this company is going to be very success-

ful,” he says. “The principal is an up-and-coming designer in the fashion industry. I helped him by preparing a key business plan for growth and we are currently working with the financial industry on some backing to get it going. Previously, this company never had a formal business plan.”

The North American fashion industry, with which Prasad has been associated for 10 years, is unique in that it operates at least two seasons ahead. “People are buying spring fashions now from retailers, but the industry is selling its wholesale clothes for the fall season,” he says. “It is an industry where a lot of forecasting takes place and people are very careful and choosy about whom they back financially.”

According to Statistics Canada, the Canadian garment industry ships \$50 billion in product annually. Most of Canada's 2,000-plus garment manufacturers are small and medium enterprises; they employ upwards of 100,000 workers and two-thirds are located in Québec. The fashion industry is also becoming a competitive field as retailers incorporate a demand for loyalty into their business agreements; recent business stories cite the requirement by major Canadian retailers that their suppliers provide specific product lines to them and no one else. Hence the need for business advice that is tailored to a client's needs.

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tors for a client,” says Prasad, adding that it “allows you to get inside an organization, breaking it apart and analyzing it. It helps me to make recommendations that make sense to my clients.”

Among his clients, Prasad counts those in the transportation, digital communications and packaging industries. One small company under Prasad's tutelage watched its annual sales increase from \$100,000 to \$5 million. Others run on a lean budget and enhanced, streamlined efficiencies require extra guidance and the advice of an external controller until they have their operational infrastructure in place. “We've got some companies that are at \$15 million in revenue now, and three years ago annual revenue stood at \$5 million,” says Prasad. “These are great companies to be associated with and I'm happy to have the privilege of being involved with them.”

Among the success stories is Stan Cohn Produce Distributors (a division of Staco Potato Distributors Limited), a firm that continues to benefit from Prasad's work. The Mississauga-based, family-owned distributor of fresh fruits and vegetables ships food products to clients across Canada and the U.S. The 33-year-old company, oper-



Photo: Craig Minielly MPA, Aura Photographics

ated by Stan Cohn and his sons Larry and Keith, has used Prasad's expertise to develop forward-looking business plans.

"They've helped us grow," says Larry Cohn. "They've helped us at every stage with advice that is always good. Pramen is very computer literate and we've done some spread sheets together. He's really amazing."

To be effective, a CMA must get to know a client's operation, as well as its industry, "inside out," says Prasad. "I'm very careful with how I proceed with any assignment. If I don't already know the industry I'll research it and make a lot of inquiries about it. And because I've been involved in small business accounting practices for many years, the advice I give to companies can vary. I can tailor it specifically to the company I'm dealing with at the time."

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That kind of tailored approach worked out well with a client who is involved in the garden tool business and who is literally 'raking' in the money today. It was a different story years ago when the company founder went deep into debt to launch his product, a revolutionary garden rake.

"When they first started they lost a lot of money," says Prasad. "But it is a unique company and we helped them to get into the U.S., where their rakes and other garden products took off. They're now on the U.S. cable shopping giant QVC and the future is very bright for them." A success story on its own, electronic mega-retailer QVC got its start in 1986 under the direction of Franklin Mint founder Joseph Segal and by 1993 had become the largest televised shopping service in the U.S., reaching 80% of all cable-

linked homes and three million satellite dishes. By 1998, the company had recorded sales of \$2.4 billion. All of which made it an ideal location for Prasad's client.

"A lot of that success, of course, had to do with the client himself. He has a drive and a determination to be a success," he says. "QVC will call him now and ask him to sponsor a product, so he has the ability to sponsor a product without having to source it himself. We continue to try to give him the right tools and the right kind of advice for him to continue to grow."

With a staff of four full-time and several part-time as needed, Prasad oversees an operation that is very systems-oriented. And he's proud that his client list is growing by referral only.

"Our business is totally based on referrals," he says with a smile. "It's all word of mouth. It's our clients who decide who they'll pass our name on to. That in itself is very gratifying."

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