

POSSIBLE (RE)DEFINED

Future-Proof Your Pricing: Strategic Moves in Uncertain Times

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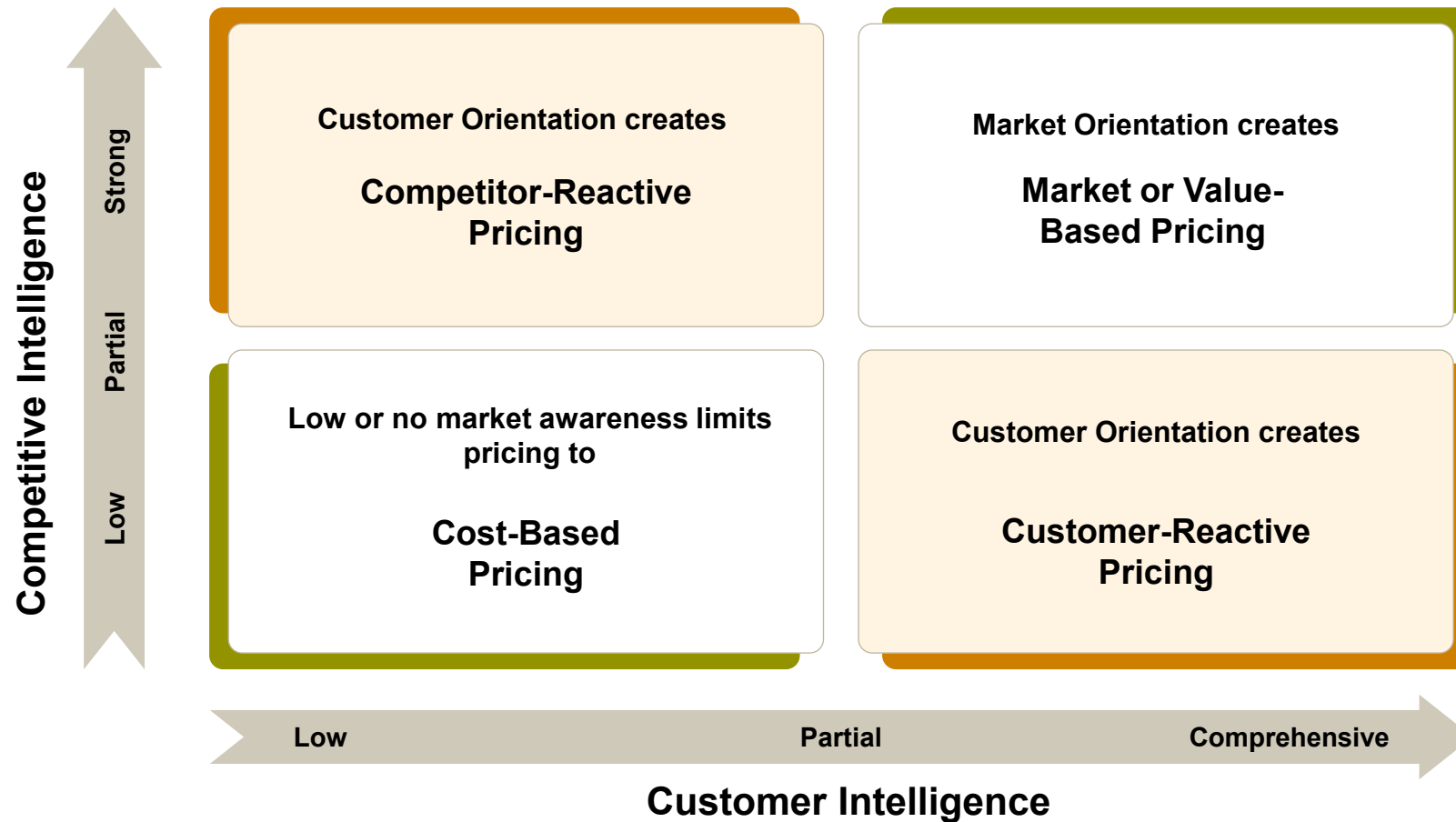
Solution Architect

EXPLORING NEW AREAS

Agenda

- Get to Know the Basics of Pricing
- Price or Surcharge: What to do in a Changing Cost Environment: Price or Surcharge?
- How to Craft and Deploy a Pricing Strategy That Drives Maximum Value.
- Understanding the Consequences of (not having) a Pricing Strategy
- Learn how AI and Tech are Reshaping Pricing.

Fundamentals: *Pricing Basics*



Fundamentals: *Strategic Pricing*



Pricing to Survive *and Thrive*

Lessons from Restructuring on (Not Having) a Pricing Strategy



- **Lack basic visibility into pricing structures**

- **Don't understand true cost components**

- **Aren't aligned cross-functionally to execute price changes effectively**

These shortcomings aren't just operational issues—they're strategic failures that lead directly to financial distress.

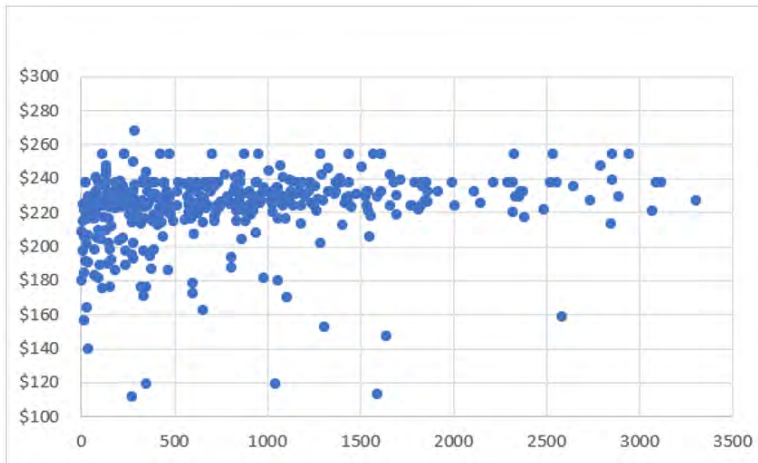
Common Challenges



Case Studies: *Basic Analysis*

Same analysis, different insights, customized action plans

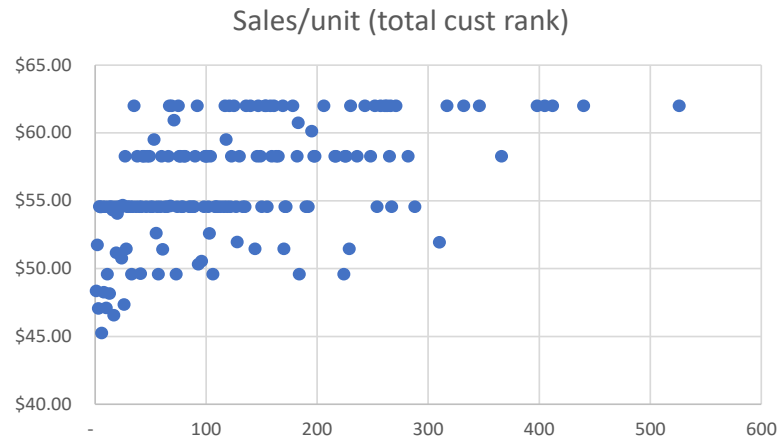
Client #1



Initial Assessment:

- Minimal gross price control
- "Wild West"

Client #2

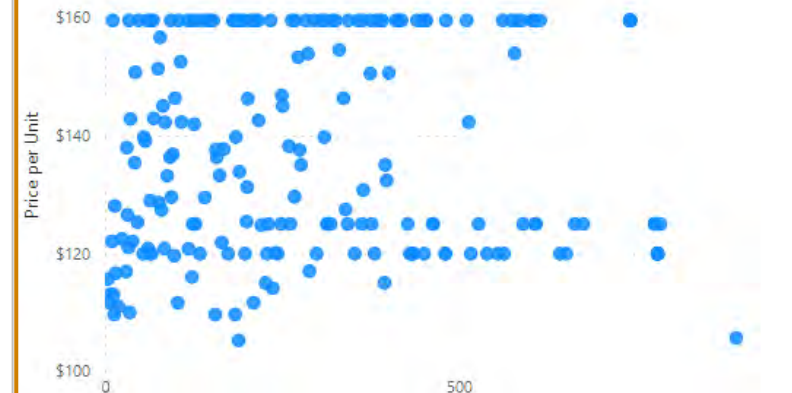


Initial Assessment:

- Strong gross and net structure
- Falls apart (discounts) for largest customers

Client #3

Customer Size Rank vs Pricing



Initial Assessment:

- Strong gross, some net structure
- Opportunity with net levels & large customers

Case Studies: *Results*

From Distress to Success

TECH

- **WIFI Provider for Apartment Complexes**

Trigger: A \$20m investment infusion was burned in 2 month and management could not account for it.

Diagnosis: 95% of contracts were not priced to cover costs

Fix: Basic operational controls to track cost and billing, extending the company's cash runway.

MANUFACTURING

- **Manufacturer of Sheds & Small Structures**

Trigger: Covenant defaults from significant EBITDA losses

Diagnosis: Management had no visibility into cash drivers. Reactive price increases exhausted elasticity.

Fix: Rebuilt financial reporting and implemented immediate cuts and renegotiations with lease and management salaries.

AUTOMOTIVE

- **High performance Auto and Powersports Parts**

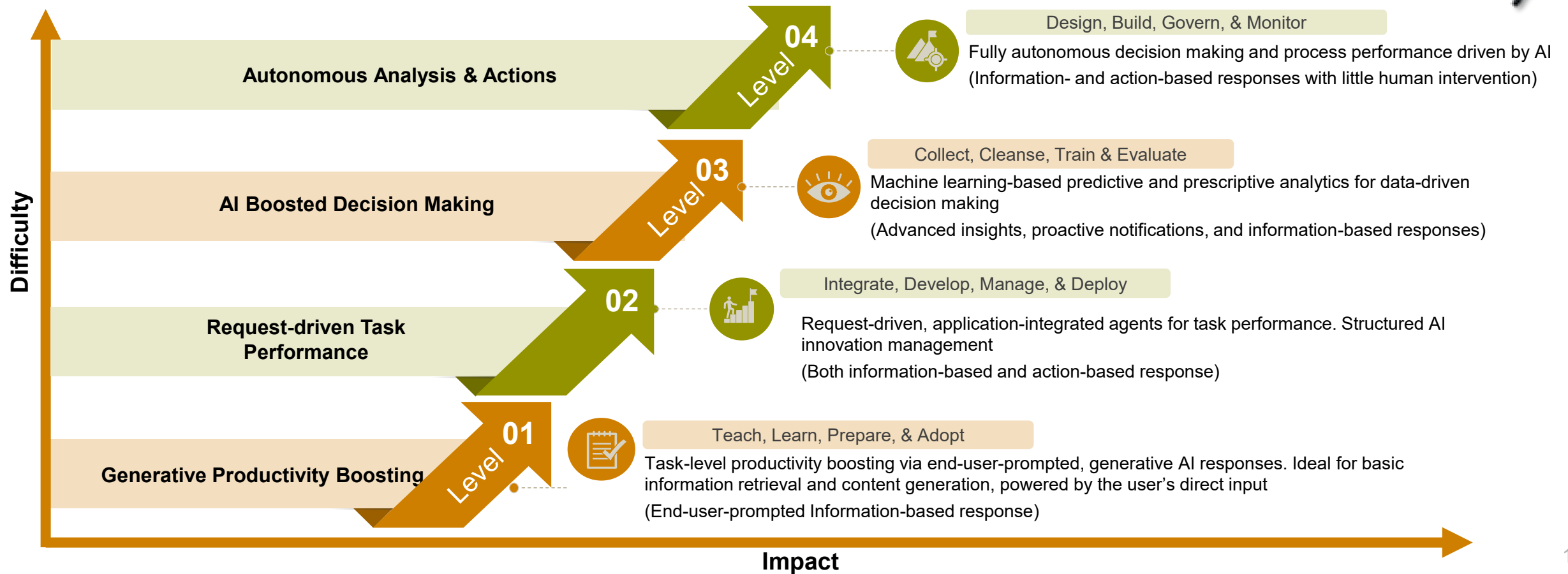
Trigger: Unable to meet debt obligations and unclear of the root cause. Anticipated industry downturn motivated investors (PE) to identify the lack of profitability.

Diagnosis: Standard costing buried overhead; no clarity across portfolio brands.

Fix: Portfolio-wide break-even analysis normalized cost data.

Drive Rapid Results

HOW TO MAXIMIZE THE IMPACT OF YOUR DATA & AI INVESTMENTS



Be Proactive

“Change before you have to.” - Welch

Distress can be avoided when management stays proactive to employ ...

- Good data
- Useful reporting
- Leverage tools and technology

to stay ahead of the market variables.



POSSIBLE (RE)DEFINED

The End

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