

Restructuring saves a unique concept from extinction

A unique training concept that could revolutionise music teaching and sport coaching needs a new owner to take it to market. Finding the right business person to salvage a great idea is all in a day's work for the team at Jirsch Sutherland.

There is a perception in some parts of the community that when businesses are placed in the hands of insolvency specialists, such as Jirsch Sutherland, it is because they are unviable.

Nothing could be further from the truth, according to Jirsch Sutherland Partner [Bradd Morelli](#): "Every matter that we deal with is complex and unique," he says. "And this diversity, in turn,



Bradd Morelli

requires us to find unique solutions that result in the best possible outcomes for all concerned parties."

"The failure of any business is a personal tragedy for those who have invested their time, money and hearts into creating and running that enterprise. Businesses fail for many reasons and, while there are some 'cowboys' out there, very often those involved are hard-working, dedicated people for whom things have gone awry."

However, it doesn't always follow that the business cannot be saved. "The perception that when a business is placed in the hands of a specialist insolvency practice, the only options are to sell off any assets and pay the creditors," Bradd explains.

"In some cases, after careful assessment, we find that this is the only option. But it is not one that we take lightly and it is important to note that we always attempt first to salvage the enterprise if we can.

"Businesses that have failed financially are often incredible, groundbreaking concepts that the owners simply can't sustain financially until they take off. This is where practices such as Jirsch Sutherland, by finding new owners, are able to save a concept that would otherwise be lost, possibly forever, and with it the research and effort that have the potential to be of benefit to the community."

Ground-breaking motion analytics technology

One recent example of such a matter is Guided Knowledge Group Pty Limited and its subsidiary Guided Knowledge Pty Limited. Starting with guitar and golf, the systems digitally captured the physical and intellectual expertise of specialists in both to create a one-on-one coaching conversation between the expert athlete or musician and the online student.



“It is an exciting concept,” Bradd says. “Unfortunately, the company’s finances ran out before they were able to take it to market.”

Jirsch Sutherland was appointed Voluntary Administrator and after undertaking investigation, the Administrators determined that the concept was viable as a business proposition under new management that could afford to support the cost of completing development and taking the product to market.

“We sought expressions of interest in respect to the purchase of this innovative business, its assets and intellectual property,” Bradd says. “As a result, we are confident that while the original business has failed, the concept can live on. It is a disappointing outcome for those who have lost their business. But by finding new owners, the aim is to save a unique innovation.”

Article from November 2016