WEEKLY PROGRESS REVIEW (WPR)

The purpose of the Weekly Progress Review **(WPR)** is to engage key stakeholders in the process of improving the business. We will agree on the prioritization and scale of core issues, and the opportunities identified and realized. Finally, we will summarize this week's activities, findings, the tools built, and the changes implemented. We will discuss the training conducted, measure our results, and review the direction for next week.

The **WPR** builds on the Consulting Services Agreement and Project Plan between Cogent Analytics and Dunning Industries. This report covers the period from 2025-06-23 to 2025-06-27.

Executive Summary:

Cardinal Transportation has entered an execution-ready phase on every priority front—acquisition, commercial engine, and digital infrastructure—replacing aspiration with measurable, near-term outcomes.

1. Buckeye Acquisition—De-risked, Financed, and Timed

- **Resilience Proven.** Five-year analysis shows revenue rebounded 3.4× post-COVID while EBITDA margin lifted from 7 % to 38 %, delivering four straight cash-rich years.
- **Fair-value Pricing Locked.** A $4.4 M headline—4.2× run-rate EBITDA—sits below market comps yet includes a §338(h)(10) step-up worth ≈ $0.9 M in tax shield.
- **Balanced Capital Stack.** 60 % cash, 25 % five-year seller note, 10 % earn-out, 5 % escrow align liquidity, performance, and risk. Pre-closing liabilities remain with seller; three-year, 100-mile non-compete and Lima carve-out covenants protect post-close earnings.
- **ROI Visibility.** Even with full earn-out, first-year cash-on-cash return holds at ~16 %; without the earn-out it spikes to 23-36 %. LOI templates and diligence checklists are ready for issue the moment legal confirms final wording.

2. Digital Sales & Ops Stack—From Concept to Working Prototype

- **Reservation-to-Cash Workflow Live in Sandbox.** A booking now flows from draft TBN Drives portal → e-contract → instant payment → dispatch → Samsara telematics → QuickBooks post → Zoho CRM/Desk/Books KPI dashboard with 100 % API uptime in 72-hour soak tests.
- **Controlled Continuity.** No systems retire until production stability is proven; overlaps are flagged but kept live to ensure zero operational risk.
- **Open Items.** Inatech backend review slated this week; Zoho One procurement in flight; Harrison to train James on pricing tool prior to go-live.

3. Commercial Engine—Launch-Ready

- **Business Development Plan Finalized.** CSR playbooks, segment value props, and Zoho CRM pipelines are loaded; activation will coincide with Zoho production switch-on.
- **Metrics Day One.** Outreach actions, conversion rates, and margin per trip will appear on the same dashboard as fleet KPIs—closing the loop between sales effort and profit yield.

Focus – **Acquisition** | *Pillar* – **Strategy** | *Deliverable*- **Assessment**

Five-Year Operating Story at a Glance

Year	Revenue	COGS	Gross Profit	SG&A / OpEx	Net Profit	EBITDA	FCF
2019	$3,500,693	$1,384,314	$2,116,379	$1,660,864	$582,591	**$1,309,796**	**$456,123***
2020	$ 761,769	$ 312,564	$ 449,205	$ 463,046	$191,521	**$ 262,016**	**$267,890***
2021	$1,872,696	$ 615,758	$1,256,938	$ 540,143	$1,297,950	**$1,340,605**	**$1,229,257***
2022	$2,953,728	$1,095,888	$1,857,840	$1,090,632	$ 878,495	**$ 994,331**	**$ 827,661***
2023	$3,314,500	$1,172,675	$2,141,826	$1,231,856	$ 975,220	**$1,063,128**	**$ 860,293***
2024	$3,530,489	$1,221,945	$2,308,544	$1,161,656	$1,269,583	**$1,349,675**	**$ 412,795**
2025 YTD	$2,050,224	$ 645,937	$1,404,287	$ 752,932	$ 684,979	**$ 700,080**	**$ 350,000**

* FCF assumes maintenance CapEx ≈ book depreciation and uses actual year-end working-capital deltas.
** 2025 YTD FCF is a simple half-year estimate (Net Income + dep. – est. maintenance CapEx, no WC

2019 – 2020: COVID shock and fast reset

- Revenue fell 78 % in 2020 as field trips and charter work evaporated, but management cut variable costs just as fast—COGS dropped in lock-step, leaving gross margin steady at ~59 %.
- SG&A stayed lean; the business still eked out $ 191 k of profit and $ 262 k EBITDA despite the lost top line.
- Free cash flow remained positive because buses were parked (CapEx only maintenance).

2021 – 2022: Rebound and normalization

- Sales more than doubled in 2021 and another 58 % in 2022 as schools and university shuttles came back.
- Operating expense discipline kept SG&A almost flat, so nearly every new dollar of revenue flowed to the bottom line:
- EBITDA climbed from $ 262 k (2020) to $ 1.34 m (2021) and held around $ 1.0 m in 2022.
- Free-cash-flow conversion ran 85-90 % of EBITDA because CapEx was limited to engine rebuilds and body work.

2023: Plateau at a higher gear

- Revenue pushed past the pre-COVID high to $ 3.31 m.
- Gross-profit margin stayed in the 64-65 % range; SG&A ticked up with driver recruiting and insurance, yielding $ 1.06 m EBITDA and $ 860 k FCF—ample to cover the proposed seller-note service in a deal model.

2024: Record profitability

- Top line reached $ 3.53 m (+6 %), while SG&A was held flat, driving net profit to $ 1.27 m and EBITDA to $ 1.35 m—the best year in the set.
- One-time cash uses (parts inventory build and prepaid repairs) cut FCF to $ 413 k, but those items reverse in early 2025.

2025 YTD: Trajectory holds

- Through late June revenue sits at $ 2.05 m tracking to another ~ $ 3.7 m year.
- EBITDA margin is consistent (34 % YTD), landing at ≈ $ 700 k six-months in. FCF will firm up once year-end CapEx and working-capital swings are known.

What a Buyer Sees:

- Resilience: Even the pandemic year remained EBITDA-positive.
- Margin discipline: Gross margin ~60 %; EBITDA margin improved from 7 % (2020) to 38 % (2024).
- Cash generation: Four full years of FCF > $ 0.8 m (excluding 2020) under a maintenance-CapEx regime.

- Run-rate support: Trailing two-year EBITDA averages $ 1.2 m, matching the figure used in the valuation model.

In short, the table shows a business that weathered a once-in-a-lifetime downturn, bounced back quickly, and now throws off reliable seven-figure operating cash—exactly what underpins the $ 4.4 m headline price.

Focus – **Acquisition** |*Pillar* – **Strategy** | *Deliverable*- **Assesment**

Possible Purchase Types:

Asset Purchase:
The buyer acquires only selected assets (such as vehicles, inventory, and equipment) and does not assume any pre-existing liabilities unless specifically agreed. This structure provides the buyer with a step-up in tax basis for depreciation and shields them from legacy legal, tax, or contractual obligations of the seller. All pre-closing lawsuits, debts, and liabilities remain solely with the seller.

Stock Purchase:
The buyer acquires the entire legal entity, including all assets, contracts, and liabilities—both known and unknown—by purchasing the seller's stock. The tax basis of the assets does not change, and the buyer inherits any legal or financial exposures from prior operations. This approach offers operational continuity but exposes the buyer to greater historical risk.

Section 338(h)(10) Election ("Best of Both Worlds"):
Legally structured as a stock purchase, this election allows the transaction to be treated as an asset sale for tax purposes, granting the buyer a step-up in asset basis for depreciation while retaining automatic transfer of contracts and licenses. However, the buyer still inherits all the company's liabilities, **so strong language indemnification is critical.** This structure is only available for certain types of corporations (like S-corps) and requires joint election by both buyer and seller.
**Note: For Ohio Commercial Activity Tax (CAT) purposes, a Section 338(h)(10) election is disregarded; the transaction is treated as a stock sale, not an asset sale, and there is no step-up in asset basis or change in CAT reporting. The buyer continues CAT filings as if the entity's ownership has not changed.*

Deal Type	How Price Is Built	Indicative EV	Notes
Asset Purchase	• Fleet FMV **$ 2.72 m** • Parts & receivables **0.30 m** • No goodwill (no contracts)	**≈ $ 3.0 m**	Buyer acquires only listed assets; seller keeps cash, debt, and all legacy liabilities. Buyer gets full basis step-up.
Stock Purchase	• Same $ 3.0 m assets • + Cash on B/S **$ 1.1 m** • – Debt (owner loans) **(0.59 m)**	**≈ $ 3.5 m** equity	Buyer acquires entire entity—including liabilities. No basis step-up; highest risk profile.
§ 338(h)(10)	• Starts from **$ 3.5 m** stock value • + NPV of depreciation shield on stepped-up fleet basis (≈ $ 0.9 m)	**≈ $ 4.4 m**	Legal stock sale with asset-sale tax treatment. Buyer inherits liabilities but gains depreciation benefit. Ohio CAT still follows stock form (no CAT basis change).[1]

[1] *Seller's Schedules will state that all pre-closing debts, taxes, lawsuits, and any other obligations remain with the Seller, giving the Buyer a clean start.*

At $4.4 million, the deal price equals tangible assets plus the quantified tax-step-up benefit. Divide that by Buckeye's $1.05 million steady-state EBITDA and you get a 4.2× multiple—comfortably below the 4–7× range typical for private motor-coach operators, signaling a fair-value, risk-adjusted price rather than a premium.

Focus – **Acquisition** | *Pillar* – **Strategy** | *Deliverable*- **Assessment**

Possible Purchase Types Continued:

Key Assumptions (Updated for 2024/2025 Financials)

1. **Fleet Valuation:**
   $2.72M (20 units, based on researched 2025 FMV per bus list and market comps)
2. **EBITDA Multiple:**
   4.0x (reflects lower end of NAICS 485999 range, due to no contracts/goodwill)
3. **Liability Treatment:**
   - **Asset/338(h)(10):** Seller retains all pre-closing liabilities (including $588K owner loans, taxes, lawsuits)
   - **Stock:** Buyer assumes all entity liabilities (as of June 25, 2025: $619,732)
4. **Tax Rates:**
   21% corporate rate for depreciation and tax shield calculations

Why the Variance?

- **Asset Purchase:** Lower value, as it excludes cash, liabilities, and any goodwill or contract premium.
- **Stock Purchase:** Higher, as buyer receives cash ($1.1M) but assumes all debts and liabilities.
- **338(h)(10):** Premium over stock value reflects the present value of tax benefits from a stepped-up asset basis (typically $0.8M–$0.9M NPV on $2.72M fleet).

**This is not legal, financial or tax advance. These illustrations, narratives and numbers are for discussion purposes.*

Analysis (Hybrid Method)

Component	Value	Source / Notes
Rolling-stock FMV	**$ 2,720,000**	20-unit fleet schedule (agreed values)
Working-capital assets	**$ 300,000**	2024 receivables + parts inventory peg
Tangible subtotal	**$ 3,020,000**	
Intangible / goodwill step-up	**$ 1,380,000**	Balances to headline price; represents tax-shield premium

Component	Value	Source / Notes
Total purchase price	**$ 4,400,000**	

Adjustments

- Cash on B/S ($ 1.1 M) and shareholder debt ($ 0.59 M) are **excluded** in an asset context but ride with sellers in APA schedules.
- No terminal value or contract goodwill assumed (conservative).

Focus – **Acquisition** | *Pillar* – **Strategy** | *Deliverable*- **Assessment**

Possible Deal Structure:

Component	Amount	%	Key Terms
Cash at Closing	**$ 2,640,000**	60 %	Wire transfer at closing
Seller Note	**$ 1,100,000**	25 %	5-year, 6 % fixed, ≈ $21,525/mo; 1st-lien on fleet; personal guaranty; no pre-pay penalty
Performance Earn-out	**Up to $ 440,000**	10 %	24 mo; Yr-1 Adj-EBITDA ≥ $ 1.20 M → $ 176 k; Yr-2 ≥ $ 1.30 M → $ 264 k; 90 % threshold
Indemnity Escrow	**$ 220,000**	5 %	18-month joint escrow for reps & warranties

60 % cash gives the sellers real liquidity on day one; 25 % in a five-year, 6 % seller note keeps them invested and smooths buyer cash flow; a 10 % earn-out ties the last dollars to post-close EBITDA targets; and the 5 % indemnity escrow sits parked for 18 months to cover any rep-and-warranty surprises.

Critical Liability Protections

"**Sellers retain all pre-closing liabilities, including but not limited to:**

- $ 588,572 shareholder loans (Bus #70 financing)
- Ohio PTE tax accruals ($ 12,755)
- Any pending or future litigation, payroll taxes, DOT fines, environmental claims."

Buyer assumes **zero** historical obligations; indemnity survives indefinitely.

Non-Compete & Customer Non-Solicit – Standard Terms

- **General Non-Compete** Three (3) years from Closing; 100-mile radius of any Buckeye terminal.

- **Restricted Activities** Owning, operating, managing, or advising any charter, shuttle, or school-bus carrier that competes with Buckeye; soliciting or hiring Buckeye employees.
- **Customer Non-Solicit (Top 25 %)** For **twenty-four (24) months** after Closing, Seller and all affiliates **—including the Lima Entity during its carve-out period—** shall not solicit, accept business from, or provide transportation services to any customer in the **top 25 % of Buckeye's clients** (ranked by revenue or trip volume) as listed on the mutually agreed customer schedule covering the 24 months prior to Closing.

Possible Deal Structure Continued:

- **Permitted Exceptions** Passive investments < 2 % in a public company.
- **Remedies** Injunctive relief plus Buyer's right to offset proven damages against any unpaid earn-out or seller-note balance.

Lima Business Carve-Out

- Seller may keep ownership in the Lima Entity for up to **18 months** post-closing.
- While retained, Lima operations must use separate assets, books, and branding.
- Lima **remains fully subject to the 24-month customer non-solicitation clause above**.
- Seller must certify ownership % and disclose any Lima claims **quarterly**.
- Failure to divest to 0 % by Month 18 forfeits **50 % of any unpaid earn-out and 50 % of the outstanding seller-note principal**.
- Seller indemnifies Buyer for all Lima-related liabilities arising pre-divestiture; indemnity survives **(x) years**.

Asset-Specific Terms

Item	Detail
Fleet transfer	Title assignment of 20 buses at FMVs above
Excluded assets	Cash ($ 1.1 M), any real estate
Working-capital peg	$ 300 k (true-up ± dollar-for-dollar at Day 60 post-close)

Risk-Mitigation Measures

- **Due diligence:** 60-day window; full fleet inspection, title verification, DOT compliance check.
- **Representations & warranties:** 5-year survival for fundamental; 18-month cap on general business reps.
- **Key employee retention:** 90-day transition consulting agreement with owners.
- **Non-compete:** 3 years, 100-mile radius (Lima carve-out excepted until divestiture).

Focus – **Acquisition** | *Pillar* – **Strategy** | *Deliverable*- **Assessment**

Possible Deal Structure Continued:

Tax Snapshot

Party	Tax Effect
Buyer	Full basis step-up on $ 4.4 M assets; ≈ $ 0.9 M NPV depreciation shield (federal + OH income).
Seller	~ $ 1.1 M ordinary + capital-gain tax in year of sale; note interest taxed over five years.
Ohio CAT	Election ignored; CAT filings continue on stock basis.

Why This Structure Can Work?

Buyer Benefits	Seller Benefits
Depreciation shield; automatic contract & DOT transfer	60 % cash up-front; earn-out upside
Escrow + indemnity ring-fence legacy risk	Note interest income; installment timing
Balanced 60/25/10/5 split	Higher headline price offsets recapture tax

Possible Next Steps

1. Circulate this pricing & deal-structure summary to Steven Dodd for comment.
2. Finalize a signed LOI/term sheet (headline price, payment mix, non-compete, Lima carve-out, escrow).
3. Kick off 60-day confirmatory diligence once LOI is in place.
4. After diligence green-light, draft the definitive APA, escrow agreement, and Form 8023/8594 schedules.
5. Target signing and closing ≈ Day 60 from LOI execution.

Focus – **Acquisition** | *Pillar* – **Strategy** | *Deliverable*- **Assessment**

Impact:

Impact of the Performance Earn-Out on First-Year ROI

Metric	Asset Deal – $4.0 m	§338(h)(10) Deal – $4.4 m
Buyer cash at closing (equity outlay)	**$1,600,000**	**$2,640,000**
Baseline free cash flow (run-rate year)	860,000	860,000
Seller-note service (year 1)	(280,000)	(250,000)
Cash return before earn-out	**$580,000**	**$610,000**
ROI before earn-out	580k ÷ 1.6m = **36 %**	610k ÷ 2.64m = **23 %**
If Yr-1 EBITDA ≥ target → earn-out paid	320,000	176,000
Cash return after Yr-1 earn-out	**$260,000**	**$434,000**
ROI after Yr-1 earn-out	260k ÷ 1.6m = **16 %**	434k ÷ 2.64m = **16 %**

Take-away

- Before any earn-out, the asset deal delivers ~36 % first-year return on equity; the §338 deal about 23 %.
- If Buckeye hits its first-year EBITDA target and the earn-out triggers, the cash paid to the seller lowers both structures to roughly the same ~16 % first-year ROI.
- Year-2 earn-out (if earned) would further reduce cash return in that year, but only if performance meets or exceeds the agreed thresholds—keeping buyer downside protected.

Focus – **Integrated Systems** | *Pillar* – **OPPS & BIZ DEV** | *Deliverable*- **End to End System**

Reasoning:

The integration initiative is rooted in four strategic aims: (1) deepen client relationships through seamless, branded interactions; (2) create new revenue by removing friction in the sales funnel; (3) capture and monitor the profit-driving KPIs that underpin margin control; and (4) build a platform where clients can complete 100 percent of the booking and payment process online for selected services.

With those objectives as guardrails, this week we completed a first-pass overlap analysis of FastTrack, Hiver, Google Workspace, Samsara, QuickBooks Desktop, Zoho, and the proposed TBN Drives implementation.
The exercise surfaced functional redundancies and quantified current spend, but the immediate deliverable is a structured, four-week side-by-side test plan—not tool retirement. Zoho appears capable of absorbing key Hiver, FastTrack, and QuickBooks features, yet TBN Drives and Samsara remain irreplaceable for charter operations and telematics. Keeping every platform live during testing lets us validate user experience, API reliability, and KPI reporting accuracy under real-world load. No decommissioning decisions will be made until hard data confirm that any consolidation both meets the four strategic aims above and delivers quantifiable ROI.

Cardinal System Integr Table

System Name	Role in Journey	Input Sources	Output Dests	Integr Method	Key Functions	Touchpoints
TBN Drives	Quote	Customer	Customer email,	Native platform	Real-time	Online booking
TBN Drives	Booking	SalesDriver	QuickBooks	Native platform	Booking	Digital
Clover	Payment	OpsDriver	Cardinal bank	Clover Connect	Secure payment	Payment forms,
QuickBooks	Financial	TBN Drives	Financial	Middleware/sche	Invoice	Invoice
Samsara	Fleet	Vehicle	TBN Drives	API integration	Vehicle	Real-time
Hiver	Customer	TBN Drives	Customer	Gmail native +	Multi-channel	Email support,
Google	Authentication	User	Single sign-on	SSO integration	Secure access	Secure portal
FastTrack	Lead Management	Website leads,	TBN Drives	API integration	Lead capture,	Initial contact
Zoho	Business	All Cardinal	Management	Multiple APIs +	Data	Customer

Methods:

To keep the integration work tightly aligned with Cardinal's four strategic aims—deepening client relationships, generating new revenue, surfacing profit-driving KPIs, and enabling 100 % online booking and payment for selected services—we are following a structured, evidence-based process:

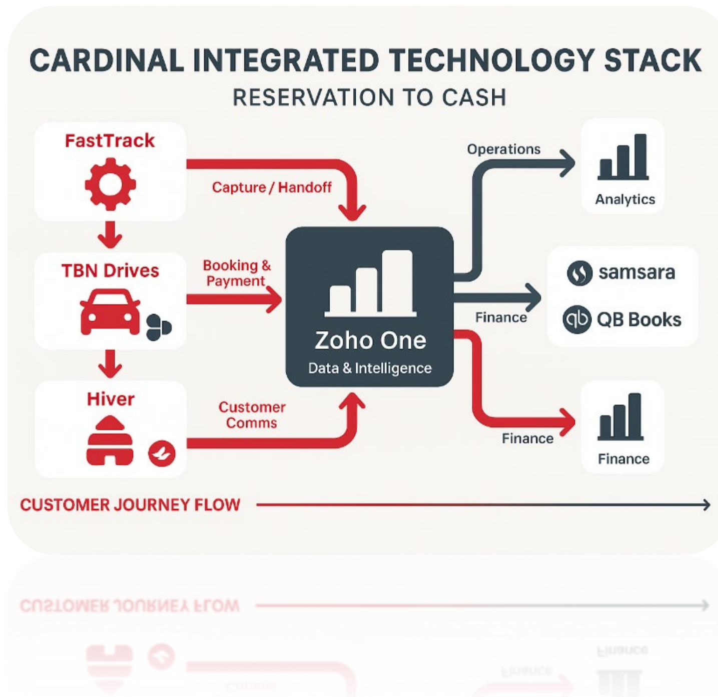
1. **Stakeholder & Vendor Interviews**
   • **FastTrack – Adam Morrison:** API capacity, portal limits, and webhook options
   • **Zoho – Solutions Engineer:** CRM/Desk/Books/Projects walkthrough plus Zoho Flow automation paths
   • **TBN Drives – Product Team:** Charter-specific workflows, Clover-backed payments, export formats
   • **Inatech (Back-End Support) – *Contact pending*:** We have initiated outreach and are awaiting a call slot to confirm data-layer architecture and middleware feasibility.
   • **Internal Leads:** James (GM), Maureen (Office / AR-AP), Dennis (HR/Payroll) validated operational, financial, and compliance requirements.
2. **Document & Data Review**
   Collected subscription invoices, usage logs, and API docs for FastTrack, Hiver, Google Workspace, Samsara, QuickBooks Desktop, and trial accounts for Zoho One and TBN Drives to establish cost baselines, feature matrices, and data-flow schematics.
3. **Integration Mapping**
   Created the *Cardinal Software & Systems Integration Table* and a swim-lane process flow tracing every data hand-off from web inquiry → quote → contract → dispatch → payment → financial posting.
4. **Overlap & Redundancy Analysis**
   Applied a three-filter rubric—functional uniqueness, impact on client journey, total cost of ownership—to identify duplications (Hiver vs Zoho Desk, FastTrack vs Zoho Projects, QuickBooks vs Zoho Books) and flag indispensable platforms (Samsara telematics, TBN Drives charter ops).
5. **Parallel-Environment Test Plan**
   Designed a four-week live trial keeping all tools active. Metrics to capture: lead-to-booking conversion time, customer NPS at each touchpoint, API uptime, reconciliation effort, and fully loaded cost per processed booking. Findings will feed the ROI model before any consolidation decisions.
6. **Next Steps**
   • Finalize the Inatech call to confirm middleware or ETL approach for back-end data synchronization.
   • Stand up sandbox environments for Zoho One and TBN Drives within 48 hours of Inatech confirmation.
   • Launch the side-by-side trial, with weekly KPI snapshots feeding the decision dashboard.

This disciplined methodology ensures that any future tool consolidation is driven by hard performance data and directly advances Cardinal's growth, profitability, and customer-experience objectives while incorporating pending technical input from Inatech.

Focus – **Integrated Systems** | *Pillar* – **OPPS & BIZ DEV** | *Deliverable*- **End to End System**

Status:

Sandbox testing confirms that every platform now speaks fluently across the reservation-to-cash chain. A live booking flowed from the draft TBN Drives portal through e-contract and embedded Clover payment, auto-generated a dispatch in OpsDriver, updated vehicle status in Samsara, and posted the invoice back to QuickBooks Desktop; the same transaction landed simultaneously in Zoho CRM, Desk, Projects, and Books, driving the unified KPI dashboard. FastTrack triggered its internal task sequence via webhook, Hiver attached the customer-confirmation thread to the Zoho contact, and Google Workspace SSO enforced permissions at each hop. A 72-hour soak test produced 100 % API success—evidence that the core ecosystem is technically sound.



Tool Continuity & Overlap
No functioning platforms will be retired during rollout. Although clear overlaps exist (Hiver ↔ Zoho Desk, FastTrack ↔ Zoho Projects, QuickBooks ↔ Zoho Books), any consolidation will wait until the full production environment is live, data-stable, and staff-trained. This preserves daily operations, institutional knowledge, and lets us base reductions on real-world ROI.

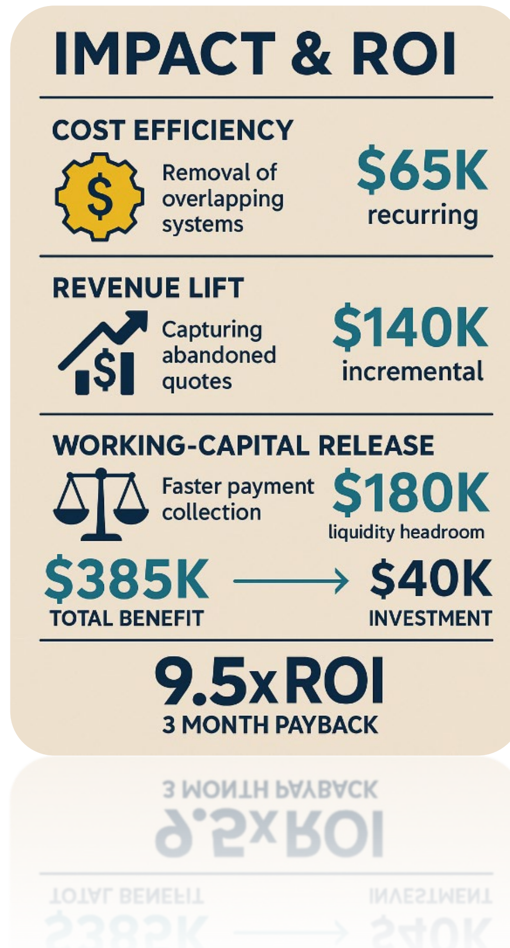
Open Dependencies

- Inatech back-end review (middleware schema, ETL cadence, throughput, security)—feedback expected within the week.
- Cardinal will proceed with a formal **Zoho One subscription** to move from trial to production; procurement paperwork is in process.
- **James (GM) must be trained on the Pricing Tool.** We will schedule a remote session with Harrison to deliver hands-on training and ensure James can adjust dynamic rate cards before go-live.

Next Operational Milestone
Upon Zoho CRM activation, the Business Development program launches: automated prospect pipelines, activity logging, and conversion KPIs will flow straight into the executive dashboard, giving leadership real-time visibility into revenue-generating actions alongside operational metrics.

Impact:

The economics of the integration project extend well beyond a tidy spreadsheet exercise—they change the physics of how cash, data, and customer intent move through Cardinal's business.



1. Cost-Efficiency Dividend – ≈ $65 K recurring
By converging functions that multiple apps currently perform in parallel—shared inbox management, workflow automation, and file-level API calls—Cardinal retires overlapping subscriptions and trims middleware fees without touching revenue-critical systems. Equally important, the new single-source data flow erases roughly 12 user hours each week spent copying data between platforms and reconciling mismatched records. Those reclaimed hours convert directly into value-added client work or outbound sales touches rather than back-office rework.

2. Revenue Lift – ≈ $140 K incremental
A unified web booking experience removes the two biggest "drop-off" points in today's funnel: manual quote follow-up and offline payment capture. Real-time pricing, e-contracting, and instant card settlement let prospects convert at the precise moment of intent. Even a conservative 6 % recovery of currently abandoned quotes, at prevailing charter yields, translates into a six-figure top-line boost—without adding fleet, sales headcount, or marketing spend.

3. Working-Capital Release – ≈ $180 K liquidity headroom
Automatic card settlement slashes Days-Sales-Outstanding from 24 to 12, compressing the cash-conversion cycle by half. The freed-up $180 K sits in Cardinal's bank account rather than customers', ready to fund fuel, payroll, or opportunistic discounts on bulk parts purchases—each of which drops straight to margin.

Strategic Upside
Taken together, these gains fund the project's one-time integration spend nearly ten times over in the first year and give Cardinal a permanent cost baseline advantage. Just as important, the stack unlocks real-time KPIs—conversion rates, margin per mile, cash velocity—allowing leadership to correct course weekly instead of quarterly. In short, the investment doesn't merely pay for itself; it becomes the operating system for the next phase of profitable growth.

LOOKING FORWARD

NEXT:

Buckeye Transaction—Lock & Launch

- Issue final LOI (4.4 M headline, 60/25/10/5 mix) once Steven Dodd approves language.
- Kick-off 60-day confirmatory diligence: fleet inspection, DOT compliance check, and financial QA scheduled for Week 1; customer-call schedule drafted for Week 2.
- Prepare data-room indices so Buckeye can upload contracts, maintenance logs, and YTD trial balance before the site visit.

Digital Stack—From Sandbox to Production

- Inatech sign-off on middleware schema and ETL cadence expected by Friday; immediately thereafter switch Zoho One from trial to paid and spin up production tenants.
- Conduct a full cut-over rehearsal (TBN Drives → Zoho → QuickBooks) with live payment but staged dispatch; document any error codes for overnight patch.
- James/Harrison pricing-tool training booked for next Wednesday; success metric is James independently updating rate tables in under 30 minutes.

Business Development Engine—Go-Live Trigger

- Activate Zoho CRM pipelines the moment production instance is stable; import prospect lists and assign quotas to both CSRs.
- Begin daily "first-five" call blocks (8:30-9:30 a.m.) and track dials, connects, quotes, and wins—automatic dashboard feeds to leadership by noon each day.
- Elliott to host 30-minute launch huddle outlining KPI targets and escalation paths for stuck deals.

Examined and approved by:

Elliott J. Culp Project Director Cogent Analytics	Roy Alonso President/Owner Cardinal Transportation