



What separates the truly innovative companies from the rest of the pack? It's their ability to twist and turn when big changes hit the marketplace—whether anticipated or not. Hylton Levy and Ian Brenner tell the Go Direct story and how they have been able to adapt and succeed despite several external threats to their business strategy.

Change is inevitable—so, as the saying goes, "always be prepared."

There are two kinds of changes in this world. There are the big slow secular shifts—migration of software into the cloud, falling costs of alternative energy, and aging populations for example—and then there's the unforeseeable, worst-case scenarios.

Companies need to have strategies that take advantage of the former and have contingency plans to deal with the latter. The most successful companies can combine both to survive and even thrive in uncertain times.

The Go Direct Story

Go Direct started in the business of distributing travel brochures. Given the changing landscape of the travel industry at the time, they had to pivot to survive. Their core business revolved around sending brochures to agents and bundling packages from Air Canada and Princess Cruise Lines to make ends meet.

The first shift they faced was a big secular one—along came a little thing called the Internet with Expedia and others disrupting their business model. Poof, no more brochures, no more travel agents. Farber's involvement with Go Direct started by helping them restructure their balance sheet as well as selling off non-essential assets in order to keep the core business going.

Since this turning point. Go Direct has picked up on the mantra, always be prepared and have consistently been able to



react and adapt to external shifts—while leveraging them into new business strategies.

This positioned them for the next opportunistic shift. Marketing programs came and went, budgets allocated were reallocated across channels and products, while working with Farber's Performance Acceleration practice to develop their strategy, Go Direct sought to be a core part of their client's business.

One of the challenges they identified was the online selling process for major CPG manufacturers. While these companies were extremely sophisticated in their retail and channel management in a bricks and mortar world, many of them have had limited experience selling directly to their customers online.

CPG companies looked at the Amazon model and initially thought that could be the solution. Amazon would take care of the distribution and they would get paid. However, they started to quickly learn that the reality of whose brand experience was being delivered (Amazon's), who got to keep all the customer data (Amazon) and how much competition they faced at the virtual shelf level from Amazon itself. Owning a direct to consumer channel became important for forward-looking companies.

And so, Go Direct positioned itself to provide that solution to companies. Getting them up and running with a fully brand-compliant web page complete with shopping cart, within days of receiving a pallet of goods.

A Changing World

Fast forward to today and the unthinkable has happened. The breakdown of the retail channel due to COVID-19 has been extreme and far reaching for numerous retailers and suppliers. More than ever, companies that relied on the bricks and mortar retail channel to sell essential household products—such as hand sanitizer, baby formula, and disinfecting wipes—need channels that are both robust, controllable and allow for direct access to their customers.

CPG companies that can't get product to retailers who were hit by panic buying have reluctantly turned to online solutions, giving up practically all of the control and the customer's brand experience (and margins) to them. Go Direct has proven to be a reliable alternative with it's enhanced logistics capabilities—becoming the trusted solution to those who want direct access to their customer base, and to work with a partner that understands and values the customer experience.

As the world comes to grip with COVID-19 crisis, one thing is certain—businesses need to be prepared to address both the slow and secular shifts along with the rapid and unexpected ones. The world has officially changed, has your business strategy?



Forging ahead after crisis.

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