

Curative Connections, Inc.

Family of Companies

Corporate Structure

- **Curative Connections:**
 - ✓ 501(c)(3) nonprofit corporation
 - ✓ Multi-service organization
 - ✓ \$7 million in revenues in 2015

Corporate Structure

■ ProSolutions:

- ✓ For profit corporation—contract manufacturing and packaging
- ✓ Spun off from Curative
- ✓ Acquired mail order fulfillment company in '15
- ✓ Curative owns all shares
- ✓ \$9 million revenues in 2015

Corporate Structure

■ **Cornerboard Solutions:**

- ✓ For profit corporation
- ✓ Manufactures V board
- ✓ Curative owns 55%
- ✓ Curative purchases ProSolutions staff and management time to run Cornerboard operations
- ✓ \$550,000 revenues in 2015.

How Structure Supports Mission

- Administrative expenses shared proportionately
- Fair market rent
- Line of credit
- Direct, board-designated support

Total Impact

- Total impact on Curative Connections in 2015 was \$1.5 million.
- Resources for mission otherwise not available.

Pros and Cons

■ **Pros:**

- ✓ Positive financial impact.
- ✓ Job opportunities for clients.
- ✓ Different company culture contrasts with the nonprofit's culture in ways that are helpful.
- ✓ Challenges of having multiple corporations: no chance for boredom.
- ✓ Additional opportunities for fundraising.

Pros and Cons

■ **Cons:**

- ✓ Two additional boards of directors to be accountable to.
- ✓ Admin charges from parent company a financial drag on for profit.
- ✓ Different company culture contrasts with the nonprofit's culture in ways that can be unhelpful.

Questions