



Memorandum

Date: 10/19/2013
To: All Employees
From: Elvira Gatina, President
Subject: Announcing Cost-Savings Measures

The purpose of this memo is to acquaint all employees with Saint Petersburg's Trade and Publishing House current financial situation and cost-saving measures that will be implemented. Unfortunately, our company is going through tough financial situation right now. Analytical reports have shown that our selling have dropped for 20% for the last 3 months. As a result we have to take some cost-saving measures. Laying off workers would be the easiest way to cut costs but our company values all employees. Therefore, we came up with following solution. The company will no longer pay for:

- Flowers at the receptionist's desk and in executive offices
- Skyboxes for professional sporting events
- Employees' dues for professional and trade organizations
- Liquor at business meals

We understand that perks and benefits, that being cut, have helped to bring the team together and create nice, positive atmosphere. However, we prefer cut these costs rather than fire any of our workers and we hope that it will help to survive during difficult financial situation. The Christmas season is the most important season in terms of sales for our company, and it is a good chance to improve our financial stability. We hope that after holiday season we will be able to return all employees perks and comforts as soon as economic difficulties will be gone.

Sincerely,

Signature

Elvira Gatina