Three Startup Iterations. One Partner.

How Luxor Scientific grew from a startup to a $20M run rate with Spara at its side

THE CLIENT

Luxor Scientific
Medical testing laboratory, Greenville, SC · luxorscientific.org

FOUNDED

By Ryan Flanagan, MBA and brother Jay — engineers with big-company operating experience

THE JOURNEY

3 distinct business builds in 10 years: startup, COVID pivot, and post-COVID rebuild

REVENUE ARC

$5.5M → $38M+ (COVID peak) → rebuilt to an $18–$20M run rate

SPARA'S ROLE

Fractional CFO, strategic advisory, and full embedded accounting — since day one

SERVICES USED

- Business valuation & deal advisory
- Fractional CFO
- Embedded accounting team
- Cash flow & banking strategy
- Multi-state entity & payroll
- Finance Essentials training

THE CHALLENGE

Ryan Flanagan spent a career at Sealed Air Corporation, rising to president of a $1.6B division. When he and his brother Jay — both engineers — set out to buy a business of their own, they hit a wall: they could not evaluate acquisition targets in a consistent, rigorous, timely way. They needed a financial partner who could run the numbers and challenge their thinking.

When they were unable to complete several acquisitions, the stakes got higher. They decided to build a medical testing lab from scratch — in one of the most financially complex industries in America, where what you bill, what you collect, and when you collect it can take even large health systems six months to untangle.

WHY SPARA

A trusted referral introduced Ryan to Chris Rawlings, CPA. What began as valuation work on acquisition targets became something deeper: an advisor who could help pressure-test decisions, not just process them.

> *“It's one thing to grind the numbers. It's another thing to have an advisor where you can say, what do you think? We're on the same team.”*
>
> **— Ryan Flanagan, CEO & Co-Founder, Luxor Scientific**

When Luxor launched, Spara stepped in as fractional CFO. The plan was to plug the accounting gap “for ninety days” while Luxor hired a department. All these years later, Spara is still Luxor's accounting team — embedded so deeply that Ryan describes both organizations the same way:

“At the end of the day, this is the same team.”

A DECADE OF EXTREMES

4.5 yrs	$38M+	$12.8M	$100M
to first breakeven, examining everything	peak-year revenue during COVID pivot	invested through the post-COVID rebuild	the question now: “why not?”

THE PARTNERSHIP, PHASE BY PHASE

Phase 1 · Deal Advisory
Valuations and offer strategy on multiple acquisition targets. When sellers wanted more than the businesses were worth, Spara helped Ryan walk away with confidence — and repurpose the acquisition plan into a startup plan.

Phase 2 · Fractional CFO & Embedded Accounting
Strategy, operations, monthly financial reviews, and a “90-day” accounting engagement that never needed to end. Spara built the processes to untangle medical billing — tracking volume in, amounts billed, and cash actually collected.

Phase 3 · Crisis Pivot & Scale
When COVID cut the original business in half, Luxor pivoted to COVID testing with a 14-hour average turnaround while competitors took weeks. Spara managed the finances of a company that went from $5.5M to $38M+ — then paid off debt and funded new product lines.

Phase 4 · The Rebuild & Strategic Counsel
Through three years of planned losses, weekly cash management, and hard conversations, Spara stayed at the table — even bringing in outside financial advisors when Ryan was questioning whether to continue. Today Luxor runs at $18-$20M and is asking whether $100M is possible.

THE RESULTS

- Profitable for the third time in the company's evolution — after three separate business builds
- Revenue rebuilt from $9.5M post-COVID to an $18–$20M run rate, with a credible path to much more
- Financial visibility: monthly team reviews where leadership debates drivers, not data accuracy
- Three Luxor leaders — including Ryan's son — trained through Spara's Finance Essentials program

IN RYAN'S WORDS

“Where do you get that personal commitment and strategic perspective from the company also doing your financials? You do not get that with your accounting firm.”

“They're gonna say what they know. They're gonna say what they don't know. They're gonna be on the phone when you need them.”

“Who gets the most value from Spara? Somebody trying to do the right thing with conviction — who doesn't think they know everything.”

“If another business owner called me tomorrow and said, I'm thinking about hiring Spara?

Go for it. Unreserved.”