



CONSUMER
GROWTH
PARTNERS

Private Equity Investing
Strategic Advisory
Services
PE Due Diligence
Strategic Planning

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CGP Overview

Consumer Growth Partners (“CGP”) is a private equity investment and strategic advisory firm with an ***exclusive sector focus on specialty retail and non-perishable branded consumer products companies***

- **Core Capabilities**

- We ***pursue PE transactions*** where our sector expertise can add significant value over the entire investment horizon to both our investors and company owners/management.
- We ***provide strategic advisory services*** to improve operational performance and maximize value.
- We ***provide due diligence and market analysis services*** to PE firms.
- We ***facilitate long-range strategic planning*** processes.

Our unique advisory model helps retailers, brands and investors maximize growth, profitability and value with a tailored approach based on our clients’ goals

Our Team



Richard Baum, Managing Partner

- 10+ years of private equity experience including seven PE portfolio company investments and four exits
- 15+ years as top-ranked Wall Street retail/consumer equity research analyst at Credit Suisse, Goldman Sachs, and Sanford C. Bernstein & Co
- 10+ years experience in merchandising at Bloomingdale's and strategy consulting at The Boston Consulting Group
- Member of the Board of Directors of Vera Bradley, Inc. (NASDAQ: VRA) and Chairman of the Board of Harris Originals of NY, Inc.



Liz Dunn, Operating Partner

- Founder and CEO of Talmage Advisors, a boutique consulting and advisory firm to retail and branded consumer products companies
- 10+ years as a Wall Street equity research analyst covering specialty retail, department store, branded apparel, footwear and luxury sectors
- Strategy and finance positions at Gap and Liz Claiborne as well as consumer investment banking experience at Bear Stearns

Private Equity Investing

CGP evaluates ~100 “in-category” investment opportunities each year and selects only the most attractive situations to pursue

- Our extensive experience, network and expertise enable us to find the most attractive opportunities and then unlock significant value over the life of each investment
- We have relationships with many blue-chip capital sources including traditional PE firms, Family Offices, Small Business Investment Companies (SBIC’s), Junior Capital (Mezzanine) providers, and Senior Lenders (Commercial Banks and Specialty Finance Companies).
- Once we have determined the ideal capital structure for a transaction, we partner with the right investors to maximize the returns for both the Company and our Investors.
- CGP serves in an important advisory (including board) role over the life of the investment horizon through exit.

Private Equity Investing - II

CGP focuses on investing in middle-market growth oriented companies with at least \$2.5mm of EBITDA. We have the following additional investment criteria:

- Proven concept with defensible business model
- Proven economics
- EBITDA growth potential
- Experienced management team
- Viable exit strategy

We ***prefer*** companies:

- With capital requirements of \$5MM or more.
- Seeking either a control or significant minority investor

Although we focus on middle-market companies, we will partner with capital providers on larger transactions where CGP's value-added expertise can make the capital provider a stronger buyer and owner.

Private Equity Investing – III

Portfolio Investments

SHOE SENSATION

BASKINS
it fits your life.™



WILD THINGS



B CELLARS
vineyards and winery

NAPA VALLEY



PERUVIAN
CONNECTION



Strategic Advisory Services



We work with Retailers and Branded Consumer Products Companies to help position them to grow, improve profitability/valuation and successfully raise capital.

- We work with businesses to ***build the right infrastructure*** to support growth
- We focus on improving and ***optimizing financial performance to maximizing valuation***
- We help businesses communicate positioning to ***craft the most compelling story*** for potential investors

When the time is right to raise equity capital, CGP may either partner with one or more investors or help the Company select an investment bank to run the process of finding investors.

Strategic Advisory Services - II



We prefer to work with growth companies that may not be ready, willing and/or able to take in meaningful amounts of equity capital at the present time.

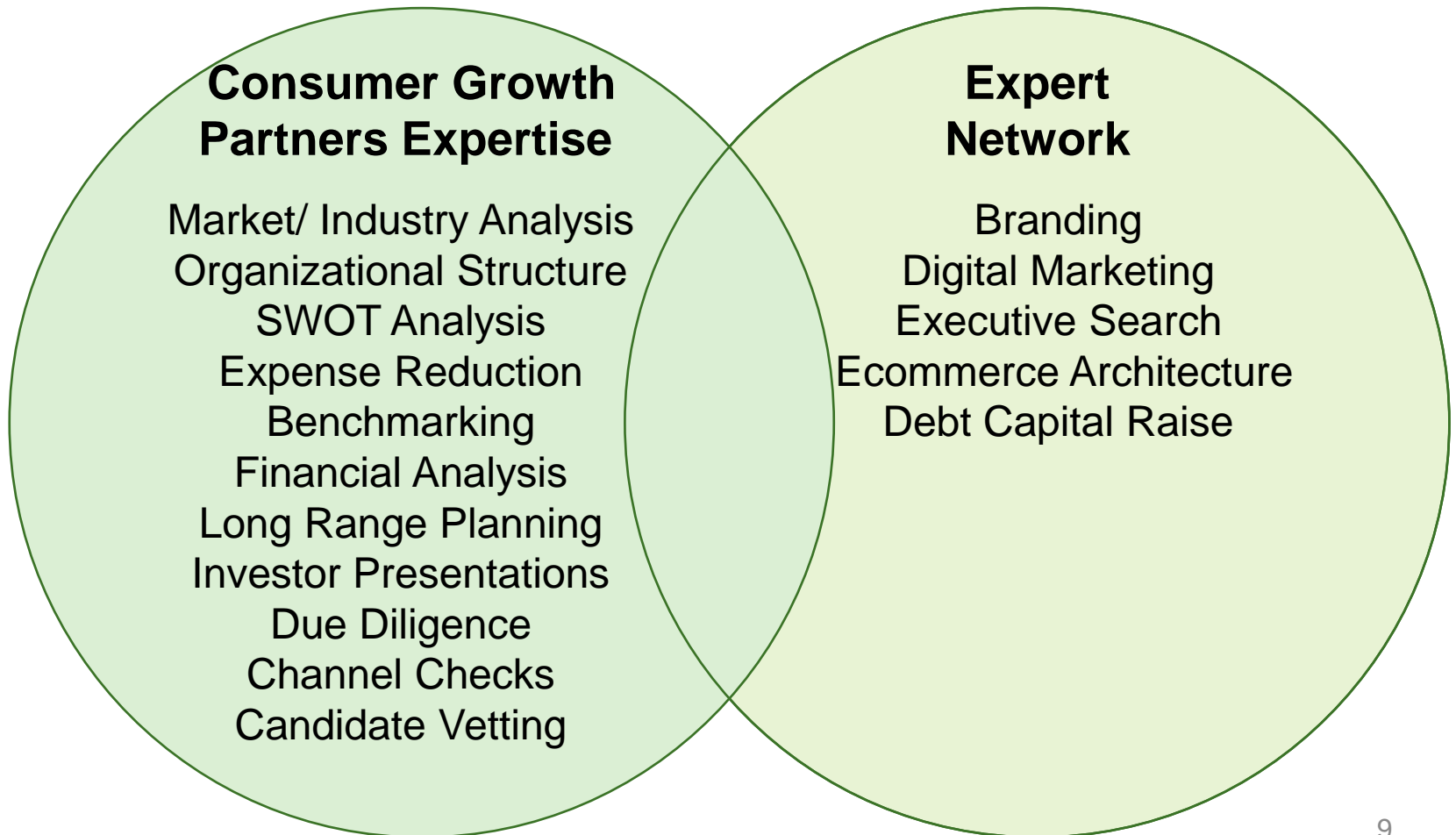
We have the following criteria for our Strategic Advisory Services clients:

- Profitable companies with the potential to achieve at least \$10mm in revenue and \$2.5mm in EBITDA within 3 years
- Will require an outside infusion of capital within the next 1-3 years to achieve their growth plans and targets
- Company Owners who recognize and appreciate that “holistic” strategic and operational assistance is the best way to prepare and position themselves for an investment of outside capital from the best investors.

Strategic Advisory Services - III



CGP leverages deep experience/expertise and an extensive network of industry and functional experts to provide a wide range of advisory services.





Timeline - Overview

Phase 1 Diagnostic

- Evaluate market position
- Evaluate key functional areas (Internal SWOT)
- Financial assessment
- Develop action plan for Phase 2

Phase 1

Phase 2

Phase 3

Phase 2 Activation

- Implement key strategies for improvement (financial, operational, positioning, organizational)

Phase 3 Capital Objectives

- Determine optimal capital structure
- Identify sources of capital
- Prepare for meetings and diligence
- Facilitate introductions to prospective capital sources

PE Due Diligence

CGP uses its expertise to provide vetting and due diligence services for PE firms seeking to invest in retail and branded consumer products companies.

- We conduct ***deep-dive industry analysis*** utilizing our equity research backgrounds as well as primary/secondary information/data sources to determine market size, market growth, trends and value-chain analysis
- We ***evaluate competitive positioning*** through benchmarking operating and financial metrics against peers and marketplace disruptors
- We ***validate the business model through financial modeling and scenario analysis*** of revenue, expenses, customer acquisition costs, capital expenditures and working capital
- We ***use our extensive network to vet*** management, suppliers and customers.

Strategic Planning

CGP works with companies to develop long-range, strategic plans

- We conduct ***deep-dive industry analysis*** utilizing our equity research backgrounds as well as primary/secondary information/data sources to determine market size, market growth, trends and value-chain analysis
- We ***evaluate competitive positioning*** through benchmarking operating and financial metrics vs. peers and marketplace disruptors
- We ***analyze revenue opportunities*** by channel and category and ***evaluate the investments and organizational resources needed*** to achieve growth objectives
- We work closely with company leadership to ***develop common vision and tactical executional plans*** to drive success

Equity Research Coverage History

Specialty Retail		Branded Apparel & Footwear	Dept Stores
<p>Abercrombie & Fitch Aeropostale American Eagle Ann, Inc. Bebe Stores Build-A-Bear Cabela's Cache, Inc. Charlotte Russe Charming Shoppes Chicos FAS, Inc. The Children's Place Coldwater Creek, Inc. Destination Maternity Foot Locker</p>	<p>Francesca's Gap, Inc. Justice L Brands Lifetime Fitness Lululemon Athletica Michael's Stores Pacific Sunwear Ross Stores Rue 21 Talbots TJX Companies Urban Outfitters Ulta</p>	<p>Columbia Sportswear Fila The Jones Group Inc. Kellwood Kenneth Cole Liz Claiborne Nautica Nike, Inc. PVH Corp. Quiksilver, Inc. Reebok Skechers USA Steve Madden Timberland Tommy Hilfiger VF Corp Warnaco Wolverine World Wide</p>	<p>JCPenney Kohl's Macy's Nordstrom Saks</p>
			Luxury & Accessories
			<p>Coach, Inc. Fossil Ralph Lauren Tiffany & Co. Vera Bradley, Inc.</p>

What Our Clients Say

“CGP has become a trusted partner in all aspects of our business. They help us make better decisions, and their years of experience and expertise are invaluable” – Client #1

“Our growth had outpaced our infrastructure. CGP helped us develop the right processes and find the right resources for us to move forward. We value their input across many areas of our business” – Client #2

“We needed to transition our small family business to a more professionally run enterprise positioned for growth and outside investors. CGP was critical in this process” – Client #3

Our Fee Structure

Private Equity Investing

- Closing Fee: Percentage of equity capital investment
- Advisory Fee: Annual Fixed Fee
- Profits Interest: Negotiated percentage of profit at exit

Strategic Advisory (Annual)

- Annual Retainer payable in quarterly installments
- Annual Incentive Fee based on increase in EBITDA on a “rolling 4 quarters” basis

Due Diligence Advisory (Short Term)

- Fixed fee depending on scope of work

Strategic Planning (Intermediate Term)

- Fixed fee payable in monthly installments

Contacts



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