



## Monomoy acquires Missy Group

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By Demitri Diakantonis

New York private equity firm Monomoy Capital Partners LP announced Monday, July 28, that it agreed to acquire the Missy Group apparel line, which includes Chadwick's, Metrostyle and Closeout Catalog Outlet, from Redcats Group Inc. The deal checks in at around \$24 million, according to Wachtell, Lipton, Rosen & Katz, the seller's counsel on the deal.

Redcats, which France's PPR SA owns, said it will change its name to Women's Apparel Group LLC once the deal is complete.

The West Bridgewater, Mass., division had more than \$300 million in sales last year. Chas Hepler of SD Retail Consulting will become the company's new CEO, with his colleague, David Myles, taking over as COO.

Redcats first put Missy on the block on Jan. 24 shortly after it completed its acquisition of United Retail Group Inc. The company said it wanted to focus on its special sizes, sports and leisure brands. Some of its other brands include the Sportsman's Guide, Golf Warehouse and Avenue. The target has about 600 employees, with stores in New Hampshire and Massachusetts in addition to its online catalog.

This is the second acquisition in as many weeks for Monomoy, which has about \$280 million under management and typically seeks target companies with revenue between \$20 million and \$200 million.

On July 14, the middle-market firm acquired Kurdziel Industries Inc. and changed its name to Carlton Creek Ironworks Inc.

Some of its other portfolio holdings include Transeo LLC, Hess Industries Inc. and Barjan LLC.

PPR owns retail brands such as Gucci and Puma.

"The PPR-Redcats team's selection of Monomoy as part of a competitive process was due to our confidence in Monomoy's ability to close as a result of its disciplined approach to diligence both before and during the exclusivity period," said Mitchell Schaffer of Stifel, Nicolaus & Co., the financial adviser to PPR on the deal. "The strong brand equity of the Chadwick's name and its loyal customer base proved to be a decisive point of attraction to potential buyers," Schaffer added.

David Katz, Jonathan Gordon and Andrew Woolf of Wachtell Lipton were the seller's legal counsel.

Joseph Ashby and Jennifer Knecht of Crowe Chizek & Co. LLC gave Monomoy financial advice, while Richard Porter and Travis Nelson of Kirkland & Ellis LLP provided legal counsel. SD Retailing Consulting provided strategic advice on the review.

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