



## When the next move is critical

Retailers face one of the most competitive and rapidly evolving business landscapes. Issues are numerous and daunting: inventory and sales productivity, supply chain management, branding, new technology, channel blurring, e-commerce, multiple distribution channels, and international licensing, to name a few.

### The Expertise

Richter's Retail Consulting Group is considered a premier professional services provider to the retail industry. Our clientele represents major national and regional retailers, senior lenders, and private equity groups.

We look beyond the numbers and focus on all areas of a retailer's business, including:

- financial and operational restructuring
- transaction advisory, due diligence and integration planning
- store profitability assessments
- inventory control and management
- operational and financial controls
- evaluation of key performance metrics
- pre-funding diligence for financial institutions

Our multi-disciplinary team has extensive experience in a wide range of engagements, including:

- **Financial & Operational Consulting** - review of organizational structure, financial and operational controls and performance analysis
- **Corporate Reorganization & Restructuring** - business viability assessment, turnaround and insolvency consulting, as well as crisis management
- **Strategic Planning** - analysis of strategic alternatives and development of comprehensive business plans
- **Transaction Advisory** - mergers and acquisitions advisory services, including financial and operational due diligence, as well as access to strategic and financial players in the retail industry

### The Edge

We have developed a sophisticated financial and operational assessment tool which allows retailers to analyze their results on a store-by-store basis utilizing a number of different metrics.

This enables us to provide a cross-sectional view that helps retailers derive a better understanding of key success factors and challenges.

### The Bottom Line

Our professionals have the knowledge and experience to help retailers reach and surpass their potential. We understand the challenges that retailers face and have a proven track record in helping to create and implement successful strategies. At Richter, we are committed to our clients' growth and success.



retail advisory practice

[www.richterconsulting.com](http://www.richterconsulting.com)



**RICHTER**  
**CONSULTING, INC.**

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## The Excellence

Richter has acted as advisors in many major North American retail restructurings and transactions, including, Harold's Stores, CompUSA, Lord & Taylor, Gingiss & Gary's Formalwear, and Casual Corner Group.

### HAROLD'S STORES, INC. – 40 STORE RETAIL CHAIN

Richter was initially retained by the Company to identify potential acquirers for this mid-western based specialty retailer. In a compressed time frame, Richter prepared an information circular, set up a virtual data room and initiated communications with over 40 strategic and financial partners. Richter further coordinated due diligence conducted by multiple interested parties. Due to deteriorating market conditions and restricted liquidity, Harold's was forced to commence formal restructuring proceedings. Richter acted as financial advisor to Harold's during its restructuring and assisted in maximizing the realization value of its assets.

### COMPUSA – 100 STORE RETAIL CHAIN

Richter was retained as financial advisor to Gordon Brothers Group with respect to the acquisition of a national consumer electronics retailer with revenues in excess of \$1.5B. Working closely with members of the Gordon Brothers team and legal counsel, Richter played an important role in assessing a complex transaction involving the purchase of CompUSA's shares and \$500MM of senior debt. In addition to performing financial due diligence procedures, Richter developed comprehensive financial models to analyze the proposed transaction, assisted in formulating key provisions of the purchase agreements and supported Gordon Brothers in negotiating an out-of-Court settlement with CompUSA's trade creditors.

### 200-STORE LADIES' FASHION APPAREL RETAIL CHAIN

Richter was retained as financial advisor by a ladies' fashion apparel chain facing an impending liquidity crisis. The company, with a track record of profitability prior to its sale to a private equity consortium, had recently changed its management team following declining sales. Richter played a critical role in advising the company through the restructuring process with the five-member banking syndicate, including assistance in developing a comprehensive financial model and cash flow projection. The company was able to restructure its existing debt and access additional funds as part of their overall turnaround strategy.

### LORD & TAYLOR – DEPARTMENT STORES

Richter was retained as financial/due diligence advisor by a consortium of private equity firms bidding to acquire the Lord & Taylor department store chain from Federated. Given our restructuring, transaction advisory and retail expertise, Richter played a central role in developing comprehensive financial models, under multiple scenarios, to evaluate the proposed transaction.

### GINGISS & GARY'S FORMALWEAR - 200 STORE RETAIL CHAIN

In view of increasing liquidity constraints and operating losses of \$100MM Richter was engaged by the Company's Senior Lender group to assess alternative restructuring scenarios. Our analysis included reviewing cash flow requirements and evaluating the Company's financial projections, store performance, lease issues, merchandising, and management, among other key business drivers. This led to the initiation of a formal sales process, where we assisted in negotiating and structuring an asset sale, and played an important role in evaluating offers within the context of a s.363 sale. The businesses were ultimately sold to May Company, as a complement to its existing bridal wear division.

### CASUAL CORNER GROUP INC. - 1,000 STORE RETAIL CHAIN

Richter was retained as financial advisor by Gordon Brothers Group, LLC, a Boston based merchant banking and advisory firm, with respect to the acquisition of Casual Corner Group, a women's clothing retail chain. Richter played a key role analyzing the proposed transaction, which included developing a detailed comprehensive financial model and cash flow projection to assess the proposed transaction and associated financing requirements, as well as performing due diligence procedures with respect to key financial information and reports.

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