

9/6/2016

Deal Thesis –

Vertically-Integrated Supplier of Private Label Home Textiles

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Photos are examples of home textiles Industry.







Executive Summary (Broker Teaser Information)**

Company Background: Vertically-Integrated Supplier of Private Label Home Textiles (The Company)

The “company”, located in the western, U.S., Designs, manufactures and imports soft home goods and accessories for branded, high-volume licensees and retailers. The Company manufactures products for a variety of global brands, as well as house brands for large retailers.

2012Estimated Sales: \$35.0 million
2012Estimated Adjusted EBITDA: \$2.5 million

Key Success Drivers: The Company enjoys a 100% annual rate of repeat business from its 15 long-standing accounts (some for 10+ years). Customers include every major distribution segment: better retailers, multi-channel catalog companies, Internet, TV shopping channels and a leading multi-brand licensee.

Based in the U.S. with a company-owned offshore production facility, the Company is on track to produce 21% sales growth in 2012. About 70% of sales are to retail and e-commerce accounts, and 30% are to wholesalers. The Company holds a number of licensing agreements and a Master Agreement for a sub-licensed brand. The value of an average order is approximately \$60,000. The Company’s unique set of value drivers includes:

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- A \$6 million order backlog
- Loyal and diverse customer base
- Efficient, low-cost sourcing, manufacturing and distribution platform
- Strong portfolio of valuable celebrity/lifestyle brands
- Original design expertise with the ability to customize patterns
- Exceptional product quality with robust R&D
- Motivated key account salespeople with existing industry relationships
- Flexible, diligent and skilled workforce offshore and the U.S.

Management has identified several lucrative new markets, has significant growth potential for extending its portfolio of licensed brands, and can build out the offshore factory as volume requires.

Financial Highlights Fiscal year-end 12/31	2010	2011	2012E
Net Sales (\$)	32,521,739	28,931,785	35,000,000
Adjusted EBITDA (\$)	1,359,967	1,783,482	2,456,600
Adj. EBITDA Margin (%)	4.2%	6.2%	7.0%

Based in the western U.S., the Company designs, manufactures and imports soft home goods and accessories for branded, high-volume licensees and retailers. The Company manufactures products for a variety of global brands, as well as house brands for large retailers. Customers include every major distribution segment: better retailers, multi-channel catalog companies, Internet, TV shopping channels and a leading multi-brand licensee. Based in the U.S. with a company-owned offshore production facility, the Company is on track to produce 21% sales growth in 2012.

2012 estimated sales are expected to achieve \$35.0 million with \$2.5 million in adjusted EBITDA.

***Woodbridge Group LLC, d/b/a Woodbridge International, was founded in 1993 to provide divestiture and acquisition services to middle-market companies. Visit us at www.woodbridgegrp.com*

The Private Label Home Textiles Industry:

The Private Label Home Textiles Industry is a huge, global, multi-billion dollar industry.

We propose that a PEG acquires the company, make all the smart and necessary changes, so that the company may become a world leader in the private label home textile industry. Once acquired, the company could be used as a foundation to acquire other companies in the industry that could fit in the investment vision of the company.

Exit Strategy

A five to seven year exit strategy would be idea for PEG's in this deal. Ideally, paying down the debt during the duration would be best, while allowing for a level of income for the investors along the way. An IPO is also an attractive exit alternative.

Valuation and Investor Returns

Once a PEG contacts Woodbridge, it would be possible to ascertain what level of valuation, and investor return, the PEG could expect from the deal.

Market & Industry

The Private Label Home Textiles Industry is a huge, global, multi-billion dollar industry.

Market/External Risks

The Private Label Home Textiles Industry is a global industry. There is worldwide competition from other companies in the home textiles arena.

Operations and Services

Once a PEG contacts Woodbridge, it would be possible to ascertain what level of operation and service the company will experience.

Risks & Opportunities

While with any business in the current economy has a certain level of risk, the opportunities in the home textile industry are vast.

Competition

There is worldwide competition in the home textile industry.

Management

Once a PEG contacts Woodbridge, it would be possible to ascertain what level of management would be involved in running the company.

Valuation and Investor Returns

Financial Highlights Fiscal year-end 12/31	2010	2011	2012E
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Once a PEG contacts Woodbridge, it would be possible to ascertain what level valuation and investor return investors would expect to receive over the term of having the company as a portfolio company.

Resources

Home Decor Pictures

<http://www.shirleymuijers.com/>

<http://www.ldbinteriortextiles.com/pdf/oct-2011/Evolution-Revolution.cfm>