



## Q4 2023 Consumer & Retail Update

January 2024

# LAKESIDE'S CONSUMER & RETAIL PRACTICE

## Differentiated transaction experience across consumer & retail models and industries

### MEET OUR CONSUMER & RETAIL TEAM



**Tom Newell**  
Managing Director



**Taylor Hanson**  
Partner



**Matt Holcomb**  
Senior Associate

- Our experience advising consumer & retail businesses is unmatched by firms of our size who serve the lower middle market
- We have executed dozens of transactions across all end markets with a combined transaction value of over \$4 billion
- We maintain regular dialogue with acquirers of consumer & retail businesses, including corporate buyers, private equity firms, and family offices

### CONSUMER & RETAIL SUBSECTOR EXPERIENCE

- Agribusiness
- Branded Products
- Foodservice
- Health & Wellbeing
- Licensed Products
- Packaged Food
- Private Labeled Products
- Promotional Products
- Restaurants

### CONSUMER & RETAIL MODEL EXPERIENCE

- Distribution
- Manufacturing
- Multi-unit
- Retail (Brick & Mortar, E-Commerce)
- Service

### REPRESENTATIVE CONSUMER & RETAIL TRANSACTIONS

<p><b>Marrinan Holdings</b> The Parent Company of:</p> <p><i>Jardine</i> ASSOCIATES <b>J&amp;A</b> MARKETING</p> <p>has been acquired by</p> <p><b>KESWICK</b> PARTNERS</p>	<p><b>VitalChoice</b> WILD SEAFOOD &amp; ORGANICS</p> <p>has been acquired by</p> <p><b>1-800 flowers.com</b></p>	<p><b>WELLER</b> Recreation</p> <p>has been recapitalized by affiliates of</p> <p>White Brush Capital</p>	<p><b>WINCRAFT</b></p> <p>has been acquired by</p> <p><b>Fanatics</b></p>
<p><b>STICKY FINGERS</b> BAKERIES</p> <p>has been acquired by</p> <p><b>CUSTOM FOODS</b> INCORPORATED</p>	<p><b>Cabela's</b></p> <p>has been acquired by</p> <p><b>Bass Pro Shops</b></p> <p>and</p> <p>Goldman Sachs</p>	<p><b>TDBBS</b> DOG TREATS &amp; CHEWS</p> <p>has been acquired by</p> <p>BregalPartners</p>	<p><b>QUIZINA</b> DOG TREATS &amp; CHEWS</p> <p>has been acquired by</p> <p>JGC   Joshua Green Capital</p>
<p><b>CORPORATE IMAGING CONCEPTS</b></p> <p>has been acquired by</p> <p>Berkley Capital, LLC</p>	<p><b>clearlink.</b></p> <p>portfolio company of</p> <p><b>PAMLICO</b> CAPITAL</p> <p>has been acquired by</p> <p><b>SYKES</b></p>	<p><b>Bodek+Rhodes</b></p> <p>has been acquired by</p> <p>cb alphabroder</p> <p>portfolio company of</p> <p><b>LITTLEJOHN &amp; CO.</b></p>	<p><b>Klement's</b></p> <p>has been acquired by</p> <p><b>Tall Tree Foods</b></p> <p>portfolio company of</p> <p><b>Altamont</b> CAPITAL PARTNERS</p>
<p><b>AD</b> ANDERSON DAYMON WORLDWIDE</p> <p>has been acquired by</p> <p><b>ACOSTA</b> SALES &amp; MARKETING</p>	<p><b>QK Inc.</b></p> <p><b>Denny's DELTACO</b></p> <p>has been recapitalized by</p> <p>CC CM CAVE CREEK CAPITAL MANAGEMENT</p> <p>Stewart Capital</p> <p>SEACOAST CAPITAL</p>	<p><b>corepower</b> YOGA</p> <p>has been recapitalized by</p> <p>CATTERTON   partners</p>	<p><b>FUNKO</b></p> <p>has been recapitalized by</p> <p>FUNDAMENTAL CAPITAL</p>

Note: Select transactions completed by Lakeside principals while at prior firms

## INDUSTRY NEWS

### Lakeside is committed to keeping our finger on the pulse of the consumer & retail market

#### WORTHWHILE READS

The articles below are taken from various industry periodicals, websites, and blogs from around the web that highlight key themes in consumer & retail.

##### 5 Real-Life Examples That Show Where Retail Is Headed In 2024

Forbes

*"It took the retail industry 20 years to get on board with garden variety e-commerce. How long will it take them to do one better and get digital? It is the question retail executives should be asking themselves because, at its heart, it gets at how much someone understands why stores exist in the first place."*

Read the article [here](#)

##### Returns are a \$816 billion headache for retailers. And now they're a costly pain for shoppers, too

Business Insider

*"Returned merchandise adds up. In 2022, 16.5% of merchandise purchased at retailers was returned, according to estimates from the National Retail Federation, a trade group for retailers."*

Read the article [here](#)

##### 7 retail trends to watch in 2024

Retail Dive

*"There may be trouble on the horizon. A number of large, household name retailers are standing on the edge of bankruptcy. Some direct-to-consumer companies, once seen as disruptors in the industry, are heading on the same path as macroeconomic pressures intensify and capital gets harder to find."*

Read the article [here](#)

##### Sustainable Raw Materials Will Drive Profitability for Apparel Brands

BCG

*Brands that act now to secure a preferred-raw-materials supply for the future can, on average, see a 6% profit uplift after five years. Failing to do so can leave them at a competitive disadvantage, especially given that a product's final cost is largely determined by its raw materials.*

Read the article [here](#)

##### 2023 Deloitte Holiday Retail Survey

Deloitte

*"75% of consumers can be tempted to buy a gift for themselves. However, 53% will prioritize cutting back on self-gifting if their budget becomes too constrained."*

Read the article [here](#)

#### RECENT TRANSACTIONS

The transactions highlighted below were high profile transactions completed in the most recent quarter.



DOLLAR SHAVE CLUB

has been acquired by



NEXUS  
CAPITAL

Dollar Shave Club manufactures and sells men's shaving products. The company offers blades, shave butter, aftershave solutions, wipes, hair and skincare products, and oral care products.

Nexus Capital Management is a private equity firm specializing in middle market, distressed, special situation, buyout, recapitalization, growth capital and refinancing. The firm seeks to invest in opportunistic credit, structured investments and private equity.

The logo for Augusta Sportswear Brands (ASB), featuring the letters 'ASB' in a bold, black, sans-serif font.

has been acquired by

The logo for Platinum Equity, featuring the words 'Platinum Equity' in a stylized, cursive font.

Augusta Sportswear manufactures and markets active wear and spirit wear for teams, coaches, athletes, fans, and corporate needs.

Platinum Equity is a middle market private equity firm specializing in buyouts.

The addition of Augusta Sports Brands to Platinum Equity's vast consumer product portfolio will enhance the distribution capabilities and product offerings of Augusta.



has been acquired by



Silver Crystal Group manufactures and retails professional sports apparel customization of lettering and numbering.

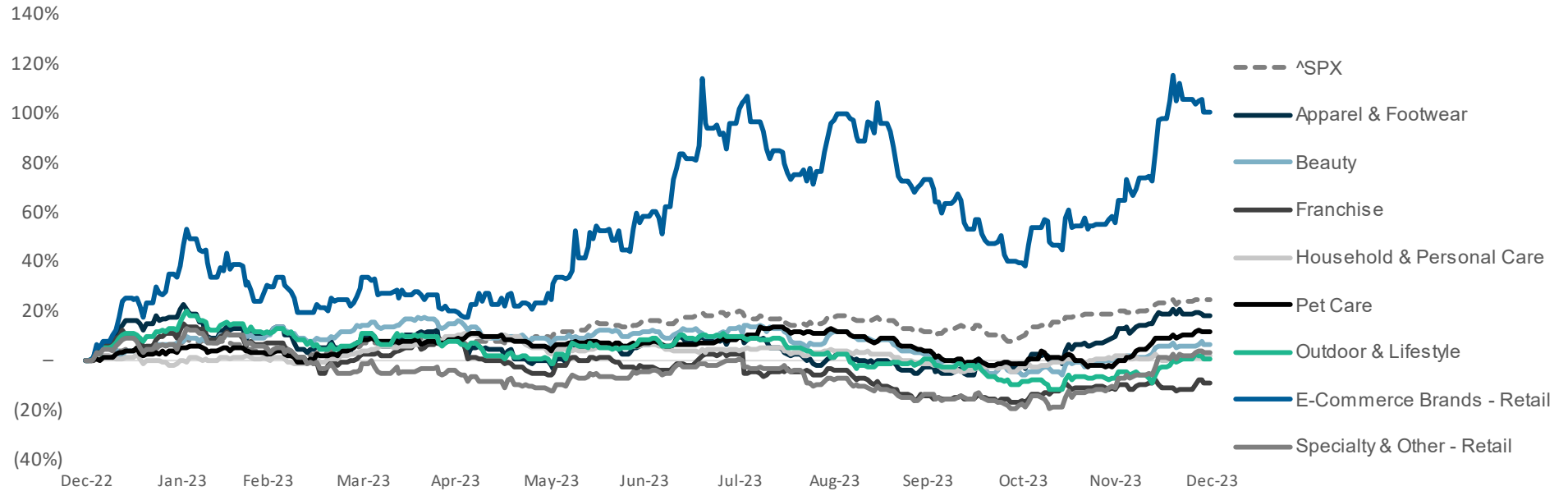
Avery Dennison operates as materials science and digital identification solutions company.

Silver Crystal Group will slot into the solutions group of Avery Dennison, providing Silver Crystal complimentary product lines and further improvement to customer service.

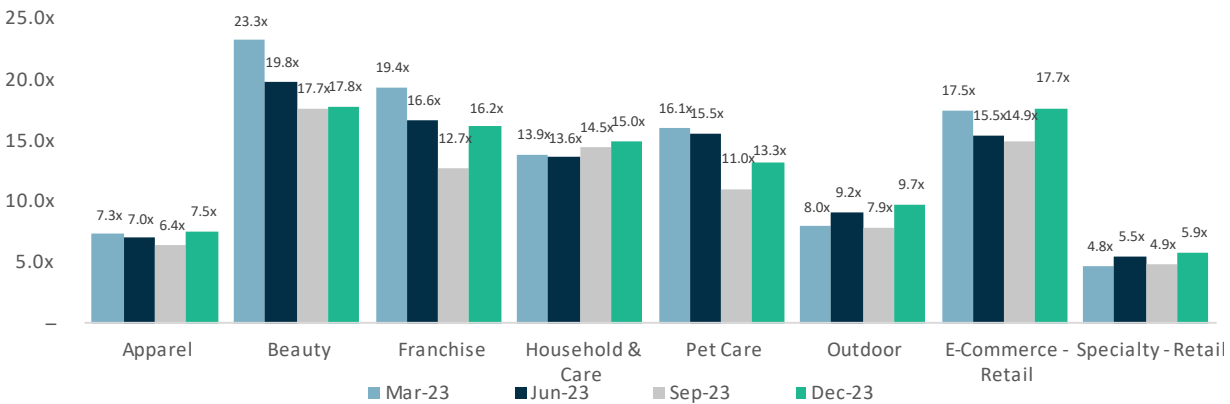
# CONSUMER & RETAIL PUBLIC COMPANY PERFORMANCE

Below is a look at how publicly traded consumer & retail companies performed by sector

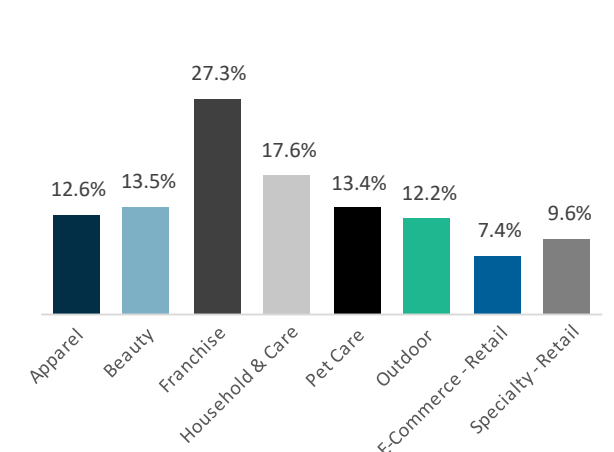
## ONE-YEAR HISTORICAL STOCK PRICE PERFORMANCE



## EBITDA TRADING MULTIPLES BY QUARTER

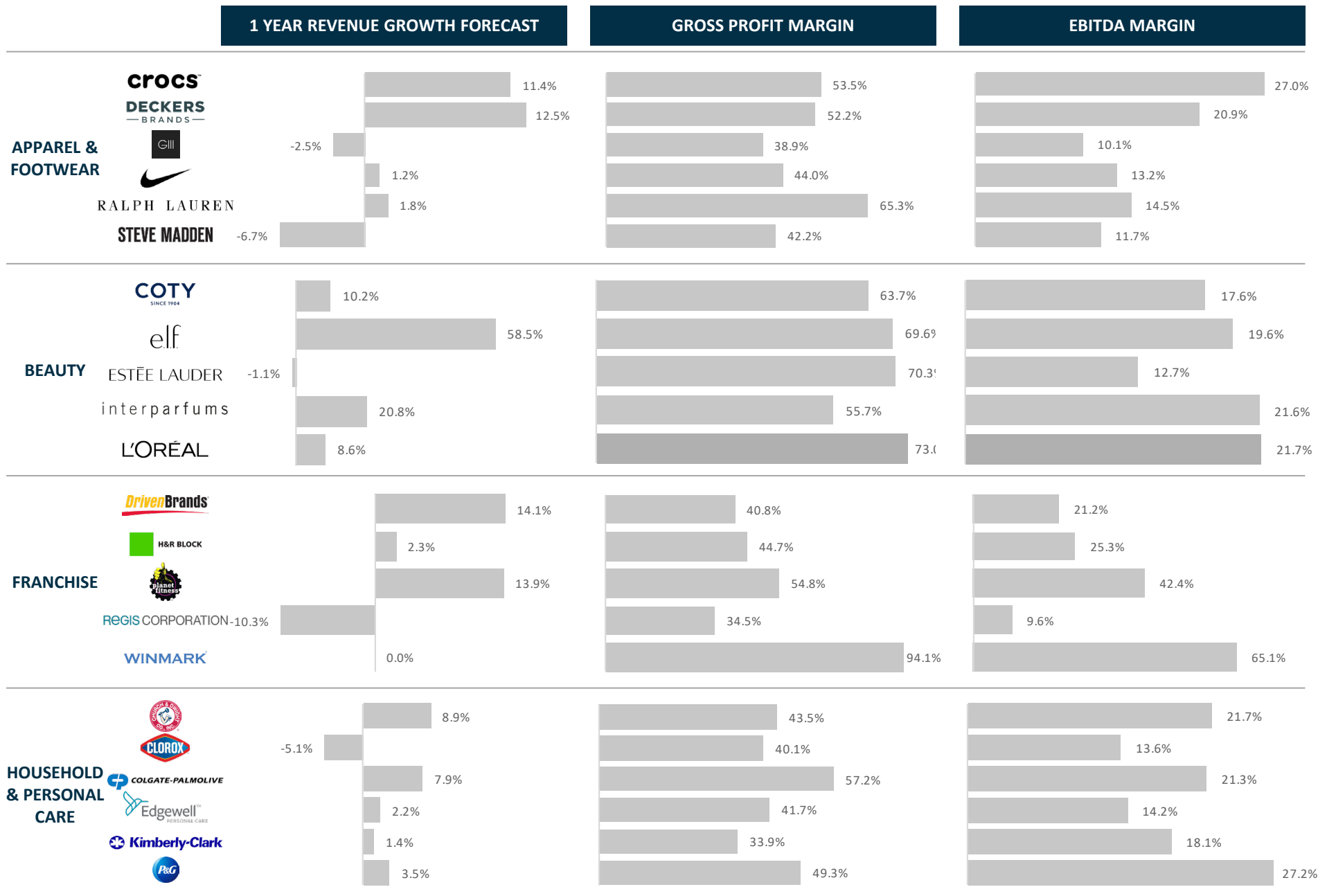


## EBITDA MARGIN BY SECTOR

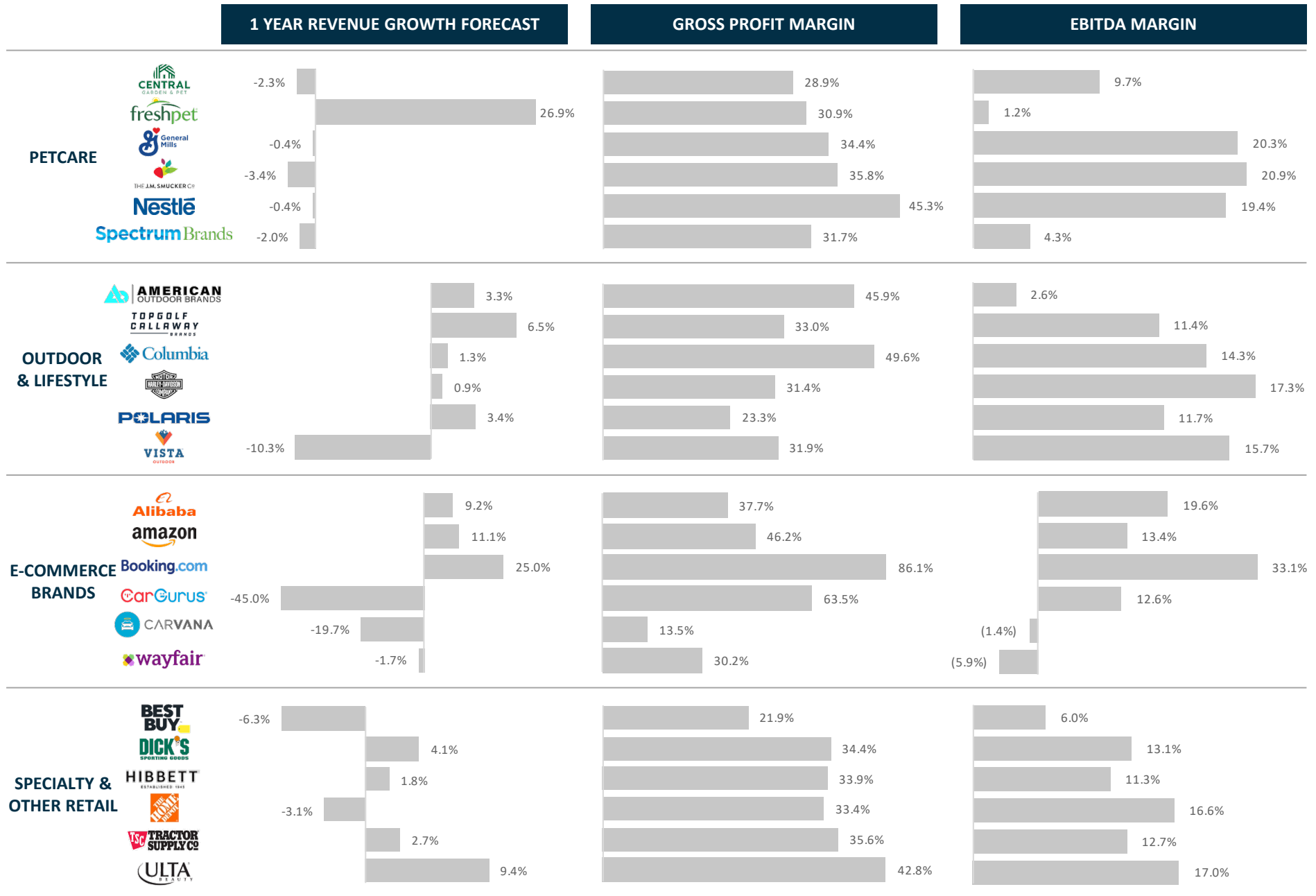


Source: Capital IQ

# SELECT CONSUMER & RETAIL PUBLIC COMPANY BENCHMARKING BY SECTOR



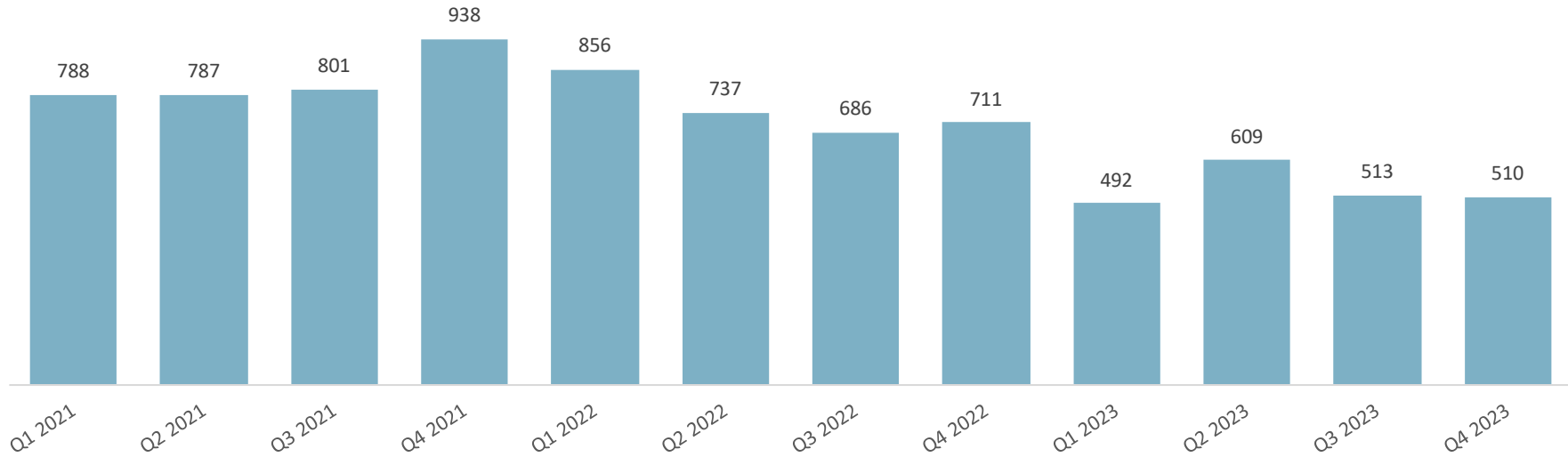
# SELECT CONSUMER & RETAIL PUBLIC COMPANY BENCHMARKING BY SECTOR (CONT'D)



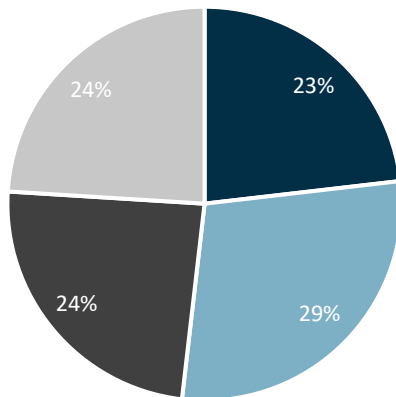
## CONSUMER & RETAIL TRANSACTION DATA

Below is an overview of M&A volume by quarter for consumer & retail

NUMBER OF CONSUMER & RETAIL TRANSACTIONS BY QUARTER

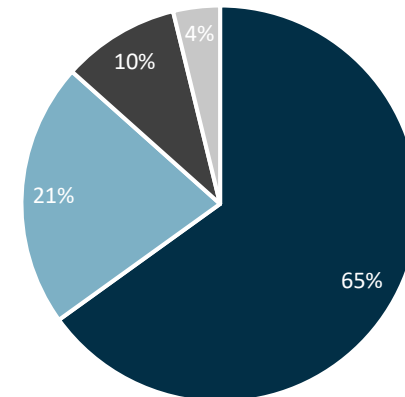


PERCENT OF TRANSACTION VOLUME COMPLETED BY QUARTER



■ Q1 2023 ■ Q2 2023 ■ Q3 2023 ■ Q4 2023

DISTRIBUTION OF TRANSACTIONS BY EV<sup>1</sup>



■ \$0-\$50M ■ \$51-\$250M ■ \$251-\$1,000M ■ 1,000+M

## SELECT RECENT CONSUMER & RETAIL TRANSACTIONS

Closed Date	Target Name	Business Description	Acquirer
12/29/2023	Global Technologies	Global Technologies, through its subsidiaries, engages in the online sale of CBD and hemp related products in the United States.	GOe3
12/28/2023	Allied Gaming & Entertainment	Allied Gaming & Entertainment provides entertainment and gaming products worldwide.	Elite Fun Entertainment
12/26/2023	Scott's Liquid Gold	Scott's Liquid Gold develops, markets, and sells household, and health and beauty care products in the United States.	Horizon Kinetics
12/22/2023	Aquis Hairsciences	Aquis Hairsciences produces and retails haircare products.	Unilever
12/20/2023	High Bar Brands	High Bar Brands manufactures seats, fenders, mattresses, and floor mats for the heavy truck industry.	Sentinel Capital Partners
12/19/2023	Online Labels Group	Online Labels retails blank and custom printed sheeted, and roll labels online through its website to businesses and consumers.	Sentinel Capital Partners
12/18/2023	The ProActive Sports Group	The ProActive Sports Group operates as a distributor that sells golf accessories and products.	GT Golf Holdings
12/15/2023	Bruush Oral Care	Bruush Oral Care an oral care company, manufactures and sells electric toothbrushes in the United States and Canada.	Arrive Technology
12/04/2023	Fresh Vine Wine	Fresh Vine Wine produces and sells low-carb and low-calorie wines in the United States and Puerto Rico. Its wine varietals include Cabernet Sauvignon, Pinot Noir, Chardonnay, Sauvignon Blanc, Rosé, and Sparkling Rosé.	Notes Live
11/29/2023	Rover Group	Rover Group operates an online marketplace for pet care worldwide.	Blackstone Management Partners
11/27/2023	United Sports	United Sports, doing business as United Sports Brand, manufactures sports performance and protective products.	Norwest Equity Partners
11/21/2023	General Assembly Holdings	General Assembly Holdings engages in the restaurant business in Canada.	CanPR Technology
11/14/2023	Substantially all of the assets of MAV Beauty Brands	Substantially all of the assets of MAV Beauty Brands comprises hair care and personal care brands.	Nexus Capital Management
11/09/2023	Feather Home\Fernished	Feather Home\Fernished represents the combined operations of Feather Home and Fernished. Feather Home owns and operates a platform that rents furniture and the user can decide whether to renew, swap, buy, or return it.	Showroom Interiors
11/03/2023	TDBBS	TDBBS, doing business as Best Bully Sticks, manufactures, distributes, and sells dog treats and chews.	Central Garden & Pet Company
11/02/2023	Six Flags Entertainment	Six Flags Entertainment owns and operates regional theme and waterparks under the Six Flags name.	Cedar Fair
10/26/2023	Dollar Shave Club	Dollar Shave Club manufactures and sells men's shaving products.	Nexus Capital Management
10/17/2023	RTCM Holdings	RTCM Holdings, through its subsidiaries manufactures and distributes recycled textile products.	Greybull Stewardship
10/16/2023	Sporting Products Segment Business of Vista Outdoor	Sporting Products Segment Business of Vista Outdoor comprises sporting products manufacturing business.	CZECHOSLOVAK GROUP
10/11/2023	Silver Crystal Group	Silver Crystal Group manufactures and retails professional sports apparel customization of lettering and numbering.	Avery Dennison
10/11/2023	Melissa & Doug	Melissa & Doug manufactures and sells toys for children.	Spin Master Us Holdings
10/09/2023	Soffseal	SoffSeal manufactures weatherstripping, rubber, and sealing products for restoration and street rod markets, and custom OEM applications.	ALP USA
10/06/2023	Shotgun Seltzer	Shotgun Seltzer engages in the production and marketing of alcoholic canned spiked seltzer and cocktail products.	Alamo Beer Company
10/03/2023	Neighbourly Pharmacy	Neighbourly Pharmacy owns and operates a chain of retail pharmacies in Canada.	PCP GP
10/02/2023	Salt Life	Salt Life designs, manufactures, and distributes headwear to colleges in the United States.	Private Investor
10/01/2023	Sokol & Company	Sokol & Company, doing business as Solo Foods, manufactures food and baking products.	SACO Foods



## ABOUT LAKESIDE PARTNERS



Lakeside Partners is a boutique investment bank specializing in M&A advisory services. We serve founder & family-owned businesses in the lower middle market by advising their owners through transactions. We leverage decades of experience and relationships to execute processes that unlock exceptional value.

### FIRM CONTACTS

**Tom Newell**  
Managing Director  
(206) 295-9746  
tnewell@lakesidepartners.com

**Taylor Hanson**  
Partner  
(651) 357-4633  
thanson@lakesidepartners.com

**Chase Wichelmann**  
Director  
(651) 356-1753  
cwichelmann@lakesidepartners.com

**Matt Holcomb**  
Senior Associate  
(952) 239-4297  
mholcomb@lakesidepartners.com

OFFICE LOCATIONS: SEATTLE | MINNEAPOLIS

### OUR INDUSTRY EXPERIENCE

