



Case Study

Consumer | Financial Sponsor

Investment Banking

The \$363 sale of Enesco Group, Inc. to Tincum Capital Partners II, L.P.

Background

- Enesco Group, Inc. (“Enesco” or the “Company”), a then publicly traded OTC company headquartered in Itasca, Illinois, designs, manufactures and markets licensed and proprietary branded giftware and home and garden décor products.
- Enesco's product lines include some of the world's most recognizable brands, including Heartwood Creek® by Jim Shore, Foundations®, Pooh & Friends®, Walt Disney Classics Collections®, Disney Traditions™, Disney®, Border Fine Arts™, Cherished Teddies®, Halcyon Days® and Lilliput Lane™, among others.
- Enesco's Board of Directors retained Mesirow Financial to assist in the review of a broad range of strategic alternatives including a capital infusion, refinancing, recapitalization, sale or merger of the Company.

Challenge

- The Company had been struggling with declining sales due to an industry-wide drop in collectible sales.
- The Company was also faced with continual turnover at the executive level, which resulted in a lack of focus on financial and operational discipline.
- Enesco's Board of Directors was seeking a comprehensive solution that would provide the greatest value to shareholders, alleviate the Company's overleveraged balance sheet and address Enesco's lack of strategic vision at the executive level.

Action

- Mesirow Financial generated interest from a number of potential partners and advised the Company's Board of Directors regarding the risks and benefits of each proposal.
- Tincum Capital Partners II, L.P. (“Tincum”), a New York-based private equity firm with significant experience in the gift and collectible industry, was chosen as the stalking horse bidder for the assets of Enesco in a proposed \$363 asset sale.
- The transaction was effectuated through a voluntary filing for protection under Chapter 11 of the U.S. Bankruptcy Code by Enesco.

Result

- In a transaction valued at approximately \$75 million, Enesco was acquired by Tincum.
- The Company was able to file a voluntary petition for Chapter 11 protection, secure and close a transaction with Tincum and gain approval from the U.S. Bankruptcy Court within approximately 30 days.



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TINCUM CAPITAL PARTNERS

Additional Services offered by Mesirow Financial

Investment Management Institutional money manager in the areas of hedge fund strategies, private equity, currency and commodity management, real estate, U.S. value and international equities and fixed income, as well as investment advisory services for private clients and retirement plan sponsors

Global Markets Well-capitalized broker/dealer with expertise in investment banking, sale-leaseback financing and non-discretionary brokerage services

Insurance Services Full-service insurance brokerage and consultant specializing in the areas of property and casualty, surety, employee benefits, life and disability and private client insurance, as well as structured settlement services

Consulting Financial advisory services including corporate recovery, litigation, investigative and intelligence services, interim management* and valuation services, as well as real estate consulting and compensation and executive benefit strategies

About Mesirow Financial Investment Banking

Mesirow Financial's Investment Banking group focuses exclusively on middle-market transactions and serves established middle-market companies and large corporations, both public and private, in merger & acquisition advisory, capital markets advisory, restructuring and special situations, fairness and solvency opinions, board of directors advisory and special committee representation. We are a national firm with strategic initiatives in China, Southern Europe and the Middle East. Our practice combines rich industry knowledge and long-standing relationships with expert advisory services in the middle market, and our full range of services allows us to serve clients at any the stage of their business.

About Mesirow Financial

Mesirow Financial is a diversified financial services firm headquartered in Chicago. Founded in 1937, we are an independent employee-owned firm with offices across the country and in London. With expertise in Investment Management, Global Markets, Insurance and Consulting, Mesirow Financial strives to meet the financial needs of institutions, public sector entities, corporations and individuals. For more information about Mesirow Financial, visit our website at mesirowfinancial.com.

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Insurance services offered through Mesirow Insurance Services, Inc.

* Interim Management services provided by Mesirow Financial Interim Management, LLC

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