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## FOR IMMEDIATE RELEASE

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### **CORPORATE SOLUTIONS GROUP LEADS LEVERAGED ESOP TREND**

#### **Ideal Exit Solution For Privately-Held Businesses**

New York, NY – March 25, 2004 – Corporate Solutions Group, LLC, (“CSG”) a leading innovator in liquidity solutions for middle market companies, today announced the completion of 10 leveraged Employee Stock Ownership Plans (“ESOP”) totaling \$300 million in the last fifteen months, a 100% percent increase over the prior fifteen month period. Through their efforts, CSG has helped hundreds of employees obtain partial ownership of their employer.

“When clients approach us looking for an exit solution, we are increasingly advising them to choose a leveraged ESOP over a traditional sale or merger because it allows our client to access frozen capital while still retaining ownership of their company,” said Larry Kaplan, CGS’s founder and managing director. “And, when properly structured, a leveraged ESOP offers substantial tax benefits to the seller and company because Congress saw it as a vehicle to aid in wealth redistribution from management to the actual workers.”

Introduced by Congress in 1972 and covered by ERISA, leveraged ESOPs – which transfer ownership interest in a company to employees – offer companies a unique tool to create alternative liquidity and access to associated tax benefits, while aligning employer and employee interest and creating value for employees.

Corporate Solutions has designed ESOP’s for a variety of businesses including apparel manufacturers, architecture firms, industrial pipe and material distributors, printers, and car dealers.

#### **Apparel Industry Specialty**

CSG specializes in ESOP’s for the apparel industry, which represents over 50% percent of its ESOP transactions in the prior fifteen months.

For an industry that often relies on an international workforce, apparel companies that chose to offer domestic employees ownership are helping create an environment where US employees are valued for their expertise and hard work.

“R & M Richards has long been an industry innovator. From our cutting edge designs, to our focus on the plus sizes market, to our commitment to retaining half our production in America, R & M Richards leads the way,” said Mario Dell’Anno, chairman and CEO of R & M Richards, a leading designer, manufacturer and marketer of missy, petite and plus size knitwear and dresses for the moderate women’s apparel market.

“By making our employees owners through a leveraged ESOP, we’ve raised the bar and set the standard in the apparel industry. R & M Richards is a family business, and that family now extends to our employees whose hard work has made the company the success it is,” Dell’Anno adds.

### **ESOP’S Gaining Prominence in the Auto Industry**

CSG’s Richmond, VA-based client Whitlow Investment Company & Subsidiaries (“WICS”), the holding company for Lexus of Richmond and Whitlow Chevrolet, transferred 30% percent of ownership from George W. Whitlow to his company’s 180 employees.

“This is a win-win situation for me as a business owner and for my employees, who are responsible for the business’ growth. It emphasizes the value of teamwork and ‘roll-up your sleeves’ attitude that’s been the key to our success,” said George W. Whitlow, WICS president and CEO. “This transaction allowed me to reward them for their efforts in a way that benefits everyone without risk, and is an added benefit to those that they already receive.”

The deal structured by CSG took into consideration the difficulties associated with changing franchise ownership and has become an industry standard.

“This was a very complex deal requiring approval from both Chevrolet and Toyota because transfer of franchise ownership was involved,” said Alex Meshechok, CSG’s managing director. “General Motors was very comfortable with our plan and provided approval quickly. We worked closely with Toyota for a year to ensure the ESOP – the first in their history – met their high standards. Not surprisingly, the plan we developed with Whitlow has been chosen by Toyota as the template for all future ESOP’s.”

## **Forty-Seven Year Old Business Welcomes Employees Into the Fold**

Lewis Brass & Copper Co., Inc. (“Lewis Brass”) the nation’s second largest distributor of copper and brass alloys, chose CSG to lead its transfer of 49 percent of the company’s ownership from Jay, Avri and Elliot Horowitz, CEO, COO and silent owner of Lewis Brass, respectively, to the company’s 21 employees. CSG offered Lewis Brass the right mix of expertise and understanding.

“Larry and his staff understood what a big step this was for my family. They worked very closely with us – we were never in the dark or out of touch. And everything they said would happen did, exactly as they described it – there were no surprises,” said Jay Horowitz. “For Lewis Brass, its employees and customers, not much has really changed – we just took what was a family owned business and expanded the family.”

Led by founders Harvey Granat and Larry Kaplan, CSG’s ESOP practice also includes managing directors Stephen Berman, Seth Elliott, Arthur Goldberg, and Alex Meshechok.

## **About Corporate Solutions Group, LLC**

Corporate Solutions Group, LLC (“CSG”) is the leading innovator in liquidity solutions for middle market companies in the apparel and other industries. CSG offers a variety of financial services including mergers and acquisitions, alternative liquidity structuring, fairness opinions and valuation analysis, and capital raising. With over 200 years combined experience, CSG’s professionals deliver tailored, value-added options designed to meet clients’ business and personal goals.

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