



## Milestone Partners Completes Sale of EB Brands

**Saint Davids, PA, May 23, 2008** – Milestone Partners is pleased to announce that on May 16, 2008 it realized its investment in EB Brands through a sale to a fund controlled by Cortec Group ([www.cortecgroup.com](http://www.cortecgroup.com)). Lazard Middle Market ([www.lazardmm.com](http://www.lazardmm.com)) represented EB Brands in the sale process and GE Antares Capital ([www.geantares.com](http://www.geantares.com)) supported the process with staple financing.

**EB Brands** ([www.ebgift.com](http://www.ebgift.com)), headquartered in Yonkers, NY, is a leading designer and marketer of high-margin, high-impulse, niche products designed for the hand-held exercise, personal fitness monitoring, travel accessory and gift markets. Most of EB's products are "add-on" purchases for consumers who have already demonstrated an interest in the relevant category. Therefore EB's products provide depth to their categories, rounding out the retailer's product offerings and completing the consumer's purchasing needs. Due to this strategy, as well as its trusted brand names (some licensed, some owned by EB), value prices, rapid turnaround to market, value-added services, merchandising expertise and high retail margins, EB has become both the leader and the most valuable vendor in each of its niche categories. EB's products are sold to virtually all of the largest and most recognizable retailers in the nation, including Wal-Mart, Kmart, Target, The TJX Companies, Sears, Macy's, Bed Bath and Beyond, Staples and Rite Aid, among others.

Milestone Partners acquired a controlling interest in EB Brands in June 2000. Since then EB has more than doubled sales and more than tripled EBITDA through both organic initiatives and acquisitions. CEO Dave Mauer commented, "Working with Milestone Partners has been a terrific experience for us at EB Brands. Besides introducing us to and helping us complete add-on acquisitions that now are integral to our business, Milestone assisted us in refining our overall strategy and in executing our growth plans." Bob Levine, Partner at Milestone, added, "It has been a true pleasure working with the management team of EB Brands. It is gratifying to recognize how much the company has grown not only in terms of its revenues and earnings, but also in terms of its systems and sophistication. We remain very optimistic about EB Brands' positioning and prospects and wish Cortec Group and management continued success."

**Milestone Partners** ([www.milestonepartners.com](http://www.milestonepartners.com)) is a private equity firm that partners with management to invest in leveraged buyouts and recapitalizations of lower middle market businesses. Milestone pursues successful niche-market leaders that provide high-margin products or services. Milestone's transactions typically provide liquidity to shareholders of privately-owned businesses, facilitate the transition of ownership to key managers, and allow management to capitalize on growth opportunities, while maintaining the legacy of the founders. Milestone is currently making investments through Milestone Partners III, L.P.

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## Milestone Representative Investments:



**Eliason**  
(commercial double-action impact doors)



**Dydacomp**  
(software for e-commerce & catalog merchants)



**Interconnect Devices**  
(electronic contact probes & connectors)



**Outlook Group**  
(printing, packaging & direct mail)



**Higher Power Nutrition** (exited 12/07)  
(nutritional supplements)



**United Road Towing**  
(towing services)



**CODi**  
(corporate laptop cases & accessories)



**Good Health Natural Foods**  
(natural foods & body care products)



**Knights Apparel**  
(licensed sports apparel)



**EB Brands** (exited 5/08)  
(fitness & leisure accessories)

## Milestone General Investment Criteria:

### Company Size\*:

- Revenue: \$15-\$150 million
- EBITDA: \$3-\$15 million

### Transaction Size\*:

- \$15-\$100 million

### Investment Size\*:

- \$5-\$25 million

### Industry Focus:

- Generalist; high-margin, niche-market manufacturers, value-added distributors and service companies

### Geography:

- United States and Canada

\*Add-on parameters may be smaller

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