

The future looks bright for RAG with its continuing store roll out plan, the launch of a new brand and the acquisition of yd.



Partnership



At the time of CHAMP Ventures' investment, Tarocash's retail presence stood at 42 stores and its founder, Stephen Leibowitz, was looking for a partner to help grow the business and provide an exit for its other shareholder.

CHAMP Ventures invested in mid-2004, taking a minority position, and since then has encouraged the business to not only grow its retail presence, but also to develop its management team. This strategy has helped the business to flourish, particularly during difficult retail conditions.

Retail Apparel Group Limited (RAG), which was previously known as Tarocash Enterprises Pty Ltd, incorporates the brands Tarocash, yd. and the recently launched Connor.

The Tarocash brand is one of the fastest growing menswear retailers in Australia, providing mass-market smart/casual menswear fashion to males aged 20-35 years.

Connor was launched in March 2007 to exploit a perceived gap in the menswear retail market. A more sophisticated brand than Tarocash, Connor is aimed at males in their thirties and forties whose tastes were previously only serviced by department stores. CHAMP Ventures recently assisted RAG's acquisition of youth oriented brand yd., creating the largest, most profitable menswear retailer in Australia.

The company's Australasian retail network stands at 148 stores, including three New Zealand stores opened in 2007.

"A key benefit I have gained from working with CHAMP Ventures is learning the importance of working on the business, rather than in the business."

*Stephen Leibowitz,
Executive Chairman, RAG*



TAROCASH

yd.

CONNOR

KEY POINTS

Developed new growth opportunities for a relatively mature business

Developed an exceptional management team and infrastructure to allow more focus on business optimisation

Repositioned company to become the most profitable menswear retailer in Australia