

Ellesse Management Team

Byron Hero - CEO

Byron Hero is an entrepreneur with a background in law, finance, and executive management. Through his firm, Continental Brands, LLC, he has been engaged in merchant banking principal and advisory activities for the past several years and has developed a special expertise in the re-building and revitalization of venerable brands. In recent years, Mr. Hero has served as a CEO, crisis manager, consultant, or advisor to many businesses, including Sport Brands International (the parent company of Fila, CloudVeil, and Ciesse); Elite Model Management, S.A.; and Prince Sports, Inc., maker of the Prince and Ektelon racquet brands. Most recently, he was the CEO of Ellesse (North America), Inc., a licensed venture which sought to re-launch the Ellesse brand of luxury sports apparel and footwear in the U.S.

In April, 2005, Sport Brands International asked Mr. Hero to become the acting CEO of Ciesse, Italy's oldest manufacturer of down outerwear. For the prior five years, Ciesse had been a corporate orphan within the Fila Group; it had no CEO or senior management and no capital to support its business. Sales were stuck at the \$7 to \$10 million level and EBITDA had declined steadily to a low of (- \$4.9 million) in 2005. In the ensuing months, Mr. Hero defined a clear vision for the brand, restructured the management team, reduced the SKU count, pared overhead expenses, initiated a new marketing strategy, revamped distribution in Italy, and began exporting the brand to North America and other markets outside Italy. By the end of 2006, gross margins had improved from 21% to 47% and EBITDA was slightly above break-even. Ciesse was sold by SBI in 2007.

Mr. Hero served on the Board of Directors and was a strategic consultant for several years to Prestige Brands International, a consumer products company which owned the Prell shampoo, Chloraseptic throat medicine, Murine/Clear Eyes eye care, and Comet cleanser brands. Prestige was a platform company built by Mid-Ocean Partners (formerly DB Capital Partners), Provender Capital, Jefferson Capital, and Swander Pace. It was sold in April, 2004 to GTCR Golder Rauner.

Mr. Hero was retained in January, 2004 by Elite Model Management, S.A., the Swiss parent company of the Elite network of modeling management firms, to assist in the restructuring of its North American business which was involved in several debilitating lawsuits. He served as legal counsel, crisis manager, and acting CEO of the business and successfully guided it through a complex bankruptcy reorganization which was concluded in September, 2004. During his tenure the business generated revenues and earnings well in excess of the prior year and maintained its strong market position despite operating under the constraints of Chapter 11. In 2006, he arranged the sale of the Swiss parent company to a French investor group. In 2008, he initiated and brokered the sale of the Wilhelmina modeling agency to a Dallas-based hedge fund.

In 1986, Mr. Hero acquired control of Danskin, Inc. when he bought the stock of its parent company, Esmark, Inc., from Beatrice Companies, Inc. in a leveraged buyout. At the time, Danskin was a failing business with a net loss in excess of \$40 million for the prior year. Within 15 months of taking over, he and his new management team had restored the business to profitability and begun rejuvenating the brand name. The company then enjoyed eight years of consistent growth and profitability and completed a successful IPO in 1992.

During his tenure as CEO, Danskin opened over 50 retail stores; became the first company to use female athletes as a significant marketing and advertising vehicle in the Team Danskin program; introduced the Danskin Plus line in recognition of the needs of women moving to more demanding sports and fitness activities; started the Danskin Plus division to address the needs of large sized women; introduced DuPont's Supplex yarn and fabric to the market, the most important product innovation since Lycra; and, launched the Danskin Triathlon Series, the first such events exclusively for women and the only ones to combine grass-roots participation with professional competition.

Danskin's Pennaco subsidiary was a leading manufacturer of women's hosiery whose brands included Round-the-Clock, Christian Dior, Givenchy, Anne Klein, and the private labels for most of the major American department stores. Mr. Hero acquired the Dior and Anne Klein licenses for Pennaco, and renegotiated the master Givenchy license as well as sub-licenses for several countries.

In 1993, Esmark acquired several leading water sports businesses, including German sailboard and windsurfing equipment manufacturer, Fanatic; Hong Kong-based sail maker, Advanced Rig Technologies (ART); and Seattle-based water ski and wakeboard manufacturers, Kidder, Jobe, and Duvall Competition Skis.

Also in 1993, Fairchild ranked Danskin as the fourth best-known activewear brand in the U.S. (after Nike, Reebok, and L.A. Gear); and, in 1994, Sporting Goods Dealer ranked it among the top 25 sporting goods vendors in the world. At the same time, Mr. Hero was named one of the 100 most powerful people in the sporting goods industry by Fairchild's Sportstyle and was a national finalist for Inc. Magazine's Entrepreneur of the Year Award. He left Danskin in 1994 in order to work on a restructuring of Esmark.

He began his professional career as an associate lawyer specializing in mergers and acquisitions at Winthrop, Stimson, Putnam & Roberts (now Pillsbury Winthrop) in New York in 1976.

Mr. Hero earned his Bachelor's (magna cum laude) and Master's degrees from Tufts University and was graduated from the Columbia University School of Law (1976), where he was an International Fellow and President of the Columbia Society of International Law. He studied at the Institut d'Etudes Politiques of the Sorbonne in Paris; and, he is fluent in French and Greek and has a working knowledge of Italian. He was also Captain and M.V.P. of his college tennis team and was a USPTA certified teaching professional. He is a member of the bar of the State of New York and of the U.S. District Court for the Southern District of New York. He is also a licensed real estate broker in the State of New York.

He served for many years on the Board of Directors of the Greater New York Councils of the Boy Scouts of America and is a lifetime member of the National Eagle Scout Association. He was a Director of the School of American Ballet for over ten years. He is a former Director and Finance Chairman of the New York City Sports Commission and was a member of YPO (Metro New York). He belongs to the River Club in New York and the Meadow Club of Southampton and is a former Vice-Chairman of the Membership Committee of the Lyford Cay Club (Bahamas).

Philip Schiavoni – Chief Administrative Officer

Mr. Schiavoni has extensive turn around management experience throughout his 30 year career. He has successfully completed more than 10 turnarounds on behalf of Citibank, Chase, GE Capital, Warburg Pincus, Sprout Group, Primus Venture Capital, Fingerhut, Montgomery Ward, Hanover Direct and Southridge Capital.

Over a four year period Mr. Schiavoni was Chairman and CEO of Tweeds, Inc. a \$60 million designer and direct marketer of European inspired, fashion forward women's clothing. In less than 12 months he transformed the business from a prior 1999 loss of \$12 million to over \$2 million of profit in 1993, a \$14 million turn. The 15 member team of fashion designers was refocused on key product segments and introduced several new product categories. Each year an entirely new spring and fall line were developed, incorporating over 150 new items each season. Nations Bank, the senior lender to Tweeds, was fully repaid inclusive of all accrued interest. A new senior credit facility was subsequently established with Congress Financial. Mr. Schiavoni managed the sale of Tweeds at over 8 times pro forma EBITDA.

Mr. Schiavoni, as Chairman and CEO, managed the turn around of Montgomery Ward Direct a \$350 million marketer of home fashions and accessories. He achieved a \$10 million profit turn in the first year and generated a substantial increase in market value.

Hanover Direct recruited Mr. Schiavoni to manage the turn-around of Hanover's \$250 million apparel catalog and specialty retail business. In less than 18 months Mr. Schiavoni transformed 8 separate apparel brands that were losing money into a focused and profitable men's and women's apparel designer and marketer.

Mr. Schiavoni, as CEO, managed the re-start of Petals Decorative Accents out of a Chapter 7 bankruptcy. In less than 6 months he reestablished the necessary operating infrastructure and achieved an annualized revenue run rate of over \$20 million.

Nancy Johnson – Chief Operating Officer

Nancy Johnson is the Founder | CEO of Optimize- an international, award-winning advisory services firm to leading brands, retailers and manufacturers focusing on all aspects of developing, sourcing and executing product to build healthier, sustainable, globally

prepared businesses. Optimize harmonizes the delicate balance between creativity and operations to better manage the complexities of developing products and intricacies of business optimization.

As a knowledge leader in resourcing, business process optimization and enabling technologies, Optimize provides strategic and practical solutions to customers based on experience, honest assessment, and value. Companies such as Li&Fung, Luxottica/Oakley, Disney and Under Armour have achieved significant business gains including: proven sustainability practices; decreased costs; enhanced innovation; increased speed to market.

Nancy has personally managed or participated in dozens of projects over the years, including those with the following companies:

- Columbia Sportswear
- Icebreaker
- Reebok
- Under Armour
- Cutter & Buck
- Li & Fung
- Target Australia
- Michael Kors
- Nordstrom
- Tahari
- Ralph Lauren

Prior to launching Optimize, Nancy was a designer/tailor of eveningwear. She worked for an award winning interior architect before transitioning back into apparel. Her extensive product development and technology background transitioned her from custom bridal to sportswear and athletic apparel with companies such as House of Design, Calvin Klein and Warnaco, with various wholesale and retail experiences in between. She has held director and management level positions relating to product design and development, merchandising, sourcing, and technology.

She has been a Visiting Professor- Massachusetts College of Art, Boston and an Adjunct Professor- Fashion Institute of Technology, New York City

Dieter Schoenegger – Chief Information and Technology Officer

Mr. Schoenegger has over 40 years extensive experience at the highest level of global technologies, global sales and distribution activities and the development of programs designed to increase production efficiency, support vendor and key partner relationships, and enhance sales. He has had senior management responsibility directing all aspects of corporate technology and management, including enterprise networking, security, computing and data storage.

From 2007 to 2011, he served as Chief Restructuring Officer of the Camuto Group, a fashion company founded by Vince Camuto (the founder of Nine West). He created the supply

chain integration program for the new company and built its e-commerce business to \$10 million in revenues within its first three years.

From 2003 to 2007, he was the Chief Information Officer of Fila, the Italian manufacturer of athletic footwear and apparel. He played an integral role in restructuring this \$1 billion company which was losing over \$200 million per year and helping it to return to profitability. In large part thanks to his efforts, the company was ultimately sold at a very substantial profit by its private equity owners.

Prior to Fila, he spent six years as the Chief Information Officer of Adidas America, which was near bankruptcy when he joined the company and grew to over \$1.7 billion in revenues and strong profitability by the end of his tenure. His efforts there included a complete restructuring of the inventory management, distribution, and warehousing activities of Adidas America which had been causing losses of over \$50 million per month. He had previously served as a Vice President of Adidas Global with responsibility for re-engineering the company's business processes.

Earlier in his career, he held important positions at several consumer electronics companies, including Braun AG/Gillette; Grundig AG Fuerth; and Philips Austria.

Elizabeth "Bissie" Clover – Design Director

Ms. Clover is a senior apparel executive with extensive experience in the wholesale, retail and manufacturing arenas. She brings to the table a skill set encompassing the disciplines of design, product development, merchandising, sourcing and sales presentation. She has held management positions in numerous companies, including Liz Claiborne, Reebok, Spalding, Duofold, Pringle of Scotland and Ellesse.

In 2003 when Ellesse reintroduced the brand into the USA market Ms. Clover became the VP of Merchandising and Design for the USA division, immediately establishing merchandising and design disciplines which enabled a smooth reintroduction of the brand into the USA market.

Ms. Clover directed the design & development of the US exclusive tennis and golf collections. At the same she time coordinated efforts to establish and implement a standardized International fit for the entire Ellesse brand. Her relationship with the Ellesse brand continued through 2008 working with Astco, a Boston shoe company that acquired the license from Pentland.

As VP, Brand Manager at Liz Claiborne, Ms. Clover was responsible for the launch of the Niki Taylor apparel brand at Target, taking the 150 store test to a 500 store roll out in the first year.

As Director of Design and Merchandising of Women's apparel at Reebok, she directed 25% increases in the women's fitness business, launched the first Venus Williams Reebok tennis

collection and represented the sports industry as a guest speaker at the Harvard Business School's workshop for women.

While VP of Merchandising at Duofold, a division of Dawson Consumer Products, she created and brought to market the Vent-A-Layer line of innovative thermal performance apparel using a patent pending concept of vented layering. The project was among the first brands to introduce DuPont's performance fibers and included directing research at SUNY University to prove that performance fabrics helped to regulate the body temperature, leaving more energy to power the muscles. The launch included outfitting a team to ascend Mt. Everest.

As VP of Merchandising and Design at Pringle of Scotland, A division of Dawson, PLC, Edinburgh, she directed the design and development of the USA cashmere and golf collections.

As VP Merchandising and Design for the Spalding brand at Warnaco, Ms. Clover expanded the women's tennis category, including styles for Chris Evert, introduced the A.G. Spalding golf program for men and implemented domestic sourcing programs which increased competitive pricing potential.

Currently, Ms. Clover is a consultant specializing in tailoring European brands for the US market. Her most recent accomplishment has been the design and launch of a women's tennis brand for PureLime, a premier Scandinavian women's fitness brand who has recently begun distributing product in the US market.

Ms. Clover earned a Bachelor of Arts degree in economics from Ursinus College.

Sue Kagan - Technical Designer

Sue Kagan will manage the technical design process for all Ellesse products. She will be responsible for maintaining and enhancing Ellesse's excellent reputation for fit, which represents the brand's contract with the consumer.

Sue is an internationally-known technical design specialist and fit consultant who understands every step of the product development process from design to production approval. She began her career as a patternmaker for Esprit in San Francisco and helped developed the quality standards for the company's Asian sourcing facilities. The approval process she implanted helped to propel the brand's growth to over \$2 billion.

Later, while living in Paris, she became head of Oliver Lapidus' design studio and taught patternmaking and draping at the Parsons School of Design. Upon returning to New York, she became the technical designer and/or manufacturing director for such companies as Liz Claiborne, LandsEnd, Talbot's and Brooks Brothers.

As a highly sought-after fit consultant, she has helped New Balance, Nautica, and Ellesse re-engineer their fit. Sue is an expert at simplifying the confusing and difficult process of

correcting garments for balance and fit while preserving the design intent. This process of approving a garment for final production is critical to the success of any apparel brand.

Kristi Sedgwick – Product Development

Kristi will oversee all aspects of product development from concept through production, working with the designers, technical professionals, factories and the executive team to bring product vision to reality. She has an impressive record of improving core business processes, building consensus for more efficient, effective procedures and liaising with operations, creative and IT professionals to deploy new technologies.

Kristi has been a senior executive at Coach in New York since 2006, most recently (2009-13) as Director of Product Development – Women’s Accessories. She worked closely with design and merchandising executives to develop the collection and gift program strategies, implementing sampling, style and SKU plans to drive new business and increase revenue. She directed 7 developers engaged in producing technical packages, coordinating sampling materials, reviewing products and communicating with factories and offices in Asia. She supervised technical teams, monitoring production of technical design and specifications to ensure fulfillment of design vision. And, she developed product volume drivers that played an integral role in margin improvement.

Prior to Coach, she worked with Nancy Johnson at Optimize where she led consulting engagements with such clients as Polo Ralph Lauren and Nautica. From 2000 until 2004, she was the Women’s Product Development Manager for Limited Brands – Express, managing prototype and sales sample development across all women’s apparel lines. She began her professional career as a technical designer at ANNE KLEIN in 1997. Kristi holds a BFA from New York University’s Tisch School of the Arts.

Susan Richter - Women’s Activewear; Licensing

Sue Richter will be primarily responsible for Ellesse’s women’s bodywear business: fitness, yoga, Pilates, spinning, etc., as well as supervising the sub-licensing of the brand in several potential categories such as bags, socks, gloves, sunglasses, watches, and skin care.

She spent ten years as President of Dance France, a Santa Monica based maker of high-end bodywear, which she co-founded and led through its years as an independent company and later as a subsidiary of Danskin, Inc. The business enjoyed double-digit growth in both revenues and profitability during every year of her tenure. Dance France was renowned for

its exceptional fit and use of sophisticated fabrics and colors and was a favorite of celebrities and fitness instructors.

After leaving Danskin, she became Director of Women's Marketing and later Director of Worldwide Licensing for L.A. Gear. This was followed by three years at the Cherokee Group as Senior Director of Licensing.

She has since served as Senior Director of Licensing for Fisher-Price and Hasbro, and Director of Boys' Marketing for Mattel. She has an outstanding record of exceeding budgets and significantly increasing royalty revenues in all of her positions.

Sue is a graduate of Temple University in Philadelphia.

Steven Wynne - Vice-Chairman of the Board and Footwear Director

Steven E. Wynne has significant management experience in the athletic footwear and apparel industry, having served as President and Chief Executive Officer of Adidas America, Inc. from February 1995 through March 2000 and President and Chief Executive Officer of Sport Brands International, Ltd. (the holding company for the Fila, Cloudveil Mountain Works and MotionWear brands) from March 2004 to March 2007.

Under Mr. Wynne's leadership, Adidas America's sales grew from approximately \$400 million in 1995 to approximately \$1.7 billion in 1999, improving to the number two position in the United States market. His major accomplishments included the creation of strategic marketing relationship with major sports teams (the New York Yankees), professional sports leagues (the National Football League, Major League Baseball and the National Basketball Association), major college athletic programs (Notre Dame, Tennessee, Nebraska, UCLA) and prominent athletes. He was also responsible for building the company's relationships with key American retailers, restructuring the company's apparel product process and supply chain and outsourcing the company's distribution operation.

At Sport Brands International, Mr. Wynne led a complete global restructuring of the Fila business, including a global brand repositioning, restructuring the brand's product process from design through production, reorganization of its global distribution system, the sale of nonproductive assets and brands, restructuring of distribution and license relationships and, in March 2007, sale of the brand. He was also responsible for the acquisition of Cloudveil Mountain Works, a mountain performance apparel brand, and MotionWear, a performance dance apparel brand.

In addition to his work in the athletic industry, Mr. Wynne served as Chairman and Chief Executive Officer of eteamz, inc, an online amateur athletic information company, from 2000 through its successful sale in 2001.

Mr. Wynne is a director of FLIR Systems, Inc., a publicly-traded infrared imaging company, and was an active participant in restructuring the management and operations of the Company in his role as an independent director in 2000 and 2001. He later served as Senior Vice President and General Counsel of FLIR from April 2002 through March 2003.

Mr. Wynne was a founding partner of the Portland law firm Ater Wynne LLP, where he practiced through February 1995. His law practice focused on the representation of entrepreneurial and high-growth companies in the technology and athletic industries.

He currently serves as a director of Planar Systems, Inc., a publicly traded display company based in Portland, where he is Chair of the Governance Committee and a member of the Audit Committee. He is Chairman of the Board of Trustees of Willamette University in Salem, Oregon and a member of the Board of Trustees of The Nature Conservancy of Oregon.

A native of Klamath Falls, Oregon, Mr. Wynne received his Bachelor of Arts degree in history from Willamette University in 1974 and his JD cum laude from the Willamette University College of Law in 1977. He and his wife, Deborah Hewitt, are the parents of two daughters, Stephanie, 23, and Abigail, 21.

Angela Ferrario - Creative Director (Design and Product Development)

Angela Ferrario is currently a full-time design and product development consultant for Aeffe, the Italian fashion company where she works on the Celine and Alberta Ferretti businesses. Previously she was the Head of Product Development for Fay, the sportswear brand owned by Tod's.

From 2002 through 2006, she was the Creative Director of Ciesse, responsible for all product design and development and the overall creative direction for the brand. Her designs helped revive the near-dormant brand and return it to profitability.

Prior to joining Ciesse, she worked for Pepper Industries, designing the women's and junior lines for Moncler, Henry Cotton's, and Marina Yachting. Before Pepper, she designed men's wear for Jeff Rose, Inc. and sportswear for Fransport's Babe Didrikson golf line. She began her professional career in the Milan office of Hartmarx Group as an assistant designer, and eventually Product Manager, for Bobby Jones International.