

Enlightened restructuring. Enduring value.

Our game-changing solutions create sustainable value. CRG Partners brings a unique blend of leadership, expertise, and efficiency to companies. Working closely with your team, we implement fundamental changes throughout an organization that generate measurable results. Could a fresh perspective help a company you know? Visit us at **www.crgpartners.com**

New York | Atlanta | Bethesda | Boston | Charlotte | Chicago | Dallas | Los Angeles | Orange County | Vienna, Austria

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Meaningful Change. Measurable Results.™

CRG Partners

Change the Results

When organizations encounter times of dynamic change, they turn to CRG Partners for expert guidance. CRG works with companies to address complex business challenges and dramatically improve operating performance. With diverse backgrounds and expertise, our professionals tailor their advice to meet your individual needs and swiftly implement strategies that maximize results.

CRG Partners is singularly focused on addressing the unique operational and financial challenges facing any organization to increase enterprise value.

TURNAROUND MANAGEMENT

Revitalize: CRG Partners is well positioned to assist management teams to satisfy the critical needs of organizations operating in liquidity- and time-constrained environments. We help our clients address the dynamic challenges by utilizing our deep operational, financial and industry expertise to develop and implement practical, custom-designed solutions that protect and enhance business performance, establishing a strong foundation for growth.

Capabilities:
Turnaround Management | Operational Improvement | Revenue Enhancement | Liquidity Management | Working Capital Improvement | Interim Management

PERFORMANCE IMPROVEMENT

Transform: Companies turn to CRG Partners when a decisive step is needed to dramatically improve performance. We apply our significant operational expertise and broad industry experience to establish improvement initiatives that increase efficiencies and reduce costs. We evaluate the business to determine the critical drivers and customize solutions for your unique situation that will directly impact performance and increase enterprise value.

Capabilities:
Supply Chain Management | Transportation & Logistics | Lean & Six Sigma | Revenue Enhancement | Process Improvement | Manufacturing Optimization

Turnaround Management | Performance Improvement
Bankruptcy Reorganization | Financial Advisory | Fiduciary Services

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BANKRUPTCY REORGANIZATION

Renewal: CRG Partners provides our clients with the critical guidance and insight necessary to manage the business issues that arise during a Chapter 11 restructuring. We understand the demands of this complex and challenging environment and will work with your management team to rapidly stabilize the business and generate immediate liquidity. We help utilize the reorganization process to implement strategic restructuring plans that increase efficiencies and reduce costs, creating a strong foundation on which to build.

Capabilities:
Restructuring Advisory | Interim Management | Crisis Management | Bankruptcy Advisory | Plan of Reorganization Development

FINANCIAL ADVISORY

Rejuvenate: CRG Partners offers a diverse suite of financial and economic advisory services to companies who seek trustworthy counsel derived from fact-based analytics. We combine our financial expertise, operational skills and comprehensive understanding of the restructuring process to provide our clients with the insight to make informed decisions.

Capabilities:
Financial Advisory | Creditor Advisory | Economic Advisory

FIDUCIARY SERVICES

Preserve: CRG Partners offers independent, unbiased leadership to insolvent organizations that maximizes stakeholder recovery. We develop and implement the appropriate strategy to monetize the assets of an estate in an efficient and cost-effective manner. Our broad industry experience, considerable operational expertise, sound financial disciplines and comprehensive knowledge of the restructuring process enable us to achieve the best recovery possible for all constituencies.

Capabilities:
Court Appointed Examiner/Receiver | Chapter 11 Trustee | Court Appointed Chief Restructuring Officer | Post Confirmation Trustee | Assignee for the Benefit of Creditors

CRG's professionals share a deep commitment to serving our clients in a relentless pursuit to solve complex business issues and maximize results.

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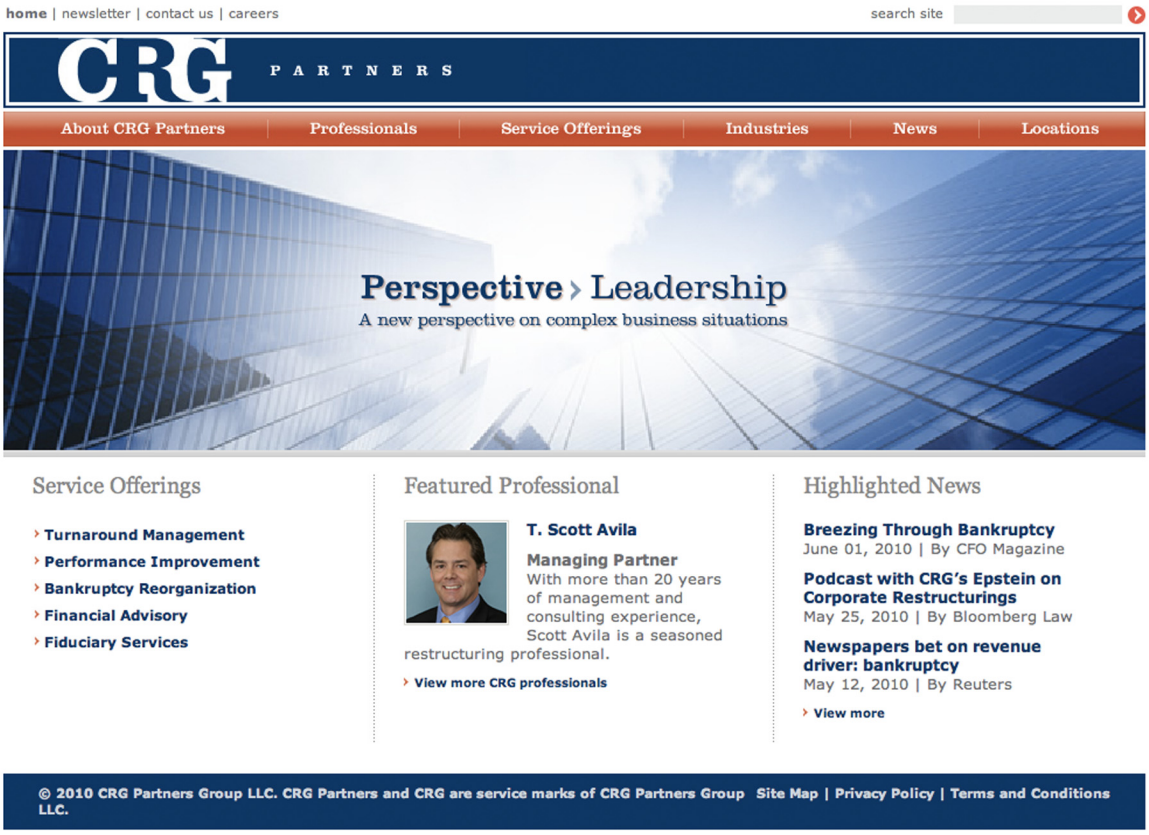
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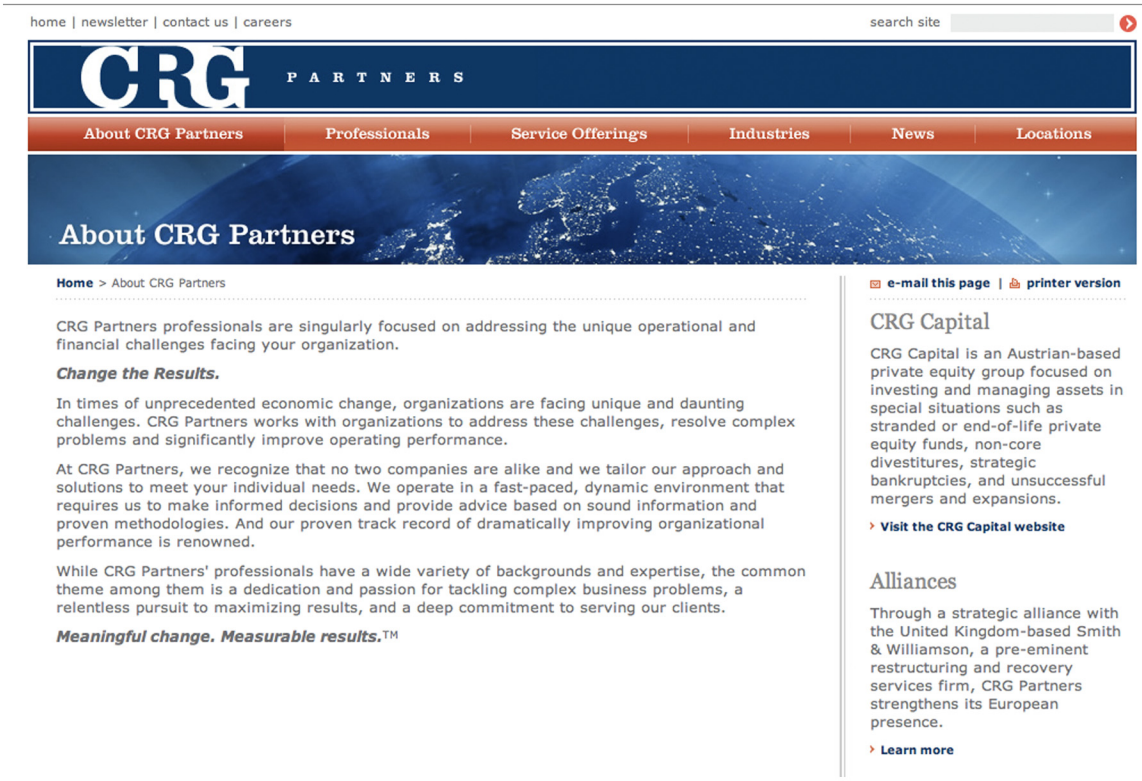
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CRG Partners' Website





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No Trend in Retail Recovery

By Lisa M. Poulin

Retail activity can indicate an approaching economic downturn as well as a recovery; and while the saying "retailers can lead us into a downturn, and lead us out of a down turn" may be true, we're not yet seeing sustained improvement in the retail industry.

After a better than expected 2009 holiday shopping season, the dark, economic cloud seems to be lifting a little. It is evident from the improvement in the capital markets that there is support for retailers, but the question remains: will the shoppers come?

Recovery indicators

Despite continued high unemployment and flat consumer spending, consumer confidence has risen in three of the last four months. In addition, perceptions about spending have shifted drastically in the last two years - from exuberant conspicuous consumption to "shopping in our closets" and "necessities only" to today's sentiment that discretionary purchases are fine, as long as the customer believes that they received the best value.

Retail, right now

Retailers have been cautious over the last year, aligning inventory levels with the current and fluctuating consumer demand, repositioning the brand to match the consumer's new spending habits and capitalizing on e-commerce trends. Essentially a retailers' success boils down to the quality of management's decisions, the efficacy of their strategies and their ability to respond to changing consumer demand.

For example, the 2009 holiday season was successful for retailers, in part, due to increased discretionary spending. This was fortified, however, by retailers' realistic inventory levels and reduced cost structures, which were aligned with the new consumer demand and spending habits.

Recent Engagements



Heavy Equipment
A $100 million leading provider of specialty lifting solutions and crane rental services retained Scott Avila, a managing partner at CRG Partners, as CRO.



Lumber Distributor
A $250 wholesale distributor of lumber products engaged CRG to identify opportunities to improve profitability and cash flow.



Eyewear Designer
A $300 million sunglasses and non-prescription reading glasses designer and distributor retained CRG Partners to provide an operational review of the company, develop the 2011 business plan and lead the implementation of several process improvement projects.

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Too Much to Handle - Freight Outlook

By Larry Field

Today's freight capacity is tightening both domestically and internationally. As a result, transportation costs are rising. Over the last couple of years, companies that move freight by truck, rail, air or steamship have reduced their fleets in response to the widespread, decreased demand for goods brought on by the economic downturn. Since a high in 2006, freight capacity has decreased by 14%, according to Transport Topics.

However, as the economy begins to improve, there will be more demand for goods, which in turn increases the demand for freight capacity. These factors are triggering a surge in transportation costs and a reduction of available equipment, and the available space in trucks, steamships and rail cars needed to move goods. Companies that rely on freight, particularly manufacturers and retailers, must have a strategy in place to combat rising costs and maintain their ability to deliver goods.

Industry snapshot

Freight carriers posted profits for the first quarter of 2010, the first time since the end of 2008. Additionally, the American Trucking Association reported that truckload shipments have risen 12% over the last seven months and load postings - the listings of available freight posted at truck stops - increased 299% in March 2010 over the same period in 2009.

This is good news the freight industry and for our economy, but without sufficient fleet capacity and available drivers, products that flow from Point A to Point B will be delayed waiting for an available ship, truck or train. Today, for example, there is a backlog of steamship containers waiting for available space on ships from the Pacific Rim to the U.S. Due to this fact, manufacturers may not meet their production schedules and retailers may not have seasonal product to sell at the right time. These factors could contribute to a stifled economic recovery; one that is trying to grow but is being constrained by the limits of freight capacity (See Economic recovery may hinge on freight capacity).

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In the News

Michael Epstein was quoted in the Reuters article "Newspapers bet on revenue driver: bankruptcy," which discusses the escalating challenges of the newspaper industry.

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M&A advisor recently interviewed William Snyder for a Q&A piece regarding successful turnaround strategies in the current economic environment.

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Events

Eric Danner, a partner at CRG Partners, will be participating in the panel "Will the Sun Set on Unsecured Creditors? LBO Litigation in the Midst of a Financial Crisis" at the AIRA's 26th Annual Bankruptcy & Restructuring Conference on June 11th in San Diego, CA.

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Rubik's Cube for Trade Shows and Reception Events



