

## Brown Shoe Announces Agreement to Sell AND 1

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*Move helps further align company around key consumer platforms of healthy living, contemporary fashion and family*

ST. LOUIS--(BUSINESS WIRE)--Brown Shoe Company, Inc. (NYSE: BWS) ([www.brownshoe.com](http://www.brownshoe.com)) today announced it entered into an agreement to sell AND 1 to Galaxy International, a newly-formed brand management company, for \$55 million in cash. The transaction is expected to close within 45 days and is subject to customary closing conditions and Galaxy obtaining financing. Brown Shoe plans to use the proceeds from the sale of AND 1 to pay down debt.

AND1, a global men's performance basketball and lifestyle brand, was part of the American Sporting Goods (ASG) acquisition that Brown Shoe completed on February 17, 2011, for \$145 million in cash and assumed debt. This acquisition helped broaden Brown Shoe's reach by complementing its fitness and comfort offerings with athletic and outdoor brands, including Avia, ryka and Nevados. For its most recently completed fiscal year, ASG achieved net sales of \$232 million, and this amount excludes all licensed product sales.

"Our goal with the ASG acquisition was to better position Brown Shoe to meet the continued and growing consumer demand for products that support active and healthy lifestyles," said Diane Sullivan, president and chief executive officer of Brown Shoe. "AND 1 is a great brand with a strong heritage, however, it did not cleanly align with our strategy to focus on the key consumer platforms of healthy living, contemporary fashion and family."

"AND 1 is a highly recognized sports brand worldwide. Launched 20 years ago, the brand has strong consumer recognition and enormous growth potential in the footwear, apparel and accessory categories," said a spokesperson for Galaxy International. "AND 1 is currently distributed in 68 countries worldwide, and we look forward to tremendous global expansion opportunities to further cultivate the AND 1 brand. The acquisition of the AND 1 brand is part of Galaxy's strategic growth plan."

### **About American Sporting Goods Division**

ASG's key brands include Avia athletic shoes for men, women and children, ryka women's fitness footwear, and Nevados outdoor footwear for men, women and children. Avia has a more than 30-year history of offering technical running, walking and fitness footwear featuring innovative technology at a value. Its offerings appeal to hard-core runners and casual walkers alike. ryka is a women's fitness and lifestyle brand created to accommodate the unique needs of a woman's physiology. The brand embraces healthy lifestyles and celebrating women by maintaining alliances throughout the women's fitness community, and counts daytime television's Kelly Ripa as a partner. Nevados hiking and trail footwear and sport sandals offer a combination of performance technology, comfort and value for adults and kids that are passionate about outdoor adventures.

### **About Brown Shoe Company, Inc.**

Brown Shoe is a \$2.7 billion global footwear company. Brown Shoe's Retail division operates Famous Footwear(TM), a leading family branded footwear destination with over 1,100 stores nationwide and e-commerce site FamousFootwear.com, approximately 250 specialty retail stores in the U.S., Canada, and China primarily under the Naturalizer® brand name, and footwear e-tailer shoes.com. Through its wholesale divisions, Brown Shoe designs and markets leading fashion and athletic footwear brands including Naturalizer, Dr. Scholl's®, LifeStride®, Sam Edelman®, Franco Sarto(TM), Via Spiga®, Etienne Aigner(TM), Vera Wang Lavender(TM), Avia®, ryka® and Buster Brown(TM). Brown Shoe press releases are available on the Company's website at [www.brownshoe.com](http://www.brownshoe.com).

### **About Galaxy International LLC**

Galaxy International LLC is a New York-based brand acquisition and development firm recently founded by a team of industry veterans. The company was formed to acquire brands and other intellectual property in the apparel, footwear and accessory markets, which have broad, global, consumer appeal.

**Language:**

English

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