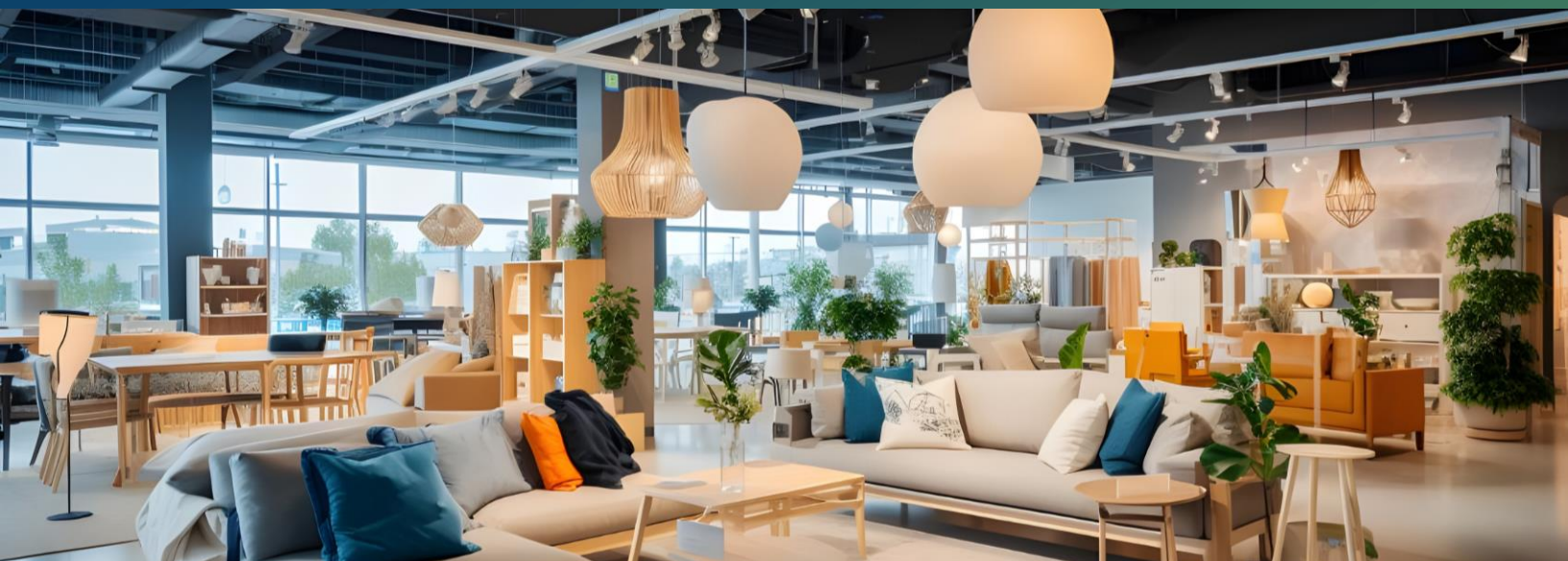


# Consumer Quarterly Update



## Industry Insights & Market Data

### RECENT CMG NEWS

- [Carter Morse & Goodrich Advises Unger on Sale to BISSELL](#)
- [Peter Costa participates in Providence, RI Webster Bank Panel Discussion](#)

### CONSUMER Q2 '25 HIGHLIGHTS

- Consumer Products News
- ABC Kids Expo 2025 Conference Recap
- CEO Corner: Conversation with Dave Spandorfer
- Consumer M&A Transaction Highlights
- Public Markets and Subsector Performance
- U.S. Key Economic Indicators

I am incredibly excited to have you join us here in our Consumer Products newsletter. We will be publishing this newsletter after each quarter. My name is Peter Costa, and I am a Managing Director here at Carter Morse & Goodrich (CMG). I lead our Consumer Products practice out of the Providence, RI office.

Within Consumer Products, we focus exclusively on five subcategories:

1) Pet Products, 2) Infant & Juvenile, 3) Sporting Goods, 4) Apparel & Accessories, and 5) Household Goods.

If you are an investor in any of these subcategories or hold a leadership role with an operating company in any of these subcategories, please feel free to reach out to me at [pcosta@cartermorse.com](mailto:pcosta@cartermorse.com). We look forward to connecting with you!



**Peter Costa**  
[PCosta@CarterMorse.com](mailto:PCosta@CarterMorse.com)

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## Consumer Products News



### Pet Products



Pet owners have remained passionate in the U.S., leading to steady growth in spending on pet products, services, and consumables. Expenditures on Pet & Related Products and Veterinary & Other Services increased 1.9% and 4.8% YOY in Q4 2024, according to the Bureau of Economic Analysis.

Growth has decelerated slightly, landing at more sustainable rates compared to 2022 and 2023 figures, providing evidence that the Pet sector has normalized following the pandemic-related boom in pet adoptions.

Online channels have continued to see above market sales growth in pet products. Online pet food and pet supply sales in the U.S. rose 2.6% YOY to \$28.5 billion in 2024 and saw a compound annual growth rate (CAGR) of 12.8% between 2019 and 2024, according to IBISWorld.

### Infant & Juvenile Products



On May 12th, after weeks of rising tariffs, the U.S. and China agreed to a 90-day pause in the trade war. This deal aims to ease tensions and create space for further talks.

The key outcomes include: the U.S. lowered tariffs on Chinese goods from as high as 145% to 30%, China reduced its tariffs on U.S. goods from 125% to 30% and both sides agreed to set up a new dialogue mechanism for ongoing trade issues.

Going back to when the initial tariffs were implemented in April 2025, most of the companies within the juvenile industry tried to absorb them. When the tariffs were then increased to 145%, companies in the industry mostly stopped ordering products from China.

At 145%, those are tariffs cannot be passed on to parents, and this issue is exacerbated due to birth rates being at the lowest levels in the last 40 years and making it more difficult and more expensive to be parents. We will wait for August 2025, when China and the U.S. are set to update their tariff policies.

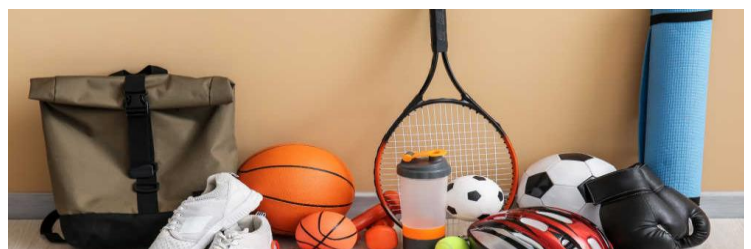


### Sporting Goods



In positive news during this quarter, Dick's Sporting Goods, a bellwether for sporting goods companies, reported a strong start to 2025 with a 4.5% increase in comparable sales for the quarter. Dick's experienced growth in both average over value and volume transactions, with more consumers purchasing more frequently and spending more per trip.

The company announced plans to acquire Foot Locker, which is expected to be accretive over the next few years. While other sporting goods companies have struggled over the first half of 2025, Dick's growth is even more impressive given that it is operating in a complex trade/supply chain environment.





## Consumer Products News



## Apparel &amp; Accessories



In the first half of 2025, consumers have generally pulled back on spending in categories such as apparel and accessories due to the uncertainty with global tariffs. Despite this pullback, within the luxury subcategory, companies who traditionally sell to more affluent customers are more insulated from the slowdown.

One example, Brunello Cucinelli, reported double-digit revenue increases in its latest earnings report while other luxury firms, including LVMH, Kering and Richemont, have struggled with financial declines. Other companies such as Prada Group and Hermès have posted recent double-digit revenue increases similar to Brunello Cucinelli, leading some analysts to suggest that the disparity is due to how luxury's customer base approaches the brands it prioritizes.

The category's resilience is driven by its appeal to customers who are loyal, affluent and who prioritize intrinsic value over fashion-driven consumption.

## Household Goods &amp; Furnishings



Amid a difficult and uncertain macroeconomic backdrop, the home furnishings market has seen steady, slow growth in 2025. The demand for home goods and furnishings largely grows with the steady demand for unique interiors from consumers. The growth in the category, which was really strong during the COVID-19 pandemic, has slowed considerably over the past few years.

The global home furnishings market size was valued at approximately 942 billion in 2024 and is expected to reach 1.48 trillion by 2033, growing at a compound annual growth rate (CAGR) of about 5.1% from 2025 to 2033.

## Upcoming Industry Events



August 13 – 15, 2025  
Las Vegas, NV

## ABC Kids Expo 2025 Recap:

From May 21-23, our team attended the ABC Kids Expo in Las Vegas, NV. The ABC Kids Expo is a premier event for the juvenile products industry, attracting over 10,000 participants and 1,000 exhibitors. This annual event showcases the latest innovations in baby and children's products, from toys and clothing to furniture and safety equipment.

The CMG team had a chance to catch up with more than 50 brands while attending the expo and we identified several interesting trends, including: an increase in tech enabled products, an emphasis on product longevity (not just durability) and innovation around travel products.

### Technology Enabled Products



Technology-forward solutions to parenting are revolutionizing baby care. The highlights from this year's show include smart bassinets with built-in tech features, sound machines that activate in response to baby crying, and monitors capable of interpreting a baby's cry. These connected home product innovations are designed to simplify and enhance the parenting experience. For instance, the Woddle Smart Changing Pad communicates with the Woddle Baby app to automatically provide insights into the baby's weight, sleep patterns, feeding progress, and other information.



### Emphasis on Product Longevity



A word that we saw and heard repeatedly at this year's expo was...longevity. Infant and juvenile brands are introducing multi-functional, versatile items that are designed to support families for years. Products that are re-usable and adaptable

over time have an element of sustainability that brands and customers' favor. We saw this longevity buzzword in products like strollers that convert to trikes, car seats that can be used as an infant, toddler and later as a young child, and bottles that transform into sippy cups and pouch holders.

### Innovative Travel Products



As someone who does quite a bit of travel with my young children, a highlight of the show for me was the product innovation around travel-friendly gear. From foldable strollers that fit in overhead bins on airplanes to luggage that kids can ride on to FAA approved chillers for breast milk, travel for parents and children has never been easier.



The CMG Consumer Products team looks forward to staying in touch with brands across these rapidly growing subsegments of infant and juvenile. Next quarter this newsletter will cover our experience at the SuperZoo trade show in Las Vegas, NV in August. We look forward to seeing some old friends and some new acquaintances in the pet industry.



ABC Kids Expo in Las Vegas - May 2025



## CEO Corner: Conversation with Dave Spandorfer, Janji

Janji is a Boston, MA based running brand that aims to create great looking and extremely functional running apparel that not only becomes their customers' favorite, but also has a positive impact on the world. The name is the Malaysian word meaning 'promise' and was chosen because the founders set up their business to expand access to safe drinking water around the world. The CMG team sat down for an interview with CEO and Co-Founder, Dave Spandorfer, to discuss his business as he and his team work to navigate a turbulent consumer market.

### CMG: Describe how you create an elevated customer experience?

**DS:** In short, we care about the quality of the product. We like to say we make the best gear for the longest distance, and so if the gear falls apart or starts chafing in mile 192 of a 250-mile race (yes, people race that long), then no matter the spruced-up packaging, the seamless checkout, or how compelling the brand story, we've done a disservice to the runner. We also constantly talk to our customer, listen to people who should be our customer, and try to get in the field to figure out what runners want.

Now branding, content, and design should reflect that best gear mission. So, we try and align all component parts of the product experience around creating that best gear for the longest distance.

### CMG: How is sustainability a value driver for Janji?

**DS:** Sustainability is at the root of Janji, but we also feel like it's table stakes for most brands like Janji. If we're a brand that tries to inspire wonder through human-powered movement, we must do our part to protect the planet we move through.

That commitment spans every level of production: from sourcing sustainable fabrics to minimizing waste in our packaging and manufacturing processes. It also means giving back. Since our founding—on a bus ride to a college track meet—we've committed 2% of sales to funding clean water projects around the world. That giveback mission has been in our DNA since hour one.

### CMG: How do global tariffs impact your business?

**DS:** Well, it doesn't do our bottom line any favors! We produce the vast majority of our product in Vietnam, which,


























as of this writing, was one of the few countries to secure a trade deal with the Trump administration. Now that deal is higher than we'd like, but we understand it. From quality to price point, it's just too challenging to produce highly technical garments in the USA, and even then, fabric importation costs with the tariffs would be very high. Maybe that changes. But for now, we love our supply partners in Vietnam and look for other ways to make the business efficient to reduce the tariff impact.

### CMG: What are you most excited about with Janji for 2H 2025?

**DS:** We focus on what we call the Explorer Runner—someone who uses running as a way to explore the world around them. We've had some of our best growth in company history, as running, trail running, and ultra running all boom. We're very fortunate to have had thousands of runners fall in love with us for the first time this year. Now, in the back half of the year, we're deepening our partnership with REI, sponsoring more races and runners, and developing what I think is the best thermal running gear on the market. Plus, we have some super cozy pieces for all those who don't want to use Janji to run but want to go out and crew those runners in their next crazy adventure.

## Select Consumer M&amp;A Transactions

Date	Acquirer	Target	Target Description
<b>Pet Products</b>			
Jun-25			Manufacturer of dog care products and supplements
<b>Infant and Juvenile</b>			
May-25			Provides kids clothing subscription boxes for girl's and boy's apparel, footwear, and accessories
May-25			Manufacturer of miniature products such as gaming toys and children's vehicles
Apr-25	LOLLYTOGS		Manufacturer and distributor of school uniforms
<b>Sporting Goods</b>			
Jun-25			Operator of a women's sports apparel brand
Jun-25			Manufacturer of athletic uniforms and equipment serving educational institutions
May-25			Manufacturer of performance golf products
Apr-25			Manufacturer of protective sporting gear
<b>Apparel &amp; Accessories</b>			
May-25			Retailer of apparel, accessories, and homeware products
May-25		RicherPoorer	Manufacturer of wardrobe essentials
May-25	3G Capital		Designs, develops and markets a range of lifestyle and performance footwear, apparel and accessories
Apr-25		CAPEZIO	Manufacturer and retailer of dancewear, shoes, and accessories
Apr-25	established.inc		Manufacturer of fashionable dresses and accessories
Apr-25			Designer and retailer of women's apparel

## Select Consumer M&amp;A Transactions

Date	Acquirer	Target	Target Description
<i>Home Furnishings and Household Goods</i>			
Jun-25			Specializes in design and manufacture of ergonomic workplace furniture solutions
Jun-25			Manufacturer and retailer of home furniture
May-25			Manufacturer of handmade rugs and textiles
May-25			Manufacturer of household cleaning supplies and personal care products
May-25			Manufacturer of do-it-yourself furniture
Apr-25			Manufacturer of functional outdoor seating

## Select Public Company Data

*Pet Products, Infant & Juvenile, Sporting Goods, Diversified Apparel*

Company	Market Information		LTM Financials		Operating Metrics		TEV to LTM	
	\$ / Share	TEV	Revenue	EBITDA	Growth	EBITDA%	Revenue	EBITDA
<b>Pet Care</b>								
Central Garden & Pet Company	\$40.96	\$2,939	\$3,156	\$330	-4.6%	10.5%	0.9x	7.0x
Chewy, Inc.	42.62	17,513	12,100	203	7.7%	1.7%	1.4x	nmf
Elanco Animal Health Incorporated	14.28	11,000	4,427	863	1.4%	19.5%	2.5x	12.0x
Freshpet, Inc.	67.96	3,502	1,015	115	23.2%	11.3%	3.5x	nmf
Petco Health and Wellness Company, Inc.	2.83	3,583	6,081	248	-2.4%	4.1%	0.6x	4.4x
Zoetis Inc.	155.95	74,468	9,286	3,867	6.3%	41.6%	8.0x	18.8x
<b>Mean</b>	<b>\$54.10</b>	<b>\$18,834</b>	<b>\$6,011</b>	<b>\$938</b>	<b>5.3%</b>	<b>14.8%</b>	<b>2.8x</b>	<b>10.6x</b>
<b>Median</b>	<b>\$41.79</b>	<b>\$7,291</b>	<b>\$5,254</b>	<b>\$289</b>	<b>3.9%</b>	<b>10.9%</b>	<b>2.0x</b>	<b>9.5x</b>
<b>Infant &amp; Juvenile</b>								
Carter's, Inc.	\$30.13	\$1,880	\$2,812	\$313	-3.4%	11.1%	0.7x	3.4x
Crown Crafts, Inc.	2.87	61	87	6	-0.4%	6.7%	0.7x	5.9x
Hasbro, Inc.	73.82	13,111	4,265	1,012	-10.4%	23.7%	3.1x	12.9x
JAKKS Pacific, Inc.	20.78	230	714	67	2.9%	9.4%	0.3x	2.9x
Mattel, Inc.	19.72	7,804	5,397	906	-0.7%	16.8%	1.4x	7.3x
Newell Brands Inc.	5.40	7,605	7,495	830	-6.1%	11.1%	1.0x	7.5x
<b>Mean</b>	<b>\$25.45</b>	<b>\$5,115</b>	<b>\$3,462</b>	<b>\$522</b>	<b>-3.0%</b>	<b>13.1%</b>	<b>1.2x</b>	<b>6.7x</b>
<b>Median</b>	<b>\$20.25</b>	<b>\$4,743</b>	<b>\$3,539</b>	<b>\$571</b>	<b>-2.1%</b>	<b>11.1%</b>	<b>0.9x</b>	<b>6.6x</b>
<b>Sporting Goods</b>								
adidas AG	\$232.47	\$46,809	\$26,349	\$2,308	12.8%	8.8%	1.6x	14.4x
DICK'S Sporting Goods, Inc.	197.81	19,366	13,599	1,916	3.3%	14.1%	1.4x	7.2x
lululemon athletica inc.	237.58	28,816	10,750	2,977	9.4%	27.7%	2.7x	8.1x
NIKE, Inc.	71.04	106,721	46,309	4,477	-9.8%	9.7%	2.3x	19.2x
On Holding AG	52.05	16,205	2,870	332	34.9%	11.6%	5.6x	nmf
Zoetis Inc.	155.95	74,468	9,286	3,867	6.3%	41.6%	8.0x	18.8x
<b>Mean</b>	<b>\$157.82</b>	<b>\$48,731</b>	<b>\$18,194</b>	<b>\$2,646</b>	<b>9.5%</b>	<b>18.9%</b>	<b>3.6x</b>	<b>13.5x</b>
<b>Median</b>	<b>\$176.88</b>	<b>\$37,813</b>	<b>\$12,175</b>	<b>\$2,642</b>	<b>7.9%</b>	<b>12.8%</b>	<b>2.5x</b>	<b>14.4x</b>
<b>Diversified Apparel</b>								
a.k.a. Brands Holding Corp.	\$10.30	\$285	\$587	\$13	8.1%	2.1%	0.5x	9.9x
Abercrombie & Fitch Co.	82.85	4,379	5,025	878	12.5%	17.5%	0.9x	3.3x
American Eagle Outfitters, Inc.	9.62	3,346	5,274	518	-0.9%	9.8%	0.6x	3.3x
Gildan Activewear Inc.	49.20	9,321	3,286	815	3.1%	24.8%	2.7x	10.7x
Kontoor Brands, Inc.	65.97	4,100	2,599	423	1.1%	16.3%	1.6x	9.0x
Levi Strauss & Co.	18.49	8,893	6,489	966	8.3%	14.9%	1.4x	6.6x
The Gap, Inc.	21.81	11,403	15,161	1,667	1.1%	11.0%	0.8x	3.9x
Urban Outfitters, Inc.	72.54	6,821	5,679	648	8.4%	11.4%	1.2x	6.4x
<b>Mean</b>	<b>\$41.35</b>	<b>\$6,068</b>	<b>\$5,513</b>	<b>\$741</b>	<b>5.2%</b>	<b>13.5%</b>	<b>1.2x</b>	<b>6.6x</b>
<b>Median</b>	<b>\$35.50</b>	<b>\$5,600</b>	<b>\$5,150</b>	<b>\$731</b>	<b>5.6%</b>	<b>13.1%</b>	<b>1.0x</b>	<b>6.5x</b>

All data as of 6/30/25

\$ in millions

TEV - Total Enterprise Value; LTM - Last Twelve Months

Source: Capital IQ

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## Select Public Company Data

## Accessories, Home Furnishings and Household Goods

Company	Market Information		LTM Financials		Operating Metrics		TEV to LTM	
	\$ / Share	TEV	Revenue	EBITDA	Growth	EBITDA%	Revenue	EBITDA
<b>Accessories</b>								
Burberry Group plc	\$16.19	\$7,352	\$3,186	\$180	-17.1%	5.6%	2.2x	13.9x
Capri Holdings Limited	17.70	5,028	4,442	245	-14.1%	5.5%	1.1x	6.1x
EssilorLuxottica Société anonyme	273.52	139,800	27,444	5,758	4.4%	21.0%	4.5x	18.2x
Movado Group, Inc.	15.25	230	651	27	-0.5%	4.1%	0.4x	3.9x
Pandora A/S	175.06	15,807	4,664	1,324	10.6%	28.4%	3.1x	9.5x
Tapestry, Inc.	87.81	21,288	6,879	1,542	2.7%	22.4%	3.1x	10.0x
The Swatch Group AG	162.33	6,932	7,983	687	-13.2%	8.6%	0.8x	8.2x
Vera Bradley, Inc.	2.21	131	356	-26	-20.0%	-7.4%	0.4x	nmf
<b>Mean</b>	<b>\$93.76</b>	<b>\$24,571</b>	<b>\$6,951</b>	<b>\$1,217</b>	<b>-5.9%</b>	<b>11.0%</b>	<b>1.9x</b>	<b>10.0x</b>
<b>Median</b>	<b>\$52.76</b>	<b>\$7,142</b>	<b>\$4,553</b>	<b>\$466</b>	<b>-6.8%</b>	<b>7.1%</b>	<b>1.7x</b>	<b>9.5x</b>
<b>Home Furnishings</b>								
Ethan Allen Interiors Inc.	\$27.85	\$659	\$623	\$85	-6.3%	13.6%	1.1x	5.2x
RH	189.01	7,433	3,268	499	8.3%	15.3%	2.3x	11.4x
Somnigroup International Inc.	68.05	21,031	5,346	778	9.0%	14.6%	3.9x	nmf
The TJX Companies, Inc.	123.49	146,574	56,992	7,414	3.8%	13.0%	2.6x	13.2x
Williams-Sonoma, Inc.	163.37	20,416	7,781	1,637	1.6%	21.0%	2.6x	9.9x
<b>Mean</b>	<b>\$114.35</b>	<b>\$39,222</b>	<b>\$14,802</b>	<b>\$2,083</b>	<b>3.3%</b>	<b>15.5%</b>	<b>2.5x</b>	<b>9.9x</b>
<b>Median</b>	<b>\$123.49</b>	<b>\$20,416</b>	<b>\$5,346</b>	<b>\$778</b>	<b>3.8%</b>	<b>14.6%</b>	<b>2.6x</b>	<b>10.6x</b>
<b>Household Goods</b>								
Colgate-Palmolive Company	\$90.90	\$80,995	\$19,947	\$4,861	1.0%	24.4%	4.1x	16.0x
Kimberly-Clark Corporation	128.92	49,622	19,749	3,860	-3.1%	19.5%	2.5x	11.3x
The Procter & Gamble Company	159.32	399,611	83,927	24,187	-0.2%	28.8%	4.8x	16.3x
Unilever PLC	61.17	181,969	62,906	12,715	1.9%	20.2%	2.6x	12.4x
<b>Mean</b>	<b>\$110.08</b>	<b>\$178,049</b>	<b>\$46,632</b>	<b>\$11,406</b>	<b>-0.1%</b>	<b>23.2%</b>	<b>3.5x</b>	<b>14.0x</b>
<b>Median</b>	<b>\$109.91</b>	<b>\$131,482</b>	<b>\$41,427</b>	<b>\$8,788</b>	<b>0.4%</b>	<b>22.3%</b>	<b>3.4x</b>	<b>14.2x</b>
<b>Mean - All</b>	<b>\$81.79</b>	<b>\$36,965</b>	<b>\$12,238</b>	<b>\$2,240</b>	<b>1.9%</b>	<b>15.1%</b>	<b>2.3x</b>	<b>9.7x</b>
<b>Median - All</b>	<b>\$65.97</b>	<b>\$9,321</b>	<b>\$5,397</b>	<b>\$830</b>	<b>1.6%</b>	<b>13.6%</b>	<b>1.6x</b>	<b>9.3x</b>

All data as of 6/30/25

\$ in millions

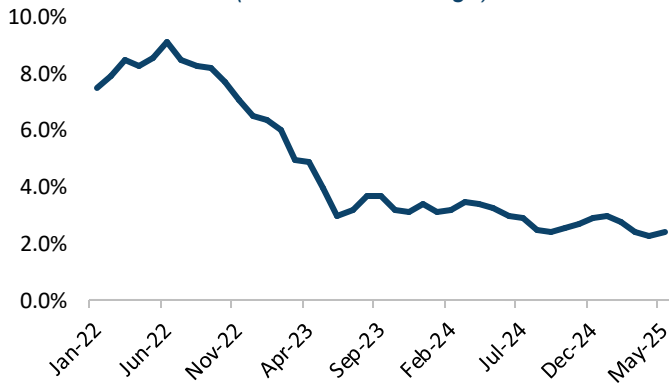
TEV - Total Enterprise Value; LTM - Last Twelve Months

Source: Capital IQ

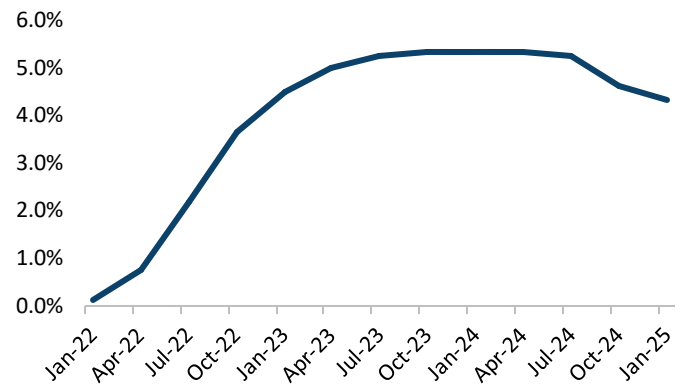
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## Key Economic Indicators

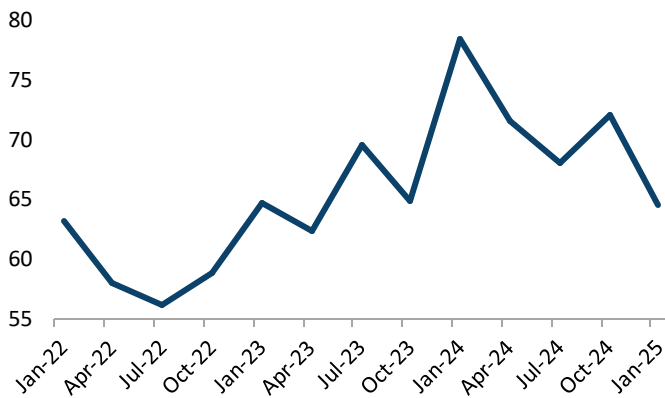
**Consumer Price Index**  
(12-month % change)



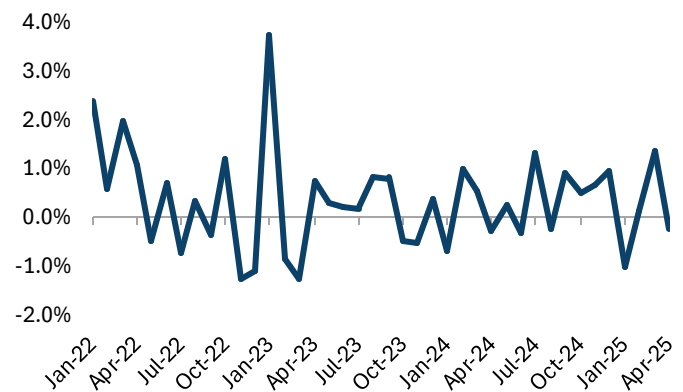
**Fed Funds Rate**



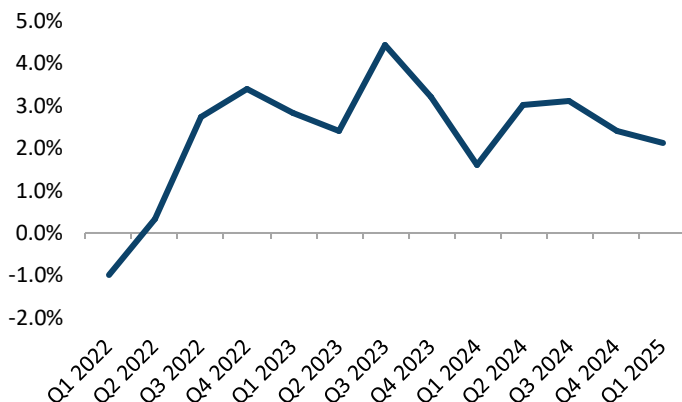
**Consumer Sentiment Index by Quarter**



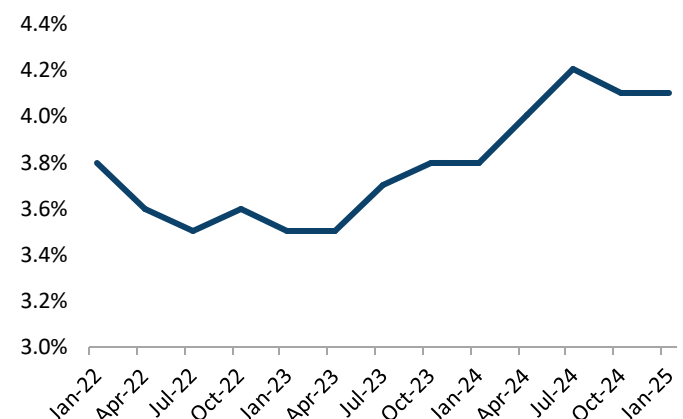
**U.S. Retail Sales**  
(Monthly % change)



**Quarterly Real GDP % Change**



**U.S. Unemployment Rates**



Sources: U.S. Bureau of Labor Statistics, Federal Reserve Economic Data, US Census Bureau and Trading Economics

## M&A Expertise For Founders & Families

Founded in 1987, Carter Morse & Goodrich is a boutique M&A advisory firm that specializes in representing founder-led and family-held businesses that are leaders in niche markets. We fully understand and appreciate the unique dynamics of these companies and the importance of owner legacies, which has enabled us to become a trusted advisor to hundreds of founders and families.

### CMG Industry Groups



#### Manufacturing

- Aerospace & Defense
- Tools & Equipment
- Diversified Industrial
- Niche Manufacturing



#### Consumer

- Food & Beverage
- Infant & Juvenile, Pet Care
- Sporting Goods, Apparel & Accessories
- Household Goods



#### Services

- Diversified Services
- Facilities & Residential
- Industrial Services
- Distribution & Logistics



#### HVAC

- Manufacturing
- Distribution
- HVAC Services
- Building Automation

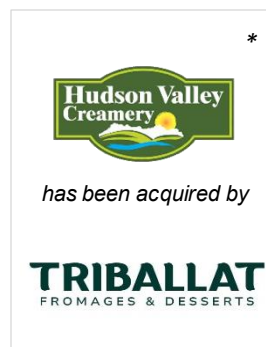
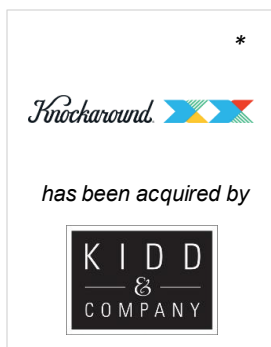
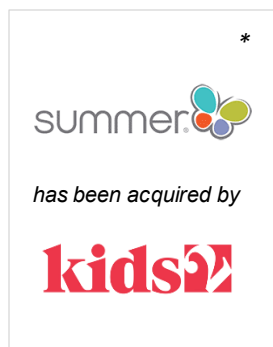
**1987**  
Founded

**\$5 Billion**  
Aggregate Transaction  
Values

**450+**  
Client Engagements

**1 Objective**  
Successful Client Outcomes

### Select Consumer Transactions



\*A CMG principal was the exclusive financial advisor to the client.



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