



Regis Corporation Completes Global Divestiture to Streamline Operations

Huron Transaction Advisory, the investment banking affiliate of Huron, is pleased to announce the completion of a divestiture transaction involving approximately 1,100 hair salons operated by Regis Corporation. Huron Transaction Advisory acted as the exclusive investment banking adviser to Regis for this transaction.

Regis Corporation is a global leader in beauty salons and cosmetology education. A public company on the New York Stock Exchange, Regis owns, franchises or holds ownership interests in approximately 9,200 salon locations worldwide. Regis' corporate and franchised locations operate under concept brands, such as Supercuts, SmartStyle, MasterCuts, Regis Salons, Cost Cutters, Vidal Sassoon and First Choice Haircutters.

Challenge

Following several years of portfolio degradation and salon closures, Regis implemented a long-term corporate strategy involving a transition from corporate-owned salons to an "asset-light" franchise model. To that end, Regis decided to simplify its business platform by exiting its premium locations operating in shopping malls.

Approach

In early 2017, Regis engaged Huron Transaction Advisory to assist in a review of strategic alternatives for the mall-based, premium salons. After a thoughtful and deliberate diagnostic process, Huron Transaction Advisory recommended a divestiture and subsequent franchise transaction that facilitated Regis' exit from these corporate-owned locations, despite significant challenges in the shopping mall environment, while preserving upside for Regis by substantially adding to its franchise system.

Results

Within a few months of launching the sale process, Regis received multiple letters of intent to purchase the salons. In October 2017, The Beautiful Group, a Regent company, successfully completed the acquisition and subsequent franchise of the approximately 1,100 premium salons in the United States, Canada, the United Kingdom and Germany.

REGISCORPORATION

Acquired and Franchised
by The Beautiful Group a
Regent Company

Acted as Investment Banker to
Regis Corporation