

Charron's life after Liz Claiborne

Two years after stepping down from retailer Liz Claiborne, former CEO Paul Charron is assembling a \$250 million investment fund.

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Former Liz Claiborne Chief Executive Paul Charron doesn't understand the meaning of "retirement." Two years after stepping down from the firm he built into a \$5 billion retail powerhouse, with a stable of hot brands like Juicy Couture, he's back in the business.

Mr. Charron, 65, is assembling a \$250 million investment fund, Fidus Equity Partners, that will purchase fashion, retail and other consumer goods companies. His partners are Paul Tierney, a former chairman of the finance committee at Liz Claiborne, and John Ross, co-founder of investment firm Fidus Partners.

Fidus Equity aims to acquire small and midsize firms outright and take majority or minority interests in others. Although they declined to name their targets, several retail and fashion firms, including Nanette Lepore and Steven Madden Inc., have been searching for cash infusions to expand.

"We see a lot of deals," Mr. Charron says. "We don't feel it will be much longer before we have plenty of irons in the fire."

Industry insiders say the new fund will have a wide range of prospects because the private equity market has all but dried up. They will also be likely to find good deals on healthy companies that have been affected by the downturn.

"This market will turn," says Jack Hendler, president of investment advisory firm Net Worth Solutions Inc. "Charron and his group are sophisticated investors."

The partners are putting in some of their own money and tapping outside sources, Mr. Tierney says. Fidus Equity will also offer firms strategic advice and financial planning.

The fund will capitalize on Mr. Charron's reputation for making smart deals. He built Liz Claiborne into a giant by purchasing trendy brands like Kate Spade and Laundry by Shelli Segal, as well as smaller labels such as C+C California.

"Being bought by Paul Charron will have a certain panache," Mr. Hendler says.

That said, Mr. Charron's successor at Liz Claiborne, William McComb, has moved away from an acquisition-based strategy, focusing on key brands.

Messrs. Tierney and Ross are also well-known. Mr. Tierney has built several major investment funds during his 30 years in the business, including Coniston Partners, which grew to \$1 billion in capital.

Before launching Fidus Partners, Mr. Ross spent 10 years in merger-and-acquisition advisory at Bowles Hollowell Conner & Co. in Charlotte, N.C., and its successors First Union Corp. and Wachovia Securities.