

# Evergreen Pacific Relaxes With Gene Juarez Salon & Spas

By Paul Ziobro

Dow Jones LBO Wire

7/11/2006 -- Evergreen Pacific Partners is luxuriating in its purchase of Gene Juarez Salons & Spas, a 35-year old company that has pampered the likes of Jennifer Lopez, Angelina Jolie and former president Bill Clinton, for an undisclosed amount.

Evergreen Pacific is buying the company from its founders, Gene Juarez and Michael Coe. Juarez plans to remain with the company in an advisory capacity for at least the next six months, while Coe is leaving to pursue other interests and business opportunities.

Headquartered in Bellevue, Wash., Gene Juarez Salons & Spas currently operates eight salon and spa locations in the Puget Sound Region, as well as two training academies and one advanced training salon. With more than 1,300 employees, the company offers hair, makeup, massage and other services, with some packages costing over \$400.

Evergreen Pacific, which invests out of a \$275 million buyout fund, liked the company primarily due to its dominant name recognition in the market, said Thomas J. McGill, a managing partner at the firm. About 85% of people in the region recognize the brand while the next closest competitor is in the single digits, he said.

"Out in the Pacific Northwest, this is an iconic brand," McGill said. "It has the ability to grow in its existing markets and into new markets."

The company's financials were not disclosed, although Evergreen Pacific

typically invests in companies with at least \$50 million in annual revenue. The firm puts at least \$15 million in equity to work per transaction.

Evergreen Pacific will look to increase the product and service offerings at the company's current locations. The firm will then look to open additional locations in the Puget Sound Region.

Evergreen Pacific is also bringing in Janet Denyer as chief executive of Gene Juarez. Most recently, Denyer served as senior vice president of operations at Red Door Salon and Spas, the spa chain owned by Elizabeth Arden Salons Inc.

This is the third platform investment by Evergreen Pacific, of Seattle, which was co-founded by Timothy Bernardez, Michael Nibarger and McGill in 2005. The firm has also invested in Western Broadband and Finest City Broadcasting.

The fund, which closed in 2005, has limited partners such as WestAM Private Equity Group, Public School Employees' Retirement System of Pennsylvania, The Duke Endowment, and Massachusetts Mutual Life Insurance. It also counts about 30 executives of companies mostly in the western U.S. and Canada as investors, LBO Wire has reported.

Reach Evergreen Pacific Partners at 206-262-4709.