



# Gordon Brothers Group Educational Modules

## General Sessions

- **Industry Insights**

15 minutes per industry of your choosing within retail, wholesale, industrial and real estate sectors. Recent valuation trends, watch-outs and future issues reviewed. Also offered is a 60 minute Supermarket/Grocery industry summit covering inventory, real estate, M&E and prescription files valuation.

- **Collateral Monitoring**

60 minute summary of the key drivers in specific industries, red flags and their impact on recovery values. Re-appraisal triggers and frequency discussed.

- **Due-Diligence Field Trip**

90 minute field visit to three retail stores of varying pricing and formats demonstrating how retail gross recoveries, wholesale “retail-back” pricing and brand positions are determined by field merchants.

- **Difference Between Appraisals and Dispositions**

60 minute discussion revealing the true differences between appraisals and the dispositions they aim to represent. Key appraisal assumptions and disclaimers reviewed. Analytical transparency discussed, including a description of included vs. excluded expenses, equity-bid vs. fee-basis and “puts” vs. “tranche B” guarantees. “Agency Agreements” discussed.

- **Changes in the Bankruptcy Code**

60 minute discussion detailing the recent changes in the U.S. Federal Bankruptcy Code. Impact on liquidations and appraisal assumptions described. Changes in lease assumption and designation rights, vendor claims, utility deposits, severance plans and administrative claims reviewed.

- **Case Study**

60 minute review detailing a recent appraisal conducted by Gordon Brothers Asset Advisors for the lender.

## Retail Inventory

- **Retail Inventory Appraisal Process**

30 minute review of the retail appraisal process including an overview of field work (both announced and unannounced visits), store coverage issues, expense analysis and sign-off by senior retail disposition principals.

- **Methods of Retail Accounting**

90 minute module demonstrating the difference between retail and cost accounting methods. Implications for lenders and inventory valuation discussed.

- **Retail Loan Timeline**

60 minute chronology of a retail credit from initial due diligence to final exit. Focus is on a credit that becomes challenged over time and ultimately ends up in workout.

- **“Underwater” Deals/Workouts**

60 minute session covering lessons learned from retail credit losses. Includes an overview of workout expenses excluded from appraisal assumptions.



*Dispositions, appraisals, acquisitions and capital solutions across all asset classes.*

## Wholesale Inventory

- **Consumer Product Appraisal Process**

60 minute review of the wholesale consumer product appraisal process including descriptions of sale channel tiers, product replacement issues, “true margin” and build-out analyses. “Retail-Back” methodology reviewed, demonstrating advantage over conventional wholesale appraisal approaches.

## Industrial Assets

- **Forced Liquidation Value vs. Net Orderly Liquidation Value**

30 minute overview of the definition and uses of FLV and NOLV within the context of industrial appraisals. Auction formats and accepted practices reviewed. True liquidation and wind-down expenses discussed, including a discussion of fee vs. equity basis and buyer’s premiums.

- **Approaches to Disposition Expertise**

30 minute overview of the three approaches to incorporating relevant disposition expertise into appraisals on disparate esoteric industrial assets. Pros and cons of in-house, partnering and outsourcing methods reviewed.

- **Ordering and Reviewing an Industrial Appraisal**

30 minute overview of the key items that should be incorporated into every machinery and industrial inventory appraisal. Addresses the proper scope of an industrial appraisal and how to make sure the appraisal has addressed the necessary elements and needs of the lender.

## Real Estate

- **State of Retail, Commercial and Industrial Real Estate**

60 minute session on designation rights, disposition techniques and real estate valuations.

## Accounts Receivable

- **Valuation of Consumer Accounts Receivable**

30 minute overview of the approach to valuing consumer accounts receivable. Scenarios where lenders would require a consumer A/R appraisal reviewed. Includes related assets such as rental pools and other consumer cash flow streams.

## Intellectual Property

- **Brand/Tradename Appraisals**

60 minute overview of how brand appraisals are being used by lenders. Valuation approaches and specific appraisal methods discussed. Difference between going-concern brand value and brand liquidation value reviewed. Case study and sample appraisal reviewed.

- **Prescription Files**

15 minute overview of prescriptions file valuation methods and current market values. Difference between enterprise value and true liquidation value discussed.

### About Gordon Brothers Group

Founded in 1903, Gordon Brothers Group is a global advisory, restructuring and investment firm specializing in the retail, consumer products, real estate and industrial sectors. The firm has unparalleled expertise in:

**Purchasing or selling under-performing or unwanted assets** (in excess of \$10 billion in assets annually) including retail, wholesale, industrial, real estate, accounts receivable and intellectual property.

**Appraising all asset classes** (in excess of \$30 billion in assets annually) to accurately reflect real-world value by leveraging our disposition experience and our comprehensive understanding of current market trends.

**Providing debt financing and private equity investments** to middle-market companies to finance management buyouts, growth strategies, or restructurings in the consumer products and retail sectors.

**Operating businesses for extended periods** so that our clients can focus on high-level, strategic initiatives during times of growth or restructuring.



101 Huntington Avenue, 10th Floor  
Boston, MA 02199