

APEX (Area Partnership for Economic Expansion) leveraged key capacities to support the growth of maurices, a leading women's fashion retailer. APEX is a regional private sector-led business and economic development organization.

Building Capacity to Bolster Growth



Overview

Women's fashion retailer maurices is a subsidiary of Ascena Retail Group, Inc. (NASDAQ: ASNA), which includes maurices, Catherines, dressbarn, Justice and Lane Bryant. maurices currently operates more than 900 stores in 46 states and Canada. www.maurices.com

The Opportunity

Founded in 1931 in downtown Duluth, Minnesota, fashion retailer maurices has embraced its community roots while growing to more than 900 stores across the U.S. and Canada. Duluth's substantial talent pool, strong college education systems and vibrant business community create an invaluable "quality of place" for the business.

"We've had offers to move – but no way," said George Goldfarb, President of maurices. "We love this city and the people we are able to attract, retain and call partners."

APEX is another reason Duluth is an attractive headquarters location (maurices has been an APEX investor-member since the private-sector led organization's inception). APEX works to attract, retain and expand businesses in northeast Minnesota and northwest Wisconsin with capacities that include:

- Leveraging its connections and experience to secure new business development opportunities
- Collaborative leadership and coalition-building with public and private-sector partners
- Talent recruitment through the recently launched NORTHFORCE.org

Bolstered by the relationship with APEX and the supportive business community in Duluth, maurices has maintained an impressive growth trajectory:

- In the past five years, maurices has opened 250 new stores and seen 65% sales growth
- By the end of its fiscal year in July 2014, maurices will open an additional 60 stores and remodel or expand another 80, bringing total store count to 925
- On target to hit \$1 billion in annual sales revenue in fall 2014
- Long-term goal: 1,200 stores in the U.S. and 100 in Canada

July 2014

“APEX has been a strong and influential business partner for maurices and the regional business community.”

– George Goldfarb,
President of maurices

maurices currently has 425 associates (employees) in Duluth, spread amongst three buildings. To accommodate anticipated future growth and bring everyone under one roof, the company has started work on its new headquarters – an 11-story, 200,000-square-foot building spanning an entire city block in downtown Duluth. It has also stepped up its planned investment from \$30 million to \$50 million. The total cost of the project is nearly \$70 million.

Working with the City of Duluth and the AtWater Group, APEX was instrumental in helping write and support a successful grant to secure \$20 million in funding for a public parking ramp and skywalk infrastructure as part of the maurices headquarters project. The funds (\$10 million each from both the City of Duluth and the Minnesota Department of Employment and Economic Development) came through a matching grant program, leveraging the investment made by maurices.

The Outcome

maurices Headquarters is the largest commercial development project in downtown Duluth's history. “We are proud to be building our new headquarters right here in downtown Duluth, Minnesota, which we've called home since 1931,” said George Goldfarb, President of maurices.

Additional project details:

- Expected to fuel about 250 peak construction jobs over the next two years
- Targeted completion of the project is spring 2016
- AtWater Group will lease 15-20,000 square feet of space on the Superior Street level to develop additional commercial and retail space
- The project has retained 425 professional jobs and will create space for an additional 175 in the coming years

About APEX

APEX is the private-sector led business development engine for northeast Minnesota and northwest Wisconsin. APEX investor-members represent some of the most influential companies in the region, with a collaborative approach to promoting sustainable economic growth. APEX attraction, expansion and retention efforts focus in areas including aviation, data centers, manufacturing, professional services and next-generation forest products. Since 2003, through attraction, expansion and retention efforts, APEX has impacted over 3,500 jobs in the region, resulting in an annual regional payroll of over \$128 million and contributing to over \$17 million in state and local taxes annually.