



Kelley Drye Represents General Growth Properties in Unique Aeropostale Acquisition

September 22, 2016

Kelley Drye & Warren LLP represented long-time client, General Growth Properties (GGP), in a first-of-its kind acquisition of a distressed major retailer by a joint venture consortium including GGP, branding company Authentic Brands Group, landlord Simon Property Group, and inventory liquidators Hilco Merchant Resources and Gordon Brothers Retail Partners.

Clothing merchant Aeropostale filed for bankruptcy reorganization in May of this year. By late August, following an adverse ruling from the Bankruptcy Court, all going-concern bidders withdrew from the process and the retailer seemed destined for liquidation.

On August 29, as the four-day auction commenced, the consortium simultaneously hammered out the terms of their relationships and submitted the winning bid of \$243 million. Kelley Drye attorneys from multiple practice areas, including bankruptcy, corporate, employee benefits, fashion and retail, and trademark and copyright, worked together with their counterparts to conclude a transaction that was approved by the Bankruptcy Court on September 12 and closed on September 15, saving over 7,000 jobs. The brand is expected to re-launch in January with over 400 stores and a significant e-commerce presence. The transaction has potentially written a new chapter in the retail bankruptcy playbook.

Kelley Drye is a full service law firm with a nationally-recognized bankruptcy practice that regularly represents creditors' committees and other entities in complex chapter 11 cases. Kelley Drye's creditor-oriented practice is involved in virtually every major retail bankruptcy case, and our award-winning bankruptcy representations have been recognized by the Turnaround Management Association, the Association for Corporate Growth, the Global M&A Network, the M&A Advisor, and The Deal Pipeline.

The Kelley Drye team representing General Growth Properties in this matter is led by partner [Robert L. LeHane](#).