



Performance Sports files for bankruptcy; rescue deal on table

By Matt Scuffham Published October 31, 2016 [Markets](#) Reuters

Performance Sports Group Ltd , the maker of Bauer ice hockey gear, said on Monday it had filed for bankruptcy protection in the United States and Canada to facilitate a restructuring and sale of almost all of its assets.

The company, which also makes baseball bats and other sports equipment, said it would put its assets up for auction but already had a deal to sell nearly all of them for \$575 million to an investor group led by Sagard Capital, its biggest shareholder, and Fairfax Financial Holdings Ltd .

Reuters reported on Friday that Performance would file for bankruptcy with a buyer in hand and would seek out higher bids.

Former Performance Chairman Graeme Roustan told Reuters in August that he was working with investment banks to explore a bid for the company.

Performance's troubles highlight the challenges North American manufacturers face in the highly competitive sporting goods market.

The company listed assets of \$500 million to \$1 billion and liabilities of \$500 million to \$1 billion in its voluntary petition filed in Delaware under Chapter 11 of the U.S. Bankruptcy Code.

The company said it had begun proceedings under the Companies' Creditors Arrangement Act in Canada's Ontario Superior Court of Justice.

Performance said it expected operations to continue uninterrupted during the bankruptcy process, through a \$386 million debtor-in-possession financing provided by existing lenders and the investor group.

The company also announced management changes. President Amir Rosenthal and Executive Vice President Todd Harman left on Friday. Dan Sills was named executive vice president, hockey, and Mike Thorne was appointed executive vice president, baseball/softball.

Jennifer Hughey was named senior vice president, supply chain.

(Additional reporting by Ismail Shakil in Bengaluru; Editing by Lisa Von Ahn)