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Leadership Changes at Chapel Hill Retail Institution A Southern Season

CHAPEL HILL – As a local Chapel Hill gourmet marketplace, A Southern Season saw its birth in an 800-sq. ft. storefront in December of 1975. The shop’s owner, Michael Barefoot, was its lone employee.

In the 35+ years since those humble beginnings, the customer service-focused business, specializing in both North Carolina-produced and international culinary specialty foods, has grown to its current 60,000 sq. ft. emporium in University Mall and now has over 300 employees. In addition to the Chapel Hill store, it boasts a national catalog and e-commerce business, a steady schedule of celebrity chefs in its acclaimed cooking school, and the bustling Weathervane restaurant. The store was recently ranked among America’s 25 Best Independent Stores in a book by retail author George Whalin.

On August 1st, a new chapter began for the Chapel Hill institution. TC Capital Fund, headed by Chapel Hill entrepreneur Clay Hamner, invested a significant amount of growth capital into the company. TC Capital Fund is a joint venture between two Chapel Hill Investment funds; Carrboro Capital Corporation (www.carrborocapital.com) and Tryon Capital Ventures, LLC (www.tryoncapital.com). The founders of Carrboro Capital are Chapel Hill residents Clay Hamner, Betty Kenan and Phil Phillips and the founders of Tryon Capital are Pete Coker and Peter Reichard. Tryon Capital is also headquartered in Chapel Hill.

“A core part of our mission has always been ‘local ownership and operation’.” says founder Michael Barefoot. “That will not change; ownership remains local in this new corporate structure ...we will now be positioned to grow to the next level.”

“For most of A Southern Season’s history,” added Barefoot, “Clay has been a loyal customer and supporter of the philosophy and values of what we’re all about. As the company experienced the economic downturn in early 2009, like other businesses did, Hamner initiated discussions about helping the company grow.

“We have stayed in close communication since, and finally, all the pieces came together. His long-respected local profile along with the other local investors was definitely a key part of our decision. They absolutely relate to this Chapel Hill institution on a very personal level and share our commitment to keeping A Southern Season something very, very special.”

“A Southern Season is a part of the fiber of Chapel Hill; it is also a well-established brand with loyal customers from throughout North Carolina and beyond” said Clay

Hamner. “I have believed in this brand and vision for as long as I have been in Chapel Hill, and have watched the company grow from a one-man operation to a large retail store with great products and services, and a great management and employee team. I always enjoy being in the store and that is coming from a person who hates to shop.

“We are pleased to join forces with the A Southern Season team and help the company continue to build upon its core tenants of educating about food and creating a one-of-a kind, entertaining shopping experience that exceeds customers’ expectations. We will re-invest significantly to grow the business, including enhancing the retail shopping experience, expanding existing product lines and bringing in new products to surprise and delight our customers, as well as expanding and enhancing our online shopping experience.”

Barefoot himself will continue to play an active role in the business, along with longtime partners Tim Manale and Briggs Wesche. Regarding the impact on his personal future plans, Barefoot adds, “This is the first step in a slow transition away from work. After 36 years, I think that it’s about time. I will be fully engaged at A Southern Season for the next five years, after which I plan to reduce my involvement to pursue other challenges and interests which I have not been able to do as I was growing A Southern Season.”

In addition, the company is pleased to bring Larry Shaw on board as President, an experienced executive and Chapel Hill resident who has worked with strong retail brands such as The Vermont Country Store and Nordstrom over the past 20 years.

“With the addition of Larry Shaw to the strong management team, and following the vision of the company’s founder, Michael Barefoot, we are very pleased to join this great group of managers and store employees” added Pete Coker.

“I am looking forward to joining this great local institution”, said Larry Shaw, “and our A Southern Season team encourages all locals and visitors to come to the store and check out the exciting changes.”

Background

A Southern Season's original 800 sq. ft. store opened in 1975 as a tiny coffee roaster and had one employee, owner Michael Cooper Barefoot. Driven by an intense love of food and a deep respect for quality, along with a healthy measure of down-home horse sense, Michael set his vision on introducing specialty foods to the Research Triangle area of North Carolina.

Initially operating on something less than a shoestring budget, projections required average daily receipts of \$312 to keep the doors open. Posted hours during the first year were 9am-9pm, but the shop never closed until sales had reached \$312, sometimes past midnight.

Since its beginning, A Southern Season has been dedicated to excellence - the finest products and service, and a public image of elegance and taste. Named one of America's most outstanding retailers by the National Association of the Specialty Food Trade (NASFT) at the International Fancy Food Show in 2004, A Southern Season was included in *Retail Superstars: Inside The 25 Best Independent Stores in America 2009* by George Whalin and has been featured in *The New York Times*, *Travel & Leisure*, *Southern Living*, and *Gourmet Retailer* as well as profiled on Food TV Network, The Golf Channel, and Turner South.

The landmark gourmet marketplace was declared "wall-to-wall and floor-to-ceiling ... a visual and gustatory delight!" after a visit by Craig Claiborne (1921-2000) of *The New York Times*.

In September 2003, A Southern Season opened a new flagship gourmet emporium at University Mall in Chapel Hill. At 60,000 sq. ft., the landmark market became one of the largest specialty-only gourmet markets in the US.

In its current location, A Southern Season features CLASS, Culinary Lessons at A Southern Season, a state-of-the-art cooking school which offers hundreds of classes and demonstrations annually featuring visiting culinary experts and celebrity chefs.

Today A Southern Season employs more than 300 people. Its popular Weathervane restaurant showcases an ever-changing menu of creative seasonal fare using many of the store's specialty products.

From a separate 92,000 sq. ft. facility in Hillsborough, NC, A Southern Season operates a mail order and e-commerce business, along with Carolina Cupboard, a wholesale distributorship.

Online since 1997, the company website, www.southernseason.com, features current catalog selections as well as store specials, Weathervane menus, a monthly newsletter, a calendar of in-store events, CLASS offerings, and a listing of employment opportunities.

W. Clay Hamner is the Frank Hawkins Kenan Professor of Private Equity and is the Director of the Center for Entrepreneurial Studies at the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill. He is a partner in Carrboro Capital Corporation, a private equity fund, which he founded with Phil Phillips and Betty Kenan in 2007. Clay Hamner is also the Chairman of Montrose Capital Corporation, has served on the Board of Directors of numerous companies including Wendy's International, Inc. Fuqua Industries, Interstate Johnson Lane, Infinity Israel China Fund, Kleinfeld, Inc., and The Pantry, Inc. and was a faculty member at Northwestern and Duke Universities' business schools.

Carrboro Capital is a Chapel Hill, NC based company that provides growth capital and management lead buyout capital to small cap companies with growth potential. The Managing Partner of Carrboro Capital is Brian Fauver, who holds an MBA from the Kenan-Flagler Business School at UNC-CH.

Tryon Capital Ventures is a boutique merchant banking firm located in Chapel Hill, NC that re-energizes and stimulates struggling early-stage and middle-market companies by combining analyses, strategy, people and money. Tryon is led by Pete Coker and Peter Reichard.

Larry Shaw was CEO of Lancelot Direct, a consulting business he founded in 2008 to help retail and direct-to-consumer companies maximize the profit potential of their brands in this new multi-channel world. Lancelot Direct worked with leading multi-channel brands across hard-and-soft-good product categories, including Eddie Bauer, Green Mountain Coffee Roasters, and J Jill. Prior to founding his own business, he was Executive Vice President at The Vermont Country Store and Director of Marketing for Nordstrom's Direct Sales Division.

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