

# STEPHEN BECHWAR

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## CEO / COO / DIVISION PRESIDENT

Since early in his career, Steve has demonstrated that he has the leadership talent, business savvy and functional breadth to be a consistently strong driver of corporate success. He has quickly adapted to a myriad of management challenges and proven, time and again, that he can achieve robust revenue and profit growth while building superior organizations that enhance customer satisfaction add shareholder value.

He has broad P&L experience. His background includes global growth strategies, startups, turnarounds, new markets, major accounts, eCommerce, brand repositioning, strategic alliances, continuous process improvement and service logistics.

Financially astute and a proven strategist, Steve has led startups and high growth business units as well as directed the turnaround of struggling organizations to achieve consistent success in diverse retail and product sectors and shepherded good performers to even stronger results. A hands-on executive, he excels in operational, marketing/sales, and financial disciplines, and has thrived in regional, national, and global markets, regardless of economic climate. Overall, his ability to build and maintain loyal, productive teams has enabled multi-million-dollar contributions year after year.

He seeks executive-level opportunities in either the US or Europe.

### Career Summary

Steve started his career at **Grant Thornton LLP** in public accounting working in Audit and Tax departments. After obtaining his CPA credential he moved to **Siemens Nixdorf Printing Systems** a division of Siemens AG as Business Administration Manager.

Steve then joined **Lands' End** as a Business Analyst and later transitioned into merchandising as a Product Manager. In an extended tenure with Lands' End, his accomplishments were numerous and substantial. When the company decided to open operations in Germany, Steve was tapped to direct the startup. Instilling a customer focus and service commitment to complement an already stellar product reputation, he and his team achieved a 65% yearly customer retention rate while driving sales to \$150M and achieving record EBITDA results.

As a reward for his performance, Mr. Bechwar was named Managing Director of Lands' End Europe. In driving revenues to \$211M, he built the company's eCommerce channel to almost 30% of gross sales, introduced operating efficiencies that were key to maintaining a superior profit margin and developed the necessary infrastructure to facilitate long-term growth while maintaining an exceptional record of service quality. He continued his upward spiral until 2008, when Sears, the parent company, elected not to pursue further expansion in the European marketplace.

Upon rejoining Lands' End on an interim basis, his mission was to course correct a declining business unit. By designing and implementing a European organization structure he eliminated repetitive management functions across Europe, reduced fixed payroll overhead by 15% and created a more nimble and efficient structure. He reduced aged inventory stocks by 90% and cleaned up the balance sheet. He also launched Lands' End into the Russian market through a wholesale arrangement with Quelle.

At **Harry & David**, he was challenged with the need to revitalize the Direct Mail division's revenue production during the worst recession in 80 years. He proceeded to re-build his client base and initiate a strategy that included the company's first B2B-specific catalog. Employing a new CRM package and superior service, his team added a multitude of new accounts while maintaining a 70% customer retention rate and increasing annual revenues by \$35M.

At **Adler Vertriebs GmbH & Co. Werbegeschenke KG** he was tasked to revitalize a stale, deteriorating, and expensive, sample call back revenue model. By introducing catalogs, inserts, eCommerce, and field sales, and through cross

channel synergies he was able to achieve 200% growth year over year in these channels while at the same time introducing outbound calling technology leading to a 100% increase in productive sales time in the legacy channel.

At **Eddie Bauer GmbH** he repositioned the brand from a Missy Sportswear to an Active Outdoor focus following the business buyback after 20 years under German ownership. He successfully transitioned to a new ERP, 3PL, reorganized, and simultaneously moved to a digitally focused strategy while minimizing customer attrition and maintaining EBITDA margins.

## **CAREER HISTORY / DISTINCTIVE ACCOMPLISHMENTS**

### **MANAGING DIRECTOR**

*EDDIE BAUER GMBH*

*(\$15M SUBSIDIARY OF EDDIE BAUER LLC)*

*2015 TO 2020*

Steve was brought in to reposition the brand and segregate Eddie Bauer from Otto following the US buyback in 2014 after 20 years under German ownership. He made the structural changes necessary to segregate the business from prior ownership, reorganized staffing to reflect a global merchandising go to market strategy and transitioned from a print to digital revenue focus while minimizing existing customer base attrition and maintaining EBITDA margins.

- **Brand repositioning.** Under German ownership, Eddie Bauer Europe had drifted from its Pacific Northwest Active Outdoor roots. Aligned merchandising assortment to global range, eliminating all unique styles in the EU assortment, and aligned marketing go to market strategy to leverage US assets.
- **Decreased overhead by 45%.** The business was organized to operate as an independent unit from the US. Leveraging global merchandising and marketing provided significant synergies and allowed for accompanying reductions in these areas thereby reducing overhead by 45% within a year of the buyback.
- **Channel Expansion.** In conjunction with the move to digital for the core business, added 3 marketplace platforms (Zalando, Amazon, eBay) leveraging the existing marketplace interface to maximize brand exposure to the market, add additional revenue sources, and provide a source of new customers.

### **INTERIM MANAGING DIRECTOR**

*LANDS' END EUROPE LTD.*

*(\$194M SUBSIDIARY OF LANDS' END INC.)*

*2013 TO 2014*

Faced with multiyear declines in sales and profits, eroding margins, a declining buyer base, and ballooning inventory, Steve was brought in to course correct the P&L and Balance Sheets across Europe and make the structural changes necessary to allow the business to return to sustainable profitability levels not seen since 2006. Steve wasted no time in concluding a multi-country reorganization, cutting overhead, liquidating aged inventory and launching Lands' End into Russia. He placed the business in position to grow profitably going forward.

- **Launched Lands' End in Russia.** Despite the organizational challenges, Steve mobilized a small team to launch into Russia through a wholesale partnership agreement with Quelle in Russia. Concept to launch was completed in 3 months and proved an efficient, risk averse method to test Lands' End brand appeal in the Russian market.

- **Decreased overhead base by 15% in Europe.** The business was organized with separate management functions for each market in Europe. Steve combined these under one EU structure and reduced overhead by 15% forming a more effective and efficient management structure.
- **Reduced aged overstock inventory by 90%.** Successive plan misses coupled with overzealous inventory purchases led a glut of aged overstocks on the Balance Sheet. Steve led the effort to reduce these stocks by 90% by increasing internal liquidation efforts, tapping into new outside liquidation channels and establishing new partnerships to liquidate this stock.

## **MANAGING DIRECTOR EUROPE AND MIDDLE EAST**

*ADLER VERTRIEBS GMBH & CO. WERBEGESCHENKE KG*

*(\$200M B2B promotional products company)*

*2011 TO 2012*

Adler faced deteriorating sales and profits due to its reliance on an outdated personalized sample mailing/call back model. Faced by declining sales and margin pressure, Mr. Bechwar was recruited to revitalize the European B2B marketing business unit. As has been true throughout his career, Steve's impact was rapid and substantial:

- **Increased revenues in new channels by 200%.** In his effort to revitalize the European business, Steve initiated a strategy to establish new channels to stimulate incremental sales by exposing prospects and existing customers to the broad range Adler had to offer. He developed new catalogs, inserts, eCommerce and field sales channels to showcase these products and expand brand recognition. In the process, he drove up to a 200% increase in revenue in these channels. A crucial factor for this success was message integration between these channels and the legacy outbound call center.
- **Introduced a successful outbound sales technology.** The business unit Mr. Bechwar inherited had always focused its sales efforts on outbound telemarketing campaigns. Little was done beyond this single focus to improve any efficiency within the operation. As a first step an outbound dialer was implemented increasing outbound productive sales time by 100% from 20 to 40 minutes per hour over the legacy programming.

## **VP CORPORATE SALES**

*HARRY & DAVID HOLDINGS, INC.*

*(\$500M gourmet gift company)*

*2008 TO 2010*

The 2008 recession had a large initial impact on corporate revenues and Mr. Bechwar was tasked to revitalize the B2B business unit. Steve made his mark by dramatically improving client retention rates while driving a major increase in the division's customer base, by doing so he:

- **Increased revenues during major economic downturn.** In his effort to revitalize the direct marketing business unit, Steve initiated a strategy to grow the client base and used a new CRM package to expand brand recognition. In the process, he maintained a 70% YOY client retention rate and drove annual divisional revenues to \$35M. Key to this success was his introduction of a first-time B2B-specific catalog and a greater focus on eCommerce activity.
- **Built a successful new B2B sales force.** The business unit Mr. Bechwar inherited had always focused its sales efforts on outbound telemarketing campaigns, leaving key areas of the US untapped for lack of "boots on the ground." Steve developed a superior outside sales team that targeted 12 major cities and generated \$500K *in just six weeks*.

## MANAGING DIRECTOR

*LANDS' END INC.*

*(\$1.8B SUBSIDIARY OF SEARS HOLDINGS)*

**Managing Director, Lands' End Europe 2005 to 2008.** In 2005, Mr. Bechwar was promoted, based on his successful leadership of Lands' End Germany, to lead the company's entire European operation. His contributions included:

- **Initiating an aggressive strategy to maximize long-term growth.** In the highly competitive European market, it was critical for Lands' End to keep differentiating itself from the competition. In response to this challenge, Steve devised a new strategy, using an innovative direct mail program to gain sales of \$211M with a 12% EBITDA. In the process, he and his team built the annual eCommerce business to almost one third of total sales.
- **Capitalizing on the potential of key markets.** German-speaking markets in Europe offered room for considerable revenue growth, but Lands' End Europe was not in a position to take advantage. Steve acquired several new outlets at a reasonable expense to facilitate long-term growth while maintaining effective cost controls and superior service quality.

**Managing Director, Lands' End Germany, 1997 to 2004.** In his first three years with the company, Mr. Bechwar built a reputation for excellence that was rewarded with his selection to lead the startup of a German business unit. In addition to an aggressive growth strategy, he developed a superior 450-person multi-functional team that, in just seven years, grew revenues to \$150M, setting an all-time record for divisional EBITDA at 15.8% margin rate.

In addition to growing the eCommerce channel to 16% of total annual sales, Steve established the company as Germany's #1 company to work for. Here are examples of his other successes:

- **Initiated a highly successful lost-sales recovery program.** High return rates in the German market were inhibiting sales, profits and customer satisfaction. In response, Steve devised a new program, using "lost sales" information from German orders and first quality returns to fill customer orders previously listed as "sold out." His solution dramatically increased customer satisfaction, adding \$4M to revenues at a 50%+ variable profit rate.
- **Increased aided brand awareness 50%.** In the face of an "unfair competition" law suit by a key government entity, Steve and his team designed an effective PR/advertising campaign that leveraged the company's "unconditional guarantee" policy to establish it as an advocate for individual consumers. This innovative solution more than quadrupled brand awareness, cementing the company as the retail service leader in Germany.
- **Offset significant profit margin erosion.** Currency fluctuations in Germany were adversely impacting overall profits. In response, Mr. Bechwar launched a series of operational efficiency initiatives, driving the variable business cost ratio from 18% to 8% of net sales. These efficiency measures also enabled the company to handle more than 10 times the order volume at just 5 times the cost.
- **Resolved growing inventory overstock problem.** Returns, overstocks and 2<sup>nd</sup> quality goods needed to be liquidated to offset major inventory costs. To overcome this challenge, Steve set up a German "liquidation" facility in a low-cost area of the country, adding millions of dollars to top-line revenues, exceeding all profit goals.

**Product Manager, Home Division, 1995 to 1996.** Recruited by Lands' End in 1993 as a Business Analyst, Steve successfully transitioned into merchandising two years later. At a time when this division needed a boost, he developed and successfully positioned a new group of products in the bath and window/bed coverings niche. He negotiated pricing and selected vendors to optimize both production costs and quality, and also established a custom drop-ship windows program. In total, his innovations added \$15M to revenues, 20% of the division's total.

## **EARLIER EMPLOYMENT**

Mr. Bechwar started his career with the nationally-known public accounting firm of Grant Thornton, and later left to complete his graduate degree in finance. He was then recruited as Manager of Business Administration by the Siemens Nixdorf subsidiary of Siemens AG. Of his numerous contributions between 1989 and 1992, one stands out as a predictor of his future value as a business leader.

This manufacturer of high-speed mainframe laser printing systems lacked a comprehensive service program, causing a spike in customer dissatisfaction. To resolve the problem, Steve designed a program to provide more cost-effective service contracts for all US customers from one central location, adding \$2M to revenues in the process.

## **ADDITIONAL INFORMATION**

Mr. Bechwar's professional and personal activities have taken him to numerous domestic and world-wide locations, from Europe to the Far East, giving him considerable insight into multiple cultures as well as the global business environment. This diverse experience in domestic US and international markets has significantly enhanced his strategic perspective.

Prior to earning his MS in Finance from the University of Wisconsin, Steve was awarded a BBA in Accounting (with distinction) from the same institution. He is also fluent in German and accredited as a CPA and CFP. His outside interests include golf, running, and travel.