

G III APPAREL GROUP LTD /DE/  
Form S-3  
January 04, 2007

As filed with the Securities and Exchange Commission on January 4, 2007

Registration No. 333-\_\_\_\_\_

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

G-III APPAREL GROUP, LTD.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

41-1590959  
(I.R.S. Employer  
Identification Number)

512 Seventh Avenue  
New York, New York 10018  
(212) 403-0500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

\_\_\_\_\_  
Morris Goldfarb, Chief Executive Officer  
G-III Apparel Group, Ltd.

512 Seventh Avenue  
New York, New York 10018  
(212) 403-0500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

\_\_\_\_\_  
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Approximate date of commencement of proposed sale to public:  
 As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), other than securities offered only in connection with dividend or reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered (1)	Proposed Maximum Offering Price Per Share (2)	Proposed Maximum Aggregate Offering Price (2)	Amount Of Registration Fee (3)
Common Stock, \$0.01 par value per share	5,175,000 shares	\$18.98	\$98,221,500	\$10,509.7

- (1)Includes 675,000 shares of common stock that the underwriters have the option to purchase to cover over-allotments, if any
- (2)Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act. Based on the average of the high and low sales prices of the registrant's common stock on the Nasdaq Global Market on December 29, 2006.
- (3)Pursuant to Rule 457(p) under the Securities Act, the registrant is offsetting \$2,477.34 of the filing fee due in connection with the filing of this Registration Statement against the remainder of the filing fee of \$4,534 paid by the registrant in connection with its Registration Statement on Form S-1 (No. 333-133906) initially filed on May 8, 2006 and withdrawn on July 12, 2006 (\$2,056.66 of such \$4,534 fee was previously offset in partial payment of the filing fee for the registrant's Registration Statement on Form S-1 (No. 333-136445) filed on August 9, 2006).

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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This information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 4, 2007

4,500,000 Shares  
Common Stock

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G-III Apparel Group, Ltd. is offering 1,121,000 shares of our common stock and the selling stockholders identified in this prospectus are offering an additional 3,379,000 shares. We will not receive any of the proceeds from the sale of the shares sold by the selling stockholders. We have granted the underwriters a 30-day option to purchase up to an additional 675,000 shares from us to cover over-allotments, if any.

Our common stock is traded on the Nasdaq Global Market under the symbol "GIII." The last reported sale price on January 3, 2007 was \$19.43 per share.

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INVESTING IN OUR COMMON STOCK INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 5.

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	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to us	\$	\$
Proceeds, before expenses, to the selling stockholders	\$	\$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

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Thomas Weisel Partners LLC

The date of this prospectus is \_\_\_\_\_, 2007.

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You should rely only on the information contained in this prospectus. Neither we nor the selling stockholders nor the underwriters have authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the selling stockholders nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

G-III, J.L. Colebrook, JLC, Colebrook & Co., American Classics By Colebrook, Black Rivet, ColeB Co, Siena Studio, Sports 58, Studio 512, Marvin Richards, WINLIT, LNR, La Nouvelle Renaissance and NY 10018 are our trademarks. This prospectus also includes the registered and unregistered trademarks of other persons.

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## PROSPECTUS SUMMARY

This summary highlights certain information contained elsewhere in this prospectus, but might not contain all of the information that is important to you. For a more complete understanding of information you may consider important in making your investment decision, you should read the entire prospectus carefully, including information set forth under the heading “Risk Factors” and our consolidated financial statements and the related notes incorporated by reference in this prospectus.

In this prospectus, “G-III,” “we,” “us,” and “our” refer to G-III Apparel Group, Ltd., a Delaware corporation, together with its subsidiaries. References to fiscal years refer to the year ended or ending on January 31 of that year. For example, our fiscal year ended January 31, 2006 is referred to as “fiscal 2006”.

### Our Company

G-III is a leading designer, manufacturer and marketer of outerwear and sportswear under licensed brands, our own proprietary brands and private retail labels. We sell an extensive range of outerwear and sportswear, including coats, jackets and pants, as well as women’s suits and dresses. We provide high quality apparel under recognized brands to retailers such as Macy’s, Nordstrom and Saks. We distribute our products through a diverse mix and a large number of retailers at a variety of price points.

Licensed brands have been an important part of our strategy for over 10 years. We currently have licenses to produce branded fashion apparel including, among others, under the Calvin Klein, Sean John, Kenneth Cole, Cole Haan, Guess?, Jones New York, Nine West, Ellen Tracy, IZOD and Tommy Hilfiger labels. We also have licenses to produce branded sports apparel containing trademarks of the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Louisville Slugger, World Poker Tour and over 100 U.S. colleges and universities.

We also work with leading retailers, such as Federated, Wal-Mart, JC Penney and Kohl’s, in developing product lines to be sold under their own proprietary private labels. We produce apparel under our own proprietary brands, including Marvin Richards, G-III, Black Rivet, Siena Studio, Colebrook, G-III by Carl Banks, Winlit, NY 10018 and La Nouvelle Renaissance.

In July 2005, we significantly expanded our business when we acquired Marvin Richards and the operating assets of Winlit Group, Ltd. As a result of the Marvin Richards acquisition, we added licenses for men’s and women’s outerwear under the Calvin Klein brand, as well as Marvin Richards’ own proprietary labels. As a result of acquiring Winlit’s assets, we added licenses for men’s and women’s outerwear under the Guess? brand, leather outerwear under the Tommy Hilfiger brand and women’s outerwear under the Ellen Tracy brand. We also acquired Winlit’s own proprietary labels. In addition, we added significant management, merchandising, manufacturing and design expertise as a result of these acquisitions.

### Recent Initiatives

In addition to the licenses we added as a result of the two acquisitions we made, during the past year we have undertaken several new initiatives, each of which we believe has significant revenue potential:

- We expanded our relationship with Calvin Klein, one of the most recognized fashion brands in the United States, in August 2005 to include a license for women’s suits. We began to ship this line to department and specialty stores in January 2006 and had product in over 400 doors by

fall 2006.

- In March 2006, we announced that we would be designing and producing for Wal-Mart a new urban young men's and boy's branded sportswear line, under its Exsto label. We began shipping Exsto product during July 2006 and were shipping to over 500 Wal-Mart locations by fall 2006.

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- We further expanded our relationship with Calvin Klein in April 2006 to include a license for women's dresses and began shipping this line to department and specialty stores in October 2006.
  - We expanded our relationship with Sean John to include a license for women's sportswear. We expect to launch this line in department stores and urban specialty stores for fall 2007.

#### Competitive Strengths

We intend to capitalize on the following competitive strengths:

**Broad portfolio of recognized brands.** Over the past 10 years, we have built a broad and deep portfolio of over 25 licensed and proprietary brands. We believe we are a licensee of choice for well-known brands that have built a loyal following of both fashion-conscious consumers and retailers who desire high quality, well-designed apparel. Our experience in developing our licensed brands and our own proprietary labels, as well as our reputation for producing high quality, well-designed apparel, has led major department stores and retailers, including Federated, Wal-Mart, JC Penney and Kohl's, to select us as a designer and manufacturer for their private label programs.

**Diversified distribution base.** We market our products at multiple price points and across multiple channels of distribution. Our products are sold to approximately 2,500 customers, including department and specialty stores such as Macy's, Nordstrom and Saks, mid-tier and mass merchants such as Wal-Mart, JC Penney, Target and Kohl's, and membership clubs such as Costco and Sam's Club.

**Superior design, sourcing and quality control.** Our designers work closely with our licensors and private label customers to create designs and styles that represent the look they want. We believe that our creative design team and our sourcing expertise give us an advantage in product development. We believe we have developed a significant customer following and positive reputation in the industry as a result of our design capabilities, sourcing expertise, on-time delivery and high standards of quality control.

**Leadership position in the outerwear wholesale business.** As one of the largest outerwear wholesalers, we are widely recognized within the apparel industry for our quality, well-designed products. Our expertise and reputation in designing, manufacturing and marketing outerwear have enabled us to build strong customer relationships and to expand into women's suits, dresses and other product categories.

**Experienced management team.** Our executive management team has extensive experience in the apparel industry. Morris Goldfarb, our Chairman and Chief Executive Officer, has been with us for 35 years. In 2005, we added significant management, merchandising, manufacturing and design expertise as a result of our acquisition of the Marvin Richards and Winlit businesses. The experience, expertise and depth of our management team have enabled us to implement new initiatives in new product categories with existing licensees, such as Calvin Klein and Sean John, and private label customers, such as Wal-Mart.

#### Growth Strategy

Our goal is to build an all-season diversified apparel company with a broad portfolio of brands that we offer in multiple channels of retail distribution through the following growth strategies:

**Execute new initiatives.** We are continually seeking opportunities to produce products for all seasons as we attempt to reduce our dependency on our third fiscal quarter for the majority of our net sales and substantially all of our net income. During the past year, we have initiated several product diversification efforts, each of which we believe has significant revenue potential.

**Continue to grow our outerwear business.** We have been a leader in the outerwear business for many years and believe there is significant growth potential for us within this category. For example, we believe that the strong brand awareness of Calvin Klein, our addition of women's outerwear for Sean

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John, and new private label programs, such as for the Candie's brand distributed by Kohl's, will provide us with increased outerwear business.

**Extend our new product categories to additional brands.** We have been able to leverage our expertise and experience in the outerwear business to expand our licenses to new product categories such as women's suits, dresses and sportswear. We will attempt to expand our distribution of products in these categories under other licensed brands, private label brands and our own brands.

**Seek attractive acquisitions.** We plan to pursue acquisitions of complementary product lines and businesses. Our acquisitions of the Marvin Richards and Winlit businesses increased our portfolio of licensed brands, added additional retail customers and allowed us to realize economies of scale.

#### The Offering

Common stock offered by us	1,121,000 shares
Common stock offered by the selling stockholders	3,379,000 shares
Common stock to be outstanding after this offering	15,372,200 shares
Use of proceeds	We intend to use the net proceeds of this offering for general corporate purposes to support the growth of our business. We will not receive any proceeds from the sale of stock offered by the selling stockholders.

Nasdaq Global Market symbol GIII

The number of shares of common stock that will be outstanding after this offering is based on 14,138,700 shares of common stock outstanding as of December 15, 2006 and excludes:

- an aggregate of 1,324,443 shares of common stock issuable upon exercise of options outstanding as of December 15, 2006 at a weighted average exercise price of \$4.73 per share;
- an aggregate of 375,000 shares of common stock issuable upon exercise of warrants outstanding as of December 15, 2006 at an exercise price of \$11.00 per share;

- an aggregate of 944,469 shares of common stock reserved for future grants under our option plans; and
- an aggregate of 367,225 shares held in treasury.

All share and per share information in this prospectus has been adjusted to reflect a three-for-two split of our common stock effective March 28, 2006.

Unless otherwise indicated, the information contained in this prospectus assumes no exercise of outstanding options or warrants and no exercise of the underwriters' over-allotment option to purchase up to an additional 675,000 shares from us.

#### Corporate Information

We are a Delaware corporation that was formed in 1989. We and our predecessors have conducted business since 1974. Our executive offices are located at 512 Seventh Avenue, New York, NY 10019 and our telephone number is (212) 403-0500. Our website is <http://www.g-iii.com>. The information on our website is not a part of this prospectus.

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#### Summary Consolidated Financial Data (In thousands, except per share data)

The following table summarizes our consolidated financial data for the periods presented. You should read the data in conjunction with the information under "Selected Consolidated Financial Data" and our consolidated financial statements and related notes incorporated by reference in this prospectus.

Our results of operations for the year ended January 31, 2006 include the results of our Marvin Richards and Winlit divisions from July 11, 2005, the date we acquired the stock of Marvin Richards and certain assets from Winlit. Our results for fiscal 2006 exclude the seasonal losses that were incurred by the acquired companies in the first half of fiscal 2006. Results for fiscal 2007 include the operations of the acquired companies for the entire period, as well as interest expense and depreciation and amortization expense relating to the acquisitions for the entire period.

The summary consolidated income statement data for the nine months ended October 31, 2005 and 2006 and the summary consolidated balance sheet data as of October 31, 2006 set forth below are derived from our unaudited consolidated financial statements. In the opinion of our management, all known adjustments necessary for a fair presentation of the results for the nine months ended October 31, 2005 and 2006 have been made. The financial data for the nine months ended October 31, 2005 and 2006 include all normal recurring adjustments which in the opinion of our management are necessary for these periods. Our results of operations for the nine months ended October 31, 2006 are not necessarily indicative of the results that may be expected for the entire year or for any future period.

	Nine Months Ended
Year Ended January 31,	October 31,