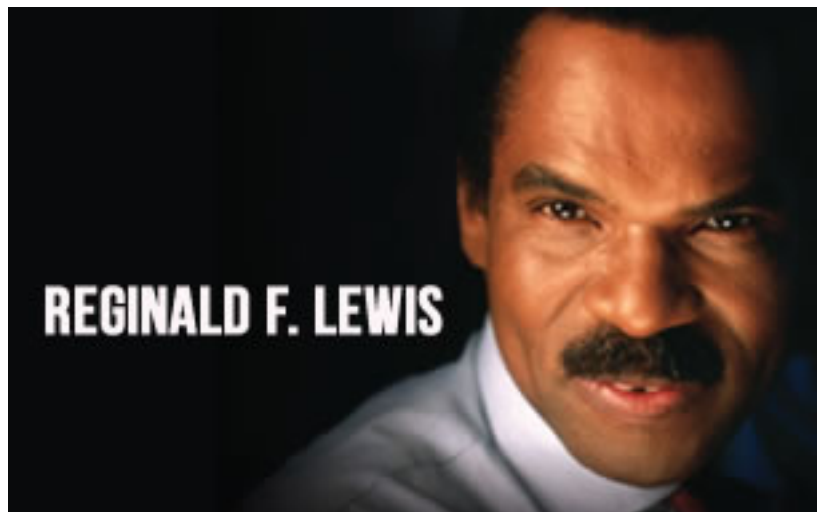


Profile: Reginald F. Lewis - \$1 Billion Dollar Man

Written by Jacqueline Lawson
Thursday, 02 August 2012 15:34

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Profile: Reginald F. Lewis - Owner - TLC Beatrice, first black owned company to have revenues over \$1 billion

Reginald F. Lewis is the founder of TLC Group (1983), a venture capital firm which acquired Beatrice International Foods for \$985 million in 1987 in a deal partly financed through Mike Milken of the maverick investment bank, Drexel Burnham Lambert; creating TLC Beatrice International, a snack food, beverage, and grocery store conglomerate that was the largest black-owned and black-managed business in the U.S.

In 1987 TLC became the first black owned company to have revenues over \$1 billion when it's revenue for that year topped \$1.8 billion.

At its peak in 1996, TLC Beatrice had sales of \$2.2 billion and was number 512 on Fortune magazine's list of 1,000 largest companies.

After 15 years of private practice, he created the TLC Group L.P.

His first major deal was the purchase of the McCall Pattern Company, a home sewing pattern business for \$22.5 million. With fewer and fewer people sewing at home, McCall was seemingly on the decline--though it had posted profits of \$6 million in 1983 on sales of \$51.9 million. At the time, McCall was number two in its industry, holding 29.7 percent of the market, compared to industry leader Simplicity Patterns with 39.4 percent.

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He managed to negotiate the price down and then raised \$1 million dollars himself from family and friends and borrowed the rest from institutional investors and investment banking firm First Boston Corp.

Within one year, he turned the company around by freeing up capital tied in fixed assets such as building and machinery, finding a new use for machinery during downtime by manufacturing greeting cards and he then started to recruit managers from rival companies. The combining of containing costs, improving quality, beginning to export to China, emphasizing new product introductions led to the company's most profitable year in its history. With the addition of McCall real estate worth an estimated \$6 million that they retained ownership of, he later sold the company at a tremendous profit for investors at a 90-1 return. Lewis's share was 81.7 percent of the \$90 million.

He details his experience in his book "Why Should White Guys Have All the Fun?: How Reginald Lewis Created a Billion-Dollar Business Empire."

In January 1993, at age 50, Reginald F. Lewis died after a short illness. A letter at his funeral from longtime friend David N. Dinkins, former mayor of New York, said, "Reginald Lewis accomplished more in half a century than most of us could ever deem imaginable. And "his brilliant career was matched always by a warm and generous heart." Dinkins added, "It is said that service to others is the rent we pay on earth. Reg Lewis departed us paid in full."

"Reginald Lewis held close to his dream. It was a dream fueled by imagination, inspiration, and dedication." - Hon. David N. Dinkins