



# NEWS RELEASE



## Sterling Investment Partners Completes Acquisition of Washington Inventory Service From Huffey Corporation

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Westport, Connecticut Sterling Investment Partners, L.P. of Westport, Connecticut, ("Sterling") announced today that it has completed the acquisition of Washington Inventory Service ("WIS") from Huffey Corporation (NYSE:HUF) for an aggregate price of \$84.75 million. Sterling is joined in the transaction by RFE Investment Partners of New Canaan, Connecticut, and several limited partners of Sterling, including Massachusetts Mutual Life Insurance Co., National City Venture Corp., GE Capital, and Landmark Partners. Headquartered in San Diego, California since its inception in 1953, WIS provides inventory taking and information gathering services on a worldwide basis to meet the financial reporting and inventory control requirements of a wide variety of high volume retailers, drug stores, home centers, sporting goods stores and specialty retailers. WIS also provides verification services to major companies to confirm compliance with promotional programs, and temporary employee placement services. Major customers include Walmart, Target, The Home Depot, Kmart, RJ Reynolds Tobacco, American Drug, Albertsons, Jo-Ann Stores, Walgreen, Sears, Gap, Safeway and CVS. WIS operates 158 offices throughout the United States, and has access to over 11,000 full and part-time employees. WIS also operates in Europe, Japan, and South America.

Charles W. Santoro, Managing Partner of Sterling commented, "We believe WIS has a very exciting business model with strong growth and build-out opportunities. We look forward to working with WIS to capitalize on the company's excellent opportunities to expand internationally, and further build its fast growing diversified service business." Douglas L. Newhouse, Managing Partner of Sterling also commented, "We are excited to have acquired Washington Inventory Service, a company with a leading market share and substantial growth prospects. WIS has an outstanding senior management team led by I. Edward Tonkon, II, and we look forward to working with the entire organization." Don Graber, Huffey Corporation Chairman, President and CEO commented, "We are pleased to have completed this transaction with an investor group whose growth objectives for its portfolio of companies, and for WIS, parallel the objectives which Huffey Corporation has had for WIS since its acquisition in 1988. WIS is poised for its fifth straight year of record sales and earnings, and we wish them every success in the future."

Sterling is a leading provider of private equity capital for transactions involving middle market growth companies. Sterling seeks to provide its investors with superior capital appreciation by investing in leading market share companies with strong competitive positions and significant growth opportunities. Sterling's focus is on building companies as long-term investors. In addition to the personal capital of its partners, Sterling's investors include many well known institutions such as GE Capital, Massachusetts Mutual Life Insurance Co., Mellon Bank, CIBC Worldwide Markets, National City Venture Corp., and PPM America.