

BUSINESS

## Sports equipment company to file for bankruptcy

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Performance Sports Group, the maker of Bauer hockey equipment and Easton baseball equipment, is planning to file for bankruptcy by Monday, The Post has learned.

Creditors owed \$450 million had given the cash-strapped business until Friday to comply with its loan covenants.

PSG's shares fell 7 percent Friday to close at \$3.48, as investors waited to see what would happen.

The Bronfman family's Brookfield Capital Group, together with PSG creditor and shareholder Sagard Capital Partners, plan to take over the company in a pre-packaged bankruptcy, a source close to the matter said.

The expected pre-pack reorganization, if it happens, sets up the Brookfield-Sagard team in a face-off against former PSG Chairman Graeme Rouston.

Rouston has said publicly he would like to bid for PSG, and has alleged that Sagard should not have nominated its employee, Paul Desmarais, to the PSG board because the firm also has a leading stake in Adidas.

Adidas owns hockey equipment maker CCM, a Bauer rival.

In July, PSG said it was the subject of a Securities and Exchange Commission investigation. The Post reported exclusively in March on alleged revenue misstatements at the company.

PSG's high-profile board includes Bob Nicholson, a top executive with the NHL's Edmonton Oilers, and, until July, former Boston Red Sox Chief Executive Larry Lucchino.

A PSG spokesman could not be reached.