

G III APPAREL GROUP LTD /DE/

Form 424B5

June 25, 2014

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Filed Pursuant to Rule 424(b)(5)

Registration Statement No. 333-184700

PROSPECTUS SUPPLEMENT

(To Prospectus dated November 20, 2012)

1,500,000 Shares

Common Stock

We are offering 1,500,000 shares of our common stock.

Our common stock is listed on The NASDAQ Global Select Market under the symbol “GIII.” On June 24, 2014, the last reported sale price of our common stock on The NASDAQ Global Select Market was \$77.63 per share.

Investing in our common stock involves a high degree of risk. Please read “Risk Factors” beginning on page S-8 of this prospectus supplement, on page 4 of the accompanying prospectus, and in the documents incorporated by reference into this prospectus supplement.

	Per Share		Total
Public offering price	\$ 77.63	\$	116,445,000
Underwriting discounts and commissions	\$ 2.9111	\$	4,366,650
Proceeds to us (before expenses)	\$ 74.7189	\$	112,078,350

We have granted the underwriters a 30-day option to purchase up to an additional 225,000 shares of our common stock on the same terms and conditions set forth above.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about June 30, 2014.

Joint Book-Running Managers

Barclays

Piper Jaffray

Co-Managers

KeyBanc Capital Markets
Cowen and Company

Brean Capital
Stephens Inc.

Prospectus Supplement dated June 24, 2014.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus that we may provide to you. Neither we nor the underwriters have authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement or the accompanying prospectus. You should not assume that the information contained in the documents incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering of our common stock. The second part is the accompanying base prospectus, which provides more general information. Generally, when we use the term “prospectus,” we are referring to both parts combined. If the information varies between this prospectus supplement and the accompanying base prospectus, you should rely on the information in this prospectus supplement.

In making an investment decision, prospective investors must rely on their own examination of the company and the terms of the offering, including the merits and risks involved. Prospective investors should not construe anything in this prospectus as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the securities under applicable legal investment, or similar laws or regulations.

Any statement made in this prospectus, any free writing prospectus authorized by us or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any free writing prospectus authorized by us or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus. Please read “Where You Can Find More Information” on page S-31 of this prospectus supplement.

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SUMMARY

This summary provides a brief overview of information contained elsewhere or incorporated by reference in this prospectus. This summary does not contain all of the information that you should consider before investing in our common stock. For a more complete understanding of this offering and our common stock, you should read the entire prospectus supplement, the accompanying base prospectus and the documents incorporated by reference, including our historical financial statements and the notes to those financial statements, which are incorporated herein by reference from our Annual Report on Form 10-K for the year ended January 31, 2014. Please read “Where You Can Find More Information” on page S-31 of this prospectus supplement. Please read “Risk Factors” beginning on page S-8 of this prospectus supplement and the other documents incorporated by reference to which that section refers for more information about important risks that you should consider carefully before investing in our common units.

In this prospectus supplement, “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, 2014 is referred to as “fiscal 2014.”

Overview

G-III designs, manufactures and markets an extensive range of apparel, including outerwear, dresses, sportswear, swimwear, women’s suits and women’s performance wear, as well as footwear, luggage and women’s handbags, small leather goods and cold weather accessories. We sell our products under our own proprietary brands, licensed brands and private retail labels.

Owned Brands: G-III sells swimwear, resort wear and related accessories under our own Vilebrequin brand and footwear, apparel and accessories under our own Bass and G.H. Bass brands. We also sell a variety of apparel products under our other owned brands that include Andrew Marc, Marc New York, Jessica Howard, Eliza J and Black Rivet.

Licensed Brands: We sell products under an extensive portfolio of well-known licensed brands, including Calvin Klein, Kenneth Cole, Guess?, Cole Haan and Tommy Hilfiger. In our team sports business, we have licenses with the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Touch by Alyssa Milano and over 100 U.S. colleges and universities.

We have grown rapidly during the past few years with net sales increasing from \$1.23 billion in fiscal 2012 to \$1.72 billion in fiscal 2014. Our net income increased from \$49.6 million, or \$2.46 per diluted share, in fiscal 2012 to \$77.4 million, or \$3.71 per diluted share, in fiscal 2014.

Our products are sold through a cross section of leading retailers such as Macy’s, Bloomingdale’s, Nordstrom, Neiman Marcus, Saks Fifth Avenue, Lord & Taylor, The Bon-Ton Stores, Dillard’s and JC Penney.

We also distribute through our own retail stores. Our retail operations segment consists primarily of our Wilsons and G.H. Bass stores, substantially all of which are operated as outlet stores. As of April 30, 2014, we operated 168 Wilsons stores, 156 G.H. Bass stores, as well as five Andrew Marc stores and three Calvin Klein Performance stores, in 41 states and Puerto Rico. In addition, Vilebrequin sells its products in the United States and over 50 countries around the world through a network of company owned and franchised specialty retail stores and shops, as well as through select wholesale distribution.

We have acquired businesses that have broadened our product offerings, expanded our ability to serve different tiers of distribution and added a retail component to our business. Our acquisitions are part of our strategy to expand our product offerings and increase the portfolio of proprietary and licensed brands that we offer through different tiers of retail distribution.

In November 2013, we acquired the business of G.H. Bass & Co., a well-known heritage brand that developed the iconic original penny loafer (known as “Weejuns”). Bass footwear, apparel and accessories are sold primarily through our G.H. Bass outlet stores located in the United States. The brand is also licensed for the wholesale distribution of men’s and women’s footwear and men’s sportswear.

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In August 2012, we acquired Vilebrequin, a premier provider of status swimwear, resort wear and related accessories. Vilebrequin sells its products through a network of company owned and franchised specialty retail stores and shops, as well as through select wholesale distribution. We believe that Vilebrequin is capable of significant worldwide expansion.

We have three reportable segments, licensed products, non-licensed products and retail operations. The licensed products segment includes sales of products under brands licensed by us from third parties. The non-licensed products segment includes sales of products under our own brands and private label brands. The retail operations segment consists primarily of our Wilsons and G.H. Bass stores, as well as a limited number of Andrew Marc retail stores and Calvin Klein Performance stores.

Competitive Strengths

We intend to capitalize on the following competitive strengths in order to achieve our goal of creating an all-season diversified apparel company:

Broad portfolio of recognized brands. We have built a broad and deep portfolio of over 40 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 products. We have selectively added the licensing rights to premier brands in women's, men's and sports categories catering to a wide range of customers. In an environment of rapidly changing consumer fashion trends, we benefit from a balanced mix of well-established and newer brands. In addition to our licensed brands, we own several successful proprietary brands, including Vilebrequin, Bass, G.H. Bass, Andrew Marc, Marc New York and Eliza J. Our experience in developing and acquiring licensed brands and proprietary labels, as well as our reputation for producing high quality, well-designed apparel, has led major department stores and retailers 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, allowing us to provide products to a broad range of consumers, while reducing our reliance on any one demographic segment, merchandise preference or distribution channel. Our products are sold to approximately 3,100 customers, including a cross section of retailers such as Macy's, Nordstrom, Saks Fifth Avenue, Lord & Taylor, Dillard's, JC Penney, TJX Companies and Ross Stores, and membership clubs such as Costco and Sam's Club. As a result of our broad distribution platform, we believe we are a licensee and supplier of choice and can more easily adapt to changes in the retail environment. We believe our strong relationships with retailers have been established through many years of personal customer service and adherence to meeting or exceeding retailer expectations. Our Wilsons and Andrew Marc retail stores provide an additional distribution network for our products. We distribute our Vilebrequin products through a network of company owned and franchised specialty retail stores and shops, as well as through select wholesale distribution, and distribute our Bass and G.H. Bass products through our outlet stores and through licensees.

Superior design, sourcing and quality control. Our in-house design and merchandising team designs substantially all of our licensed, proprietary and private label products. Our designers work collaboratively with our licensors and private label customers to create designs and styles that represent the look they want. We have a network of worldwide suppliers that allows us to negotiate competitive terms without relying on any single vendor. In addition, we employ a quality control team and a sourcing group in China to ensure the quality of our products. 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. Our acquisition of Vilebrequin added experienced design capability and additional sourcing resources in Europe. With its distinctive product design and construction, Vilebrequin, unlike the rest of our business, relies on two manufacturers for the substantial majority of its product.

Leadership position in the wholesale business. As one of the largest wholesalers of outerwear, dresses and sportswear, we are widely recognized within the apparel industry for our high-quality and well-designed products. Our expertise and reputation in designing, manufacturing and marketing apparel have enabled us to build strong customer relationships and to become one of the leading dress suppliers in the United States over the past several years. We have also expanded into women's performance wear and other apparel categories, as well as to non-apparel categories such as luggage, handbags, small leather goods and accessories.

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Experienced management team. Our executive management team has worked together for a significant period of time and has extensive experience in the apparel industry. Morris Goldfarb, our Chairman, Chief Executive Officer and President, has been with us for almost 40 years. Sammy Aaron, our Vice Chairman, joined us in 2005 when we acquired Marvin Richards.

Wayne S. Miller, our Chief Operating Officer, has been with us for over 15 years and Neal S. Nackman, our Chief Financial Officer, has been with us for over 10 years. Each of our executive officers has over 30 years of experience in the apparel business. Our leadership team has demonstrated experience in successfully acquiring, managing, integrating and positioning new businesses having completed seven acquisitions over the last nine years while also adding numerous new licensed products.

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 diversification initiatives. We are continually seeking opportunities to produce products for all seasons. We have initiated the following diversification efforts:

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- In November 2013, we acquired G.H. Bass, a well-known heritage brand that sells footwear, apparel and accessories. This acquisition continued the diversification of our product offerings and expanded the scope of our retail business that started with our acquisition of Wilsons in 2008. We expect to apply the expertise of our Wilsons team to the operations of the G.H. Bass business and be able to leverage the infrastructure at Wilsons to benefit Bass.
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- In August 2012, we acquired Vilebrequin, a premier provider of status swimwear, resort wear and related accessories. We believe that Vilebrequin is a powerful brand and expect to add more company owned and franchised retail locations and increase our wholesale distribution throughout the world, as well as develop the business beyond its heritage in men's swimwear, resort wear and related accessories.
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- We have continually expanded our relationship with Calvin Klein. Initially, we had licenses for Calvin Klein men's and women's outerwear. Between 2005 and 2011, we added licenses for women's suits, dresses, women's performance wear, women's better sportswear, women's handbags and small leather goods and luggage, as well as to operate Calvin Klein Performance retail stores in the United States and China. In April 2013, we added a license for Calvin Klein men's and women's swimwear that became effective as of December 1, 2013. Most recently, in March 2014, the current term of each of our Calvin Klein license agreements was extended to December 31, 2023.
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- In December 2012, we entered into a license agreement covering a broad range of women's apparel under the Ivanka Trump brand including women's sportswear, dresses, women's suits and women's outerwear. We began shipping Ivanka Trump products in the third quarter of fiscal 2014 and believe this line has excellent potential for expansion.

Continue to grow our apparel business. We have been a leader in the apparel business for many years and believe we can continue to grow our apparel business. Specifically, our Calvin Klein businesses benefit from Calvin Klein's strong brand awareness and loyalty among consumers. Our acquisition of Andrew Marc added two well-known

proprietary brands in the men's and women's apparel market, as well as licenses for men's and women's outerwear under the Levi's and Dockers brands. More recently, we added licenses for a variety of apparel products under the Kensie and Ivanka Trump brands and for women's outerwear under the Tommy Hilfiger brand.

Add new product categories. We have been able to leverage our expertise and experience in the apparel business, our relationships with our licensors and our sourcing capabilities to expand our licenses to new product categories such as dresses, sportswear, women's suits, women's performance wear and men's and women's swimwear. We expanded our licenses with Calvin Klein beyond apparel categories to include luggage, women's handbags, small leather goods and cold weather accessories. In addition, we added luggage to the products we sell under the Tommy Hilfiger brand and added swimwear, resort wear and

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related accessories as a result of our acquisition of Vilebrequin. Most recently, our acquisition of G.H. Bass added footwear to our product mix. We will attempt to expand our distribution of products in these and other categories under licensed brands, our own brands and private label brands.

Seek attractive acquisitions. We plan to pursue acquisitions of complementary product lines and businesses. We continually review acquisition opportunities. Most recently, we acquired G.H. Bass, a well-known heritage brand that operates over 150 outlet stores, and Vilebrequin, which provides us with a premier brand selling status products worldwide. As a result of other acquisitions, we added name-brand licenses, including Calvin Klein, Guess?, Ellen Tracy, Tommy Hilfiger, Levi's and Dockers, as well as proprietary labels and private label programs. We acquired our Jessica Howard and Eliza J dress businesses and Andrew Marc, each of which added to our portfolio of proprietary brands. We also acquired the Wilsons Leather outlet store business. Our acquisitions have increased our portfolio of licensed and proprietary brands, allowed us to realize economies of scale and added a retail component to our business. We believe that our existing infrastructure and management depth will enable us to complete additional acquisitions in the apparel industry.

Corporate Information

Our principal executive offices are located at 512 Seventh Avenue, New York, New York 10018, and our telephone number is (212) 403-0500. Our website is located at [http:// www.g-iii.com](http://www.g-iii.com). We make available our periodic reports and other information filed with or furnished to the SEC, free of charge through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference herein, does not constitute a part of this prospectus, and you should not consider information on our website in deciding to purchase shares of our common stock.

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The Offering

Common stock offered by us

1,500,000 shares.

Option to purchase additional common stock from us

225,000 shares.

Common stock outstanding before and after this offering

20,554,616 shares and 22,054,616 shares.

Use of proceeds

We expect the net proceeds from this offering will be approximately \$111.8 million (or \$128.6 million if the underwriters exercise their option to purchase additional common stock from us in full), after deducting underwriting discounts and commissions, as described in “Underwriting,” and estimated offering expenses payable by us. We intend to use the net proceeds from this offering for general corporate purposes, including, among other things, future acquisitions. Pending such uses, we intend to pay down outstanding debt under our credit agreement (approximately \$63.0 million as of April 30, 2014) and invest the balance of the net proceeds in short-term, investment grade securities. See “Use of Proceeds” on page S-23 of this prospectus supplement.

Exchange listing

Our common stock is listed on The NASDAQ Global Select Market under the symbol “GIII.”

Risk factors

You should carefully read and consider the information beginning on page S-8 of this prospectus supplement set forth under the heading “Risk Factors” and all other information in this prospectus, including the information incorporated by reference, before deciding to invest in our common stock.

The number of shares of common stock to be outstanding after this offering is based on 20,554,616 shares outstanding as of June 20, 2014. It excludes, as of that date:

- - 241,638 shares of common stock issuable upon the exercise of outstanding options, with a weighted average exercise price of \$22.03 per share;
- - 988,629 shares of common stock issuable upon the vesting of restricted stock awards; and
- - 729,691 shares of common stock reserved for future grants under our stock incentive plans.

Except as otherwise noted, the information in this prospectus supplement assumes no exercise by the underwriters of their option to purchase additional common stock from us.

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Summary Historical Financial and Operating Data

The following table presents summary consolidated historical financial and operating data for us for the periods and as of the dates presented. The following table should be read in conjunction with “Selected Financial Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the financial statements and related notes appearing in our Annual Report on Form 10-K for the year ended January 31, 2014, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the financial statements and related notes appearing in our Quarterly Report on Form 10-Q for the quarterly period ended April 30, 2014, both of which are incorporated by reference into this prospectus supplement.

The selected consolidated financial data set forth below as of and for the fiscal years ended January 31, 2012, 2013 and 2014 are derived from our audited historical consolidated financial statements incorporated by reference into this prospectus supplement. The selected consolidated financial data set forth below as of and for the fiscal quarterly periods ended April 30, 2013 and April 30, 2014 are derived from our unaudited historical consolidated financial statements incorporated by reference in this prospectus supplement, and, in the opinion of management, include all adjustments (inclusive only of normally recurring adjustments) necessary for a fair presentation. Our historical results are not necessarily indicative of results that may be expected for any future period and our historical results for an interim period are not necessarily indicative of results for a full year.

Consolidated Statement of Income Data:

	Fiscal year ended January 31,			Three months ended	
	2012	2013	2014	April 30,	April 30,
				2013	2014
	(In thousands, except per share amounts)				
Net sales	\$1,231,201	\$1,399,719	\$1,718,231	\$272,615	\$366,192
Cost of goods sold	860,485				