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## BUSINESS

# Legion Partners Calls for Big Changes at Perry Ellis

Activist Firm Says Company's Board Should Take `Immediate Action` to Boost Performance

By **MICHAEL CALIA**

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An activist firm said Thursday that it is seeking substantial changes at Perry Ellis International Inc., including the separation of the clothing producer's chairman and chief executive roles.

Legion Partners Asset Management LLC said the company's board should take "immediate action" to boost performance, including a review of its strategic alternatives and splitting the chairman and CEO roles held by George Feldenkreis, according to a filing.

Legion Partners, which disclosed a 5.9% stake in the company Thursday, said profitability and stock performance of Perry Ellis doesn't reflect the strength and value of the business, which generates about \$1.5 billion in annual sales from its 30-plus brands, including the namesake brand, Farah and Ben Hogan, among others.

The firm also wants annual elections for board members and to lower the threshold of shareholder support required to call a special meeting.

Legion Partners said it has been in talks with the company's board over the performance of its stock and operations, according to a filing. The firm said it intends to continue the discussions.

Mr. Feldenkreis founded clothing company Supreme International in 1961 and changed the name to Perry Ellis International after the company bought the brand in 1999.

Perry Ellis has been trying to focus more on its sportswear and golf-lifestyle businesses while selling off some of its smaller, low-profit trade names and businesses.

There was no one at Perry Ellis immediately available to comment for this article.

In May, the company posted a 31% drop in fiscal first quarter profit, but the results still topped its downbeat expectations. Operating Chief Oscar Feldenkreis said at the time that Perry Ellis viewed the results as encouraging, adding that the company started to see positive sales momentum in April.

Shares of the company are up nearly 19% to \$17.37 since it reported earnings in May.

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