



Press Release

For immediate release

Ancor Capital Partners and 21st Century Group Announce the Recapitalization of Spencer N. Enterprises, Inc.



SPENCER N. ENTERPRISES, INC.

(Fort Worth and Dallas, TX) – August 25, 2009 – Ancor Capital Partners, along with 21st Century Group, is pleased to announce the recapitalization of Spencer N. Enterprises, Inc., which is based in El Monte, California. Ancor has brought together 21st Century Group and several first-class, experienced mezzanine investment funds in the recapitalization of Spencer. The recapitalization marks the fourth transaction for Ancor in the past 12 months. Spencer is a leading designer, manufacturer, importer and marketer of soft home decor products such as decorative pillows and window coverings. The company's blue-chip clients include nearly all top-tier, mass-merchant retailers of home furnishings, as well as several leading department, specialty and discount stores.

"Spencer is a leader in their category, and the impressive partnership they have developed with their clients has enabled them to build the company to be one of the dominant players in the industry," states J. Randall Keene, Founding Managing Partner of Ancor Capital.

W. Kelvin Walker, a Partner at 21st Century Group, says: "We are excited about this investment and look forward to partnering with Ancor and the management team of Spencer. The management team has done a masterful job of growing the enterprise over the past few years. We expect that this partnership with Ancor and management, combined with several other important initiatives, will be a catalyst for significant growth in the future."

As part of the transaction, Joy Stewart, who has been a leader for Spencer in growing client relationships, has been promoted to President of the company. Ms. Stewart adds, "As operators themselves, the Ancor team took the time to really understand our business. Our team is excited about the opportunity that Ancor and 21st Century Group will provide. They are committing the resources and talent Spencer will need to execute our aggressive growth plans." Further, it was announced that Nancy Spencer, Founder, will continue on the company's Board of Directors and has made a significant reinvestment in the company.

Ancor and 21st Century Group also announced that veteran mezzanine funds Capital Point Partners, Parkway Capital Investors and Smith Whiley & Company are providing additional financing, as well as their talents to the transaction.

21st Century Group, LLC, based in Dallas, Texas, and founded in 1998, is a private equity firm focused on lower middle-market companies with revenues typically between \$15 million and \$150 million. 21st Century Group, with \$166 million of committed capital under management, focuses in sectors including manufacturing, value-added distribution, service and media. For further information, please refer to www.21stcenturygroupfund.com.

Ancor Capital Partners, based in Fort Worth, Texas, is an operations-oriented private equity firm focused on lower middle-market manufacturing, distribution and outsourcing companies with EBITDA of \$5-\$15 million. Ancor's proven track record includes 23 acquisitions to date; their website is www.ancorcapital.com.

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