

---

## Group III International John Pulichino and Joy Tong



### Case Study

## John Pulichino ' 67 and Joy Tong

John Pulichino graduated from Lowell Technological Institute, the pre-cursor to UMass Lowell in 1967 with his degree in industrial management. After graduation he entered Northeastern University to obtain a master's degree in engineering management. John became the director of industrial management at the Polaroid Corporation during the 1970s.



Polaroid is itself a great example of technological entrepreneurship as Edwin H. Land came up with a way to develop photographic film inside the camera rather than in a darkroom. Land was a brilliant student who studied at Columbia and Harvard, but was only in it for the knowledge. He would learn what he wanted and then drop out of class and the college and follow his own ideas. He never obtained an earned degree, but Harvard eventually awarded him an honorary doctorate for his brilliance.

The Polaroid Camera was a huge success and the company grew rapidly. Unfortunately, the Polaroid company is also a dramatic example of Joseph Schumpeter's principle of "**Creative Destruction**" -as the new technology of digital cameras quickly made the Polaroid camera obsolete and put Polaroid out of business.

---

After a successful career at Polaroid, and before the company met its ignominious end, John left for American Tourister Luggage in 1980 and within two years he was the President and CEO.

American Tourister is still remembered for the famous advertising campaign in which a gorilla tried (and failed) to destroy a piece of their luggage. The ad was so memorable that it was included in a scene from the movie Apollo 13!

During a 14 year stint as President, John grew American Tourister sales from \$ 30 million to \$150 million. In 1993 the company was sold to Astrum International (later Samsonite) for about \$68 million.

John then founded Innovation Luggage. This time, the man who had made a success of everything he had ever tried, encountered his first failure as his company went bankrupt in 2001.

Along the way, one of his competitors was an up and coming firm called [Group III International](#) founded by Joy Tong in 1984 as a boutique wholesale firm. It was a success, but not a huge success. Fortunately they decided to team up both their professional and private lives and this was a huge success.

- Read more: <https://www.uml.edu/News/stories/2011-12/Pulichino-Scholarship.aspx>

- 
- John became the CEO of Group III International and Joy moved into the role of Creative Director. The rest is history.
  - They went to the family in Switzerland that owns the intellectual property rights to the Swiss Army Knife brand and obtained the rights to market luggage products under the Wenger Swiss Army Knife Brand. They also did a licensing deal with BMW and created a “French West Indies” brand.
  - Today they distribute more than 60 lines of products through Target alone. Sales over the last decade exceed \$ 600 million.



## About Group III International Ltd.

---

- Group III International Ltd. ("Group III" or the "Company") is a rapidly growing designer and marketer of the highly recognized Wenger Swiss Army brand for travel gear including luggage, backpacks, computer bags and other products. Through its design expertise, strong offshore manufacturing partnerships and well defined distribution model, Group III has achieved significant market share in the travel/work gear category. The Company has a diverse customer base which includes national retailers such as Target, Wal-Mart, Sam's Club, Ross, Marshalls and Meijer, among many others, with a significant international presence. Founded in 1984, the Company is based in Pompano Beach, Florida.
  - <http://www.trivest.com/group-iii-international/>

## ABACUS LEADS FINANCING FOR TRIVEST PARTNERS' INVESTMENT IN GROUP III

---

- **September 2011** - Abacus Finance Group, LLC (Abacus), a recently formed New York-based specialty finance company, announced today that it served as Administrative Agent and Joint Lead Arranger for \$32.5 million in senior secured credit facilities to support the recapitalization of Group III International, Ltd. (Group III) by management and Trivest Partners, L.P. (Trivest). In addition to arranging the financing, Abacus, which focuses exclusively on providing cash flow financing for private equity-sponsored, lower middle-market companies nationwide, made an equity co-investment in Group III. Abacus was joined in the financing by Madison Capital Funding LLC with legal counsel provided by Goulston & Storrs LLP.
- Group III, based in Pompano Beach, Fl., is a designer and marketer of the universally recognized *Wenger* (maker of the Genuine Swiss Army Knife) brand for travel/work gear including luggage, backpacks, computer bags and other products. Miami-based Trivest is a private investment firm that focuses on partnering with founder/family owned businesses across the United States and Canada.
  - <http://abacusfinance.com/group-iii/>
  - [https://www.trivest.com/news/Group\\_III\\_9.12.2011.php](https://www.trivest.com/news/Group_III_9.12.2011.php)
- Group III International Buys BackPacks.com Domain Name on July 16, 2015

- 
- Like many entrepreneurs, the best part was building the company, and they recently sold it to a private equity investor.
  - One of the first things that they did was to create the Pulichino-Tong Family Foundation and establish scholarships for UMass Lowell Manning School of Business students.
  - Although they do not state the exact amount of their generosity, it is estimated to exceed \$ 5 million.
  - In gratitude for their generosity to the students, the University is naming the new Manning School of Business in their honor as the Pulichino-Tong building.



## Summary: John Pulichino '67

---

- John Pulichino-Joy Tong Building
  - New UML Manning School of Business Building
- UML Industrial Management graduate
- Rose to executive at Polaroid
- American Tourister (President and CEO)
- Founded Innovation Luggage in 1993
  - bankrupt in 2001
- Joy Tong, wife,
  - founded Group Three International Limited (1984).
  - He became CEO and she Creative Director
- 2003 licensing agreement between Group III and Wenger, maker of the 100-year-old Genuine Swiss Army Knife brand,
  - has generated a company that, since 2003, has done more than \$400 million in sales. With offices in Florida, Taiwan and Mainland China, Group III now distributes more than 60 products through Target Stores alone.
  - Recently ( circa 2012) sold firm to private equity group.
  - In 2015 they bought the company back from the private equity group.
- Donated about \$5 million to UML for scholarships and building



## Questions:

---

- Discuss your perspectives on why John Pulichino and Joy Tong were so successful in creating Group III international?
- What were some of the key characteristics that you think they had that allowed them to succeed?
- What were some of the key decisions that they made that helped make their venture a success?
- Why would someone sell a company that they had worked so hard to build?
- Why might they decide to buy it back?