



**For Immediate Release**

**CHALLENGER CAPITAL GROUP ADVISES  
CALEEL+HAYDEN ON STRATEGIC TRANSACTION**

***North Castle Partners to Support Continued Growth  
in Caleel+Hayden's Cosmeceutical Brands***

Dallas – Nov. 16, 2006 – Challenger Capital Group, Ltd., a Dallas-based full-service investment bank, announced today that its client, Caleel+Hayden, has sold a majority equity stake to North Castle Partners. The Caleel+Hayden management team will retain a significant equity stake in the company going forward.

Denver-based Caleel+Hayden is a leading developer and marketer of pharmaceutical-grade skincare and cosmetic products, which are sold to more than 5,400 dermatologists, cosmetic surgeons, licensed aestheticians, spas, salons and select specialty retailers. Caleel+Hayden's product lines include glōminerals, glōspa, glōtherapeutics and Cellex-C. The company will continue operations under current management and name.

“This transaction represents a significant partnership for Caleel+Hayden, and Challenger is proud to have served as its financial advisor,” said Mark Stephens, executive director and chief executive officer of Challenger Capital Group. “We believe in the strength of the company's management and brands, and look forward to its future growth and development under this proven executive team with guidance and support from North Castle.”

Caleel+Hayden approached Challenger earlier this year, seeking the investment bank's counsel in identifying a strategic partner with significant industry expertise to take the company to the next level of growth. North Castle Partners has helped grow numerous companies, specifically those focused on consumer-driven product and service businesses that benefit from healthy living and aging trends.

“Challenger was critical to the successful completion of this transaction,” said Mark Hayden, chief executive officer of Caleel+Hayden. “With such an important transaction, we relied heavily on Challenger's experience and professional advice to guide us through the process, and we are pleased with the end result and ongoing opportunities for our company.”

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“Caleel+Hayden offers an innovative product line, attractive growth rates in the ‘cosmeceutical’ market and a strong infrastructure,” said Rich Gersten, managing director of North Castle Partners. “We are impressed with the company’s entrepreneurial executive team and seasoned sales organization. They have successfully developed and launched great products in the mineral-based cosmetics space.”

Terms of the deal were not disclosed.

Caleel+Hayden’s banking team at Challenger is led by Mark Stephens, executive director and chief executive officer; Jeff Milkie, vice president; Jeremy Niedermaier, associate; and Travis Wibracht, analyst, who have more than 45 combined years of investment banking experience.

### **About North Castle Partners**

North Castle Partners is a leading private equity firm focused exclusively on investments in consumer-driven product and service businesses that benefit from “Healthy Living and Aging” trends. North Castle targets high-growth, middle-market companies in the (i) aesthetics and personal care, (ii) consumer health, (iii) fitness and recreation, (iv) home and leisure and (v) nutrition industries. North Castle is an active, value-added investor headquartered in Greenwich, Conn. For more information, visit [www.northcastlepartners.com](http://www.northcastlepartners.com).

### **About Caleel+Hayden**

Caleel+Hayden is a leading developer and marketer of pharmaceutical-grade skincare and cosmetic products that are sold by its in-house sales forces to more than 5,400 dermatologists, cosmetic surgeons, licensed aestheticians, spas, salons and select specialty retailers. Its brands – glōminerals, glōspa, glōtherapeutics, Cellex-C and Lycon Wax – have been chosen specifically to solve a wide variety of skincare issues with researched, effective and proven ingredients. Headquartered in Denver, Caleel+Hayden products are sold by prestigious dermatology and plastic surgery practices, as well as spas, medi-spas and select specialty retailers nationwide. For more information, visit [www.caleelhayden.com](http://www.caleelhayden.com).

### **About Challenger Capital Group**

Challenger, a full-service investment bank with offices in Dallas and Chicago, has an impressive transaction resume that spans more than 205 transactions and represents over \$54.2 billion in aggregate transaction value. Challenger’s industry expertise includes transactions in the consumer products, industrial products, food service, retail, energy, entertainment, healthcare, media, natural gas, oilfield service, publishing and telecom sectors. For more information, please visit [www.challengercapitalgroup.com](http://www.challengercapitalgroup.com).

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