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### **Rauch Industries Acquires Pumpkin Masters Business**

**Washington, DC** (November 3, 2004) – MMP Capital Partners, L.P., (“MCP”) an affiliate of the Washington DC-based merchant bank Milestone Merchant Partners, LLC ([www.milestonecap.com](http://www.milestonecap.com)), announced that its portfolio company, Rauch Industries, Inc. (“Rauch”) acquired Pumpkin, Ltd. (“Pumpkin”) from Security Capital Corporation (AMEX:SCC) on October 25, 2004.

Pumpkin is the leading designer, marketer, and distributor of the Pumpkin Masters ([www.pumpkinmasters.com](http://www.pumpkinmasters.com)) Halloween line of pumpkin carving kits, decorating tools, and accessories. Pumpkin Masters products have appeared in top national consumer magazines including Women’s Day, Better Homes & Gardens, ESPN Magazine, Country Living, and Cooking Light and have been featured on Good Morning America, LIVE! With Regis & Kelly, The Tony Danza Show, Fox and Friends, and CBS’ NFL Today. The products are developed for, and marketed in, mass merchants, grocery stores, craft shops, party stores, home improvement chains, drug stores and independent retailers throughout the country. The company has a customer base of over 2,000 retailing companies and mail order houses (7,000 retail locations) and is headquartered in Denver, Colorado.

“We are pleased to add Pumpkin to Rauch,” says Murry N. Gunty, Managing Director of MCP. “The strategic fit between the two businesses is perfect.”

“Pumpkin adds another season to Rauch and broadens our capabilities with key retail partners,” adds Steve Hufft, President & CEO of Rauch. “Pumpkin Masters is a great brand, and adding it to Rauch speaks to our commitment to build one of the best seasonal products companies in our industry.”

Rauch Industries, Inc. is the leading domestic manufacturer and marketer of glass Christmas ornaments. Rauch’s products have decorated homes since 1952 and include ornamental glass balls, soft goods such as tree skirts and stockings, and seasonal home décor items. The company sells its products to leading domestic merchandisers such as Wal-Mart, Inc. (NYSE: WMT), Target Corporation (NYSE: TGT), Lowes (NYSE: LOW), Walgreens (NYSE: WAG) and other leading drug stores, supermarkets, specialty retailers, department stores and holiday catalogues. The company’s corporate headquarters are located in Gastonia, North Carolina with a distribution facility in Chester, South Carolina.

MCP is the \$88 million domestic private equity fund of Milestone Merchant Partners, LLC, a full-service merchant bank based in Washington, DC. Milestone seeks investments in companies that have been “orphaned” by large corporate entities, institutional investors and/or the capital markets in a broad range of industries, including manufacturing/distribution, health care, restaurants, insurance, lodging, specialty retail and business services.

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