

## ABSTRACT

### A STRATEGIC, FUNDAMENTAL, AND FINANCIAL EVALUATION OF PACIFIC SUNWEAR OF CALIFORNIA, INC.

This thesis examines Pacific Sunwear of California and its current strategies and placement within the retail apparel industry. The objective of this thesis is to study the valuation of Pacific Sunwear of California by evaluating the strategies and past financial performance to determine the current value of the firm. The thesis begins with an external analysis of the current environment. Then an evaluation of the retail apparel industry based upon Porter's Five Forces theory, followed by discussions of current market position and potential growth opportunities. Based upon these assumptions and understandings several valuation models will be applied to determine the current intrinsic value of Pacific Sunwear of California. The results of the valuation models will be discussed and explained to reach an understanding of the proper value based on the business characteristics of Pacific Sunwear of California and possible future financial results.

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