



Founders Equity finds the “sweet spot”, Acquires Richardson Brands Group

May 11, 2006 | New York, NY - Founders Equity Inc. is pleased to announce the acquisition of Richardson Brands through Founders Equity SBIC I Fund and Founders Equity New York Fund whose limited partner is The New York State Common Retirement Fund.

Richardson Brands produces branded confectionary products at its 180,000 sq. ft. facility in Canajoharie, NY. Since 1893, the company has produced branded confectionary products, including their signature Richardson’s soft sugar mints and Beechies coated gum. Richardson’s products are available in all major channels of distribution. The company is headquartered in Miami, FL where it maintains a management and sales office. Richardson also serves as the U.S. sales, marketing, and distribution arm of Colombina branded candies and has significant presence in co-manufacturing.

In this acquisition Founders Equity is backing a management team comprised of two experienced and knowledgeable food industry executives, Don Butte (CEO), and George Lasher (CFO), who together have over 75 years experience with firms including Kraft, Nabisco and General Foods.

“We are excited to partner with Don and George,” stated John Teeger, a Founders Equity partner, “They have a proven track record of energizing individuals and organizations to achieve superior results, by setting clear priorities and creating individual and team rewards that drive success. We are negotiating to acquire several successful, branded food companies to utilize the available plant capacity and we are seeking additional acquisitions.”

“Companies in New York often have trouble finding the help they need to expand and add jobs, but that is quickly changing thanks to the Common Retirement Fund’s In-State Private Equity Investment Program,” said New York State Comptroller Alan G. Hevesi, sole trustee of the New York State Common Retirement Fund. “Through this program 15 private equity funds, including Founders Equity, are investing in New York companies using capital from the Retirement Fund and other investors. The investment in Richardson means new jobs for Canajoharie and a strong return for the Pension Fund.”

CEO Don Butte summed it up like this: “This is a complete package; excellent business systems, significant manufacturing capability, an experienced work force and a strong sales team.”

“Both Don and I are excited and proud to be associated with Richardson Brands and look forward to working with the existing network of suppliers, brokers, distributors, customers and employees” stated George Lasher, Chief Financial Officer.

Founders Equity Inc.

Since 1969, Founders Equity has been actively engaged in private equity investing and in enhancing the value of small to mid-cap enterprises. Founders has initiated acquisition programs, restructured businesses, raised debt and equity in private placements and public offerings, and realized liquidity to maximize value.

Richardson Brands Group

Since 1893, the Company has engaged in the production of niche, branded confectionary products, including soft sugar mints under the Richardson brand, chewy candies and Beechies branded coated gum.

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