

## **Paine & Partners Makes Strategic Investment in QC Corporation, Micronutrients and Ferrous Sulfate Specialist**

### ***Don Gordon Named Chairman and Jason Gordon Appointed Chief Executive Officer***

NEW YORK and BALTIMORE, May 12, 2014 /PRNewswire/ -- Paine & Partners, LLC ("Paine & Partners"), a global private equity investment firm focused on investing in food and agribusiness, today announced that it has made a strategic investment in QC Corporation ("QC"), a leading producer and supplier of granular and dry micronutrients and ferrous sulfate products. Financial terms of the transaction were not disclosed.

Founded by Don Gordon in 1971, QC began as a producer and supplier of ferrous sulfate, and today is one of the largest processors of moist and dried ferrous sulfate products in North America. Family owned and operated for 42 years, QC is the only domestic producer of all forms of technical and agricultural grade ferrous sulfate in North America. The Company's ferrous sulfate products and state-of-the-art manufacturing and processing system for moist ferrous sulfate continue to set the standard for the industry. QC currently has two independent ferrous sulfate operations, located in Cape Girardeau, MO and North Lima, OH. Ferrous sulfate has applications in fertilizers and animal feed, soil remediation and land reclamation, hazardous waste and water treatment, and chemical process industries, to name a few.

After successfully launching its granular ferrous sulfate products in the early 1990s, QC built a new state of the art bulk blending compaction granulation plant in 2000, and began producing a variety of granular micronutrients. The Company completed a major expansion in 2013, and QC now operates a highly innovative micronutrient business with significant growth potential, with two independent compaction granulation facilities located in Missouri. In addition to offering its own line of granulated fertilizer micronutrients, QC offers custom manufacturing and toll processing of granulated materials, utilizing its more than 25 years of expertise in compaction granulation technology. QC is one of the few micronutrient producers that can offer 100 percent water solubility in homogeneous, low dust, custom granular micronutrient formulations. Granular products also include various micronutrient combinations of sulfates, chelates, sucates, oxysulfates and oxides, along with the capability to incorporate and granulate humates and other biostimulants with various NPK fertilizer ingredients. QC's products help achieve better plant health and yields in lawn and garden, golf course, turf and ornamental, professional horticulture, crop production and agricultural applications.

The Gordon family will continue to lead the day-to-day operations of the business. Don Gordon has been appointed Chairman of the Company. Jason Gordon, Don's son, has been appointed Chief Executive Officer. Jason has almost 20 years of experience working at QC and has served as the Company's President, Chief Operating Officer, Chief Financial Officer, and Vice President of Sales & Marketing, among other roles.

"Paine & Partners is committed to providing QC with the necessary capital, expertise and resources to accelerate the granular micronutrient expansion strategy that is already in progress," said Don Gordon, Chairman. "Over the past forty years, we have built QC into a leading supplier of ferrous sulfate and granulated fertilizer micronutrients. We believe our partnership with Paine & Partners will enhance our industry leading products while maintaining our Company's strong core values. I look forward to working with Paine & Partners and the entire QC team as we continue to build on our success."

Jason Gordon, CEO, stated, "The investment from Paine & Partners will facilitate our continued growth and help us reach our goals across the business, particularly in granular micronutrients. Paine & Partners has a strong background in agribusiness and plant nutrition, and we look forward to taking the business to the next level with them. I look forward to leading the company and maintaining our tradition of offering best-in-class products and outstanding customer service, which have been the cornerstones of QC's success. As a company, we remain committed to our philosophy of strategic partnerships, while helping our suppliers and customers achieve continued success through innovation that we can provide."

Angelos Dassios, Partner of Paine & Partners, said, "Our investment in QC provides a platform for the Company to enhance its already exceptional products and accelerate its growth trajectory. We see tremendous potential in QC's granular micronutrients business and believe QC can leverage cross-portfolio synergies from our agribusiness companies, specifically Verdesian Life Sciences, LLC, which focuses on plant health and specialty nutrition. We look forward to working with QC to capitalize on new market opportunities and realize QC's significant potential."

Related to the transaction, QC and Paine & Partners worked with SDA Ventures LLC (SDA), a strategic consulting firm focused on the health and wellness and nutrition sectors. Kevin Schwartz, President of Paine & Partners, stated, "We have a long-term relationship with Steve Dubin and David Abramson, the principals at SDA and former CEO and President of Martek Biosciences. Through their relationship with Don Gordon, we were introduced to QC and became excited about its opportunities for growth. SDA contributed strongly to our successful completion of this transaction."

### **About QC Corporation**

Founded in 1971 by Don Gordon and family owned for 42 years, QC Corporation is a leading producer and supplier of granular and dry micronutrients and ferrous sulfate products. QC's compaction process makes it one of the only micronutrient producers that can offer 100% water solubility in a granulated product and the ability to granulate mixtures of sulfates, chelates, sucates, oxysulfates, and oxides to yield immediate, intermediate, and long term uptake. These products help to prevent or correct micronutrient deficiencies while achieving higher and more profitable yields in lawn and garden, golf course, turf management, ornamental and crop applications. QC also processes and produces over 80,000 tons of ferrous sulfate products from its multiple processing facilities annually and is the only domestic manufacturer of all forms of ferrous sulfate products in North America. For further information about QC and its products, visit <http://www.qccorporation.com/>.

### **About Paine & Partners**

Paine & Partners provides equity capital for management buyouts, going private transactions, and company expansion and growth programs. Paine & Partners engages exclusively in friendly transactions developed in cooperation with a company's management, board of directors and shareholders. The firm currently makes investments through its \$1.2 billion fund, Paine & Partners Capital Fund III, L. P. and related entities.

Paine & Partners focuses on the food and agribusiness industry globally, and its principals, through a predecessor fund, have made successful strategic investments in Seminis, then the world's leading global developer, producer and marketer of vegetable and fruit seeds; and Advanta Netherlands Holdings BV, at the time, the largest independent agronomic seed company in the world. Paine &

Partners also invested in Icicle Seafoods, a leading producer, harvester and processor of salmon, pollock, halibut, cod, crab and other seafood products with operations in North and South America and sales globally. Paine & Partners' most recent investments include Sunrise Growers~Frozsun Foods, a leading value-added frozen fruit processor and marketer; Eurodrip, a global manufacturer and supplier of drip irrigation solutions; Verdesian Life Sciences, LLC, a U.S.-based plant health and nutrition investment platform; Scanbio Marine Group, a leading Norwegian producer of fish protein concentrate, fish meal, and fish oil; and Costa Group, Australia's largest integrated grower, packer and marketer of fresh fruits and vegetables. The complex investment opportunities in today's rapidly evolving agribusiness environment play to the strengths of Paine & Partners' differentiated approach. For further information, see [www.painepartners.com](http://www.painepartners.com).

### **About SDA Ventures LLC**

SDA Ventures LLC is based in Columbia, Maryland and was founded by former top executives of Martek Biosciences Corporation, which was acquired by Royal DSM N.V. in February 2011. SDA focuses on assisting emerging growth and middle-market companies, primarily in the health & wellness and nutritional products markets, on matters including corporate development, business acquisition, customer relations, growth strategies and corporate finance.

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