



GRAY & COMPANY

The Cherry Idea Company

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For Immediate Release

Gray & Company Announces Sale of Queen Anne Division

Portland, Oregon – Gray & Company, the nation’s largest manufacturer of maraschino cherries and chocolate cordial cherries, has announced the sale of its Queen Anne candy division to focus its efforts exclusively on cherry processing and fruit product development.

Founded in Portland in 1908, Gray & Company acquired Queen Anne from Hershey in 1992 and installed the manufacturing line in its Hart, Michigan, plant. Since then, Gray & Company has grown Queen Anne sales by more than 450%, to over \$28 million, and earned a 65% share of the market for cordial cherries. Gray will continue to supply cherries for Queen Anne under a long term supply agreement with World’s Finest Chocolate.

“During the past decade our Queen Anne brand of chocolate cordials grew to dominate the holiday retail landscape for boxed chocolates, which presented major challenges for all our systems,” said James Reynolds, CEO. “Our resources were stretched to the limit and maybe a little beyond,” he added. “This divestiture will permit us to devote significant time and resources to the growth opportunities in our fruit processing business.”

The Company also announced the promotion of Josh Reynolds to the position of Executive Vice President. Josh will assume the responsibility for Oregon manufacturing operations in addition to all of sales, marketing, customer service and distribution. “With Josh taking over the lion’s share of the operating responsibility, I can focus my energies on our Michigan operation and global expansion,” the CEO remarked. Josh Reynolds currently serves as a member of the Oregon Sweet Cherry Commission and the Board of the Northwest Food Processors Association.