



## THE JORDAN COMPANY

### The Jordan Company to Sell HGI Holdings, Inc., Leading Medical Supplies Distributor

**New York – July 27, 2010** – The Jordan Company, L.P. today announced the signing of a definitive agreement for The Resolute Funds I and II, L.P. to sell HGI Holdings, Inc., (“HGI”), a leading mail order distributor of medical supplies serving chronic disease patients. The company is being acquired by private equity firms Clayton Dubilier & Rice and GS Capital Partners. Terms of the sale agreement were not disclosed.

Headquartered in Cleveland, HGI operates through two divisions, Edgepark Medical Supplies and Independence Medical. The company offers its customer base more than 30,000 products addressing a diverse set of rapidly growing chronic disease market segments including ostomy, diabetes, urological, enteral, incontinence and wound care. HGI’s product offering is one of the broadest and deepest in the specialty medical supply industry, often providing hard-to-find products that other home care suppliers do not carry.

“The Jordan Company has been a great partner in helping us scale our business,” said Ronald M. Harrington, Chief Executive of HGI. “They have been instrumental in providing the resources and strategic and operational guidance we needed to support our growth and investments in customer service. We are in business to provide our customers with the best answer to their medical supply needs, and we will continue to focus on being the highest quality provider of medical supplies and customer care.”

Edgepark contracts directly with over 600 managed care organizations to provide direct-to-consumer home delivery of products to approximately 300,000 patients, while also providing value-added services that drive utilization, billing efficiencies and patient compliance. Independence Medical serves as an outsourced supply chain for approximately 5,500 commercial customers, including durable medical equipment suppliers, independent pharmacies and wholesale distributors.

“It has been a privilege to partner with Ron Harrington and the management team in building a terrific, one stop resource for home medical supplies in the growing chronic disease markets,” said Adam E. Max, Managing Principal of The Jordan Company, which had acquired the company in 2007. “HGI provides exceptional service to a growing list of clients thanks to a larger nationwide footprint, an expanded number of SKUs, and a devotion to customer care. We believe the company is well-positioned to benefit from favorable growth trends in its key markets.” The transaction is expected to close in the beginning of the fourth quarter.

Jefferies & Company acted as exclusive financial advisor to HGI. Mayer Brown LLP acted as legal advisor to The Jordan Company.

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**About The Jordan Company**

The Jordan Company ([www.thejordancompany.com](http://www.thejordancompany.com)), founded in 1982, is a leading middle-market private equity firm with over \$5 billion of assets under management and a successful track record of investing in and growing businesses across a wide range of industries. The firm's partners have been investing together for more than two decades, establishing The Jordan Company as one of the most experienced and stable investment teams in private equity. The investment team is supported by the firm's Operations Management Group, which initiates and supports operational improvements in portfolio companies. The firm generates deal flow through a well-developed network of sourcing relationships. Headquartered in New York, The Jordan Company also has offices in Chicago and Shanghai.

**About HGI**

Headquartered in Cleveland, Ohio, HGI is a leading mail-order, direct-to-consumer provider of disposable medical products to chronic disease patients. The company operates through its Edgepark Medical Supplies and Independence Medical divisions, offering its large and fragmented customer base more than 30,000 products addressing a diverse set of chronic disease market segments including ostomy, diabetes, urological, enteral, incontinence and wound care. For more information, please visit [www.edgepark.com](http://www.edgepark.com) and [www.indemed.com](http://www.indemed.com).

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