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DENARK-SMITH, INC. AND ROTHERMEL CONSTRUCTION JOIN FORCES TO PURSUE \$50 MILLION MARK

KNOXVILLE, TN - Denark-Smith, Inc. and Rothermel Construction Company Inc. have announced that the two companies will combine valued resources and a shared business philosophy. The company will continue business under the Denark-Smith banner. With the quality contracting experience of Rothermel Construction Company, and the local market prominence and organizational strength of Denark-Smith, the company will be able to pursue even larger projects throughout East Tennessee and beyond. The company projects annual construction volume reaching the \$50 million mark within the next three years.

Rothermel Construction is owned by Frank Rothermel, a 43-year old Knoxvilleian who has owned the company since 1975. Rothermel has constructed large commercial and residential projects in 15 states from Pennsylvania to Texas to Florida. Rothermel has completed nearly 100 projects for clients including Wal-Mart, Food Lion, Pilot Travel Centers, Rite Aid, K-Mart, Lowe's and Walgreens. Over the last three years, Rothermel has enjoyed \$20 million plus in annual revenues.

Locally, Rothermel has constructed such landmark projects as the Kroger at Northshore and Pellissippi Parkway, the Walgreen's on Broadway at Woodland Avenue and the Wal-Mart store at Walker Springs Road.

Denark-Smith, Inc. was established in 1985 with the merger of Denark, Inc. and R.M. Smith Builders. They have built a presence throughout Knox and surrounding counties by focusing on high-quality commercial, industrial, and selected residential projects. The company emphasizes the design-build approach to construction, where the owner, architect and contractor work together from the outset of the project, helping to ensure better facility planning, and more accurate cost and schedule controls.

Among Denark-Smith's valued clients are: BankFirst, City of Loudon and Loudon Utilities Board, AT&T, B&T Distributing, Lanier Worldwide, United States Cellular, Lane Family Dealerships, Americare, WIMZ/WJXB, Bel-Aire Restaurants and St. Christopher's Place Condominiums. Based on existing contracts alone, Denark-Smith will exceed \$15 million in 1996 revenues.

Over the past three years, Denark-Smith, Inc. has been focused on implementing its business plan, primarily by attracting some of the region's best people in their respective fields. Phil Harvey, a 20 year veteran of the Rentenbach companies, is senior vice president; Pat Williams, after 31 years at Johnson & Galyon, is vice president/field operations; Wayne Blasius, AICP, spent 16 years in Knoxville's public sector planning, development and administration, before becoming vice president/business development; Traci Russ, CPA, vice president/finance and administration, has nearly 10 years public and corporate accounting experience; and Bruce Allender, PE, the company's senior project manager/chief engineer, has over 20 years experience with companies including Wood Brothers Construction Company and Michael Brady Architect.

Both Rothermel and Denark-Smith are built on a foundation of three key beliefs:



- insist on a quality building;
- maintain a near fanatical commitment to customer satisfaction; and
- expect to make a reasonable profit

"We share very similar business and community involvement philosophies," said Jubran, who noted that the deal is completed and integration of the two companies has already begun. "Frank and I have known each other for three years, and we both knew that our style of doing business and our focus on the customer might some day bring us together."

"In January of this year, we started talking more seriously about the prospects for a business union," said Rothermel. "The construction market in the East Tennessee area is growing, and I wanted Rothermel Construction to focus more on projects here in the area than we have in the past ten years; we have built over one hundred projects from Pennsylvania, to Florida, To Texas -- it was time to come home. Denark-Smith has a great reputation locally, and I don't think there is a better company or a better name than Denark-Smith, Inc. to advance our mutual goals."

Stock ownership in the new company will be equal between Jubran and Rothermel. Jubran will remain president/CEO of Denark-Smith, Inc. and Rothermel will become chief financial officer and corporate secretary. Specific roles within Denark-Smith are still being determined, but Jubran and Rothermel emphasize that they will both be actively involved in the long-term positioning and growth of the company. "Frank is well-known and respected for the projects he has completed and the outstanding company he has built," said Jubran. "We certainly will capitalize on his experience, contacts, and credentials."

The Associated Builders and Contractors (the nation's largest trade group representing merit-shop contractors) has awarded Denark-Smith, Inc. its designation of "Accredited Quality Contractor." Denark-Smith is one of only 300 firms nationally to receive this accreditation.