



Castle Member Grows Locally in Newfoundland

Mississauga, ON - Castle Building Centres Group Ltd.

Castle announced today that long-time member G & H Home Specialties has acquired a second location in Marystown. The acquisition, the former location of a competing retailer in the area, will be known as Peninsula Castle. This new location further solidifies Castle's dominant presence in this oceanside community of Newfoundland.

Derek Fudge, Owner and President of G & H Home Specialties, recognized the opportunity to expand when a well-respected lumberyard in the area decided to sell their business. Derek believes that Castle's business model, which allows members to grow organically through increased profitability and a winning buying program has contributed to his growth potential.

"The low cost of the Castle business model and independence has made my business profitable in a very competitive marketplace. It has allowed me to focus on bottom line growth through both increased market share and very competitive purchasing. The Castle model also fosters growth of the entrepreneurial spirit and the confidence and flexibility to pursue new opportunities."

Derek Fudge, Owner & President

The former lumberyard and retail business began in the early 1920's and has serviced the community for over 90 years. Their customer base includes both contractor and retail customers and the store is best known for their expert advice and top level service. Derek plans to hold up this tradition of service excellence, and is looking forward to introducing new product categories, attracting new customers from the community and beyond.

"I have stated numerous times over the past two years that financially adept Independents will be the next wave of significant consolidators in the home improvement channel. Derek Fudge is a great example of the opportunity that exists for well-managed, financially strong Independents in our industry. Derek represents the latest in a growing list of Castle members that are expanding through acquisition. When our members can grow through this type of opportunity, it validates our model is working."

Ken Jenkins, President, Castle Building Centres Group Ltd.

Castle wishes to congratulate Derek Fudge on this new venture and will continue to provide members the resources and support they need to grow their business, be more profitable and ultimately be more successful!