

FOR IMMEDIATE RELEASE

Smith Drug Company Announces Intent to Transition Operations

(Spartanburg, S.C.) July 31, 2026 – Smith Drug Company, a division of J M Smith Corporation, announced that it is pursuing transactions that would transfer its assets to a strategic buyer, or buyers, subject to final agreements and customary closing conditions.

Founded in 1925 as a single-community pharmacy in Asheville, N.C., J M Smith Corporation has grown organically and through a series of acquisitions to become one of the largest pharmaceutical distributors in the country.

“Smith Drug Company has been a vital part of the Spartanburg community and the independent pharmacy industry for decades,” said Paula Harper Bethea, Chair of the Board and CEO of J M Smith Corporation. “As our industry continues to evolve, this step allows us to honor that legacy by caring for our employees, customers and vendors and fulfilling our obligations to our shareholders.”

Throughout the planned transition of operations at its facilities in Spartanburg, S.C., Milton, Vt., and Paragould, Ark., the company hopes to see many current employees transition into roles with the acquiring enterprises. For employees who are not retained, Smith Drug Company and J M Smith Corporation will implement a comprehensive support package.

“No one will fall through the cracks in this process,” added Bethea. “We are committed to working alongside our employees through this transition and ensuring they are treated with the respect and support they deserve. It is the Smith way.”

While operations of J M Smith Corporation are expected to wind down following completion of the transactions, the J M Smith Foundation, an independent 501(c)(3) foundation chaired by Rob Barrett, Vice President, General Counsel and Chief Compliance Officer of J M Smith Corporation, will continue its philanthropic mission in Spartanburg and the broader region.

For decades, the foundation and the company have invested in organizations such as Mobile Meals and United Way, reflecting the company’s longstanding commitment to being “good to our customers, good to our employees, and good to our community.”

“Our Foundation will continue to support the Spartanburg community and the causes that have long mattered to our company, our employees, and its shareholders,” said Barrett. “While the corporate structure may change, our commitment to doing good in this community remains.”

The intended transition comes amid ongoing consolidation and structural change in the pharmaceutical wholesale and distribution sector, where independent distributors and service providers are increasingly aligning with larger strategic partners, and the number of independent pharmacies is shrinking.

“What Smith Drug is experiencing is part of a broader trend in our industry,” said Bethea. “We believe this business transition offers a better outcome than a piecemeal liquidation, providing clearer continuity for our customers and more certainty for our employees and our shareholders.”

The transition is expected to be completed in early 2027.

Please refer all questions to Peter LaMotte at peter.lamotte@chernoffnewman.com or by phone at (843) 371-5636.

About J M Smith Corporation

J M Smith Corporation was founded in 1925 by James M. Smith, Sr. as a single community pharmacy in Asheville, North Carolina. In the decades since, the company has grown to operate business units that supply healthcare and distribution services and technology to pharmacies across the U.S. Through its family of businesses, including Smith Drug Company and Integral RX, J M Smith Corporation has focused on delivering reliable service, supporting long-standing customer and vendor relationships, and investing in the communities it serves.

About Smith Drug Company

Founded in 1925 and headquartered in Spartanburg, South Carolina, Smith Drug Company, a division of J M Smith Corporation, has been a trusted wholesale distributor serving independent pharmacies and healthcare providers across the United States for decades.