

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
TENDER OFFER STATEMENT
(Pursuant to Section 14(d)(1) of the Securities Exchange Act of 1934)
(Amendment No. 3)

ROTO-ROOTER, INC.
(Name of Subject Company)

CHEMED CORPORATION
(Bidder)

Common Stock, Par Value \$1.00 Per Share
(Title of Class of Securities)
778786103
(CUSIP Number of Classes of Securities)

Mr. Kevin J. McNamara
Chemed Corporation
2600 Chemed Center
255 East Fifth Street
Cincinnati, OH 45202
(Name, Address and Telephone Number of Person(s) Authorized to
Receive Notices and Communications on Behalf of Bidder)

Copy to:
Richard Hall, Esq.
Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019
(212) 474-1000

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Chemed Corporation hereby amends and supplements its Tender Offer Statement on Schedule 14D-1 (the "Statement") originally filed on August 14, 1996, as amended by Amendments No. 1 and No. 2, with respect to its offer to purchase any and all outstanding shares of Common Stock, par value \$1.00 per share, of Roto-Rooter, Inc., a Delaware corporation, at a price of \$41.00 net in cash per share, as set forth in this Amendment No. 3. Capitalized terms not defined herein have the meanings assigned thereto in the Statement.

Item 6. Interest in the Securities of the Subject Company.

Item 6 is hereby amended to read as follows:

(a)-(b) The information set forth in "Special Factors--Background to the Offer" and "Special Factors--Interests of Certain Persons; Stockholdings of Certain Officers and Directors; Related Transactions" of the Offer to Purchase and in Schedule I to the Offer to Purchase is incorporated herein by reference. In addition, the information set forth in Schedule I to the Offer to Purchase is hereby amended so that the number of Shares that Mr. Thomas C. Hutton beneficially owns is changed from 12,416 Shares to 13,216 Shares.

Item 7. Contracts, Arrangements, Understandings or Relationships With Respect to the Subject Company's Securities.

Item 7 is hereby amended to read as follows:

The information set forth in Schedule I to the Offer to Purchase is incorporated herein by reference. In addition, the information set forth in Schedule I to the Offer to Purchase is hereby amended so that the number of Shares that Mr. Thomas C. Hutton beneficially owns is changed from 12,416 Shares to 13,216 Shares.

Item 10. Additional Information.

Item 10(f) of the Statement is hereby amended to add the following information:

On August 15, William R. Griffin, the President and Chief Executive Officer of the Company, who is also an Executive Vice President and a director of the Purchaser, asked Kevin J. McNamara, the Vice Chairman of the Company, who is also the

President and a director of the Purchaser, whether the Board of Directors of the Company (the "Roto- Rooter Board") should retain a law firm to advise the directors as to how they should respond to the Offer. Mr. McNamara told Mr. Griffin that the Roto-Rooter Board was free to retain any law firm not affiliated with the Purchaser and that it was for the Roto-Rooter Board to determine whether or not to retain outside counsel. During the next several days, Mr. Griffin spoke with several law firms in Ohio but ultimately decided that it would be better for the Roto-Rooter Board to retain a Delaware law firm. Mr. Griffin asked Mr. McNamara to recommend a Delaware law firm that the Roto-Rooter Board could retain. After discussing the matter with Richards, Layton & Finger, the Purchaser's Delaware law firm, Mr. McNamara recommended to Mr. Griffin the firm of Morris, Nichols, Arsht & Tunnell ("Morris Nichols").

On August 20, 1996, at a meeting of the Roto-Rooter Board, Alan Stone, a partner of Morris Nichols, was invited to address the Roto-Rooter Board with respect to the Offer. Mr. Stone advised the Roto-Rooter Board that it should create a special committee to formally respond to the Offer. Mr. Stone informed the Roto-Rooter Board that the only director he believed was sufficiently independent to serve on the special committee was Donald E. Saunders. Mr. Saunders, a director of the Company, was an employee for 25 years at DuBois Chemicals, Inc., formerly a wholly-owned subsidiary of the Purchaser. After deliberation, the Roto- Rooter Board approved resolutions (1) creating a special committee (the "Special Committee") with full authority and responsibility to determine the Company's response to the Offer and to prepare the Company's Solicitation/Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9"), (2) appointing Mr. Saunders to act as the Special Committee and (3) authorizing the Special Committee to retain legal and financial advisors to assist it in responding to the Offer. The Roto-Rooter directors who are also directors or employees of the Purchaser, other than Mr. Griffin, abstained from voting on such resolutions; Mr. Griffin voted in favor of each resolution. The Special Committee retained Morris Nichols as its legal advisor and J.J.B. Hilliard, W.L. Lyons, Inc. ("Hilliard") as its financial advisor.

On August 26, 1996, the Special Committee informed the Roto-Rooter Board that it had determined to take a neutral position with respect to the Offer. After consulting with legal and financial advisors, the Special Committee concluded that the Offer Price is fair, and that stockholders should make a determination whether to tender based upon their own unique circumstances. The Special Committee's conclusion is set forth in

the Schedule 14D-9 which the Company filed with the Commission on August 27, 1996. The Special Committee reached its conclusion without having received a written opinion from Hilliard as to the fairness of the Offer; however, in reaching its conclusion, the Special Committee did review financial analyses and research prepared by Hilliard. The Special Committee informed the Roto-Rooter Board that it was still seeking a written opinion from Hilliard as to the fairness of the Offer.

On August 30, 1996, Hilliard delivered to the Special Committee a written opinion as to the fairness of the Offer (the "Fairness Opinion"). The Fairness Opinion concludes that as of the date thereof and based upon and subject to the factors and assumptions set forth therein, the Offer Price is fair to the Company's stockholders (other than the Purchaser) from a financial point of view. On August 30, 1996, the Company filed an amendment to its Schedule 14D-9 with the Commission, which includes a copy of the Fairness Opinion and a summary of Hilliard's analyses. In a letter dated August 30, 1996 which the Roto-Rooter Board is mailing to the Company's stockholders and which is filed as an exhibit to the amendment to the Schedule 14D-9, the Roto-Rooter Board states that the Special Committee has not changed its neutral position with respect to the Offer. On August 30, 1996, the Company issued a press release announcing that the Special Committee had received the Fairness Opinion.

Item 11. Material to be filed as Exhibits.

(a) (9) Text of Press Release dated September 3, 1996, issued by the Purchaser.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in Amendment No. 3 to the Statement is true, complete and correct.

Dated: September 3, 1996

CHEMED CORPORATION,

by /s/ Kevin J. McNamara
Name: Kevin J. McNamara
Title: President

EXHIBIT INDEX

Exhibit Number	Exhibit Name	Page Number
(a) (9)	Text of Press Release dated September 3, 1996, issued by the Purchaser	7

CONTACT: TIMOTHY S. O'TOOLE
Chemed Corporation
(513) 762-6702

FOR IMMEDIATE RELEASE

CINCINNATI, OHIO, September 3, 1996--Chemed Corporation (NYSE: CHE) announced today that it received a formal response from Roto-Rooter, Inc. (NASDAQ: ROTO) with respect to the tender offer that it commenced on August 14, 1996 to acquire any and all of the outstanding stock of Roto-Rooter currently not held by Chemed (approximately 2,160,000 shares, representing approximately 42% of the outstanding shares), for a cash price of \$41.00 per share (the "Offer Price").

On August 20, 1996, Roto-Rooter's Board of Directors appointed Mr. Donald E. Saunders, a director of Roto-Rooter, to serve as a special committee of the Roto-Rooter Board of Directors for the purpose of preparing Roto-Rooter's response to Chemed's offer. The Roto-Rooter Board of Directors indicated in its response to Chemed's offer that the special committee had concluded that the Offer Price is fair and that the special committee is adopting a neutral position with respect to Chemed's offer. Chemed's offer is scheduled to expire at 12:00 midnight, New York City time, on Wednesday, September 11, 1996, unless the offer is extended.

Chemed Corporation, headquartered in Cincinnati, is a diversified public corporation with strategic positions in medical and dental supply manufacturing for the alternate-care and hospital markets, home healthcare services and hospice care; plumbing, drain cleaning, and appliance and air-conditioning repair and maintenance through the sale of service contracts; and sanitary maintenance products and services.

Roto-Rooter, Inc., headquartered in Cincinnati, is the largest provider of sewer and drain cleaning services in the United States.

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