ACCUMED INC
Form 424B5
September 16, 2011
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Calculation of Registration Fee

Title of Each Class of Securities to Be Registered	**Amount to be Registered(1)**	**Maximum Offering Price Per Unit**	**Maximum Aggregate Offering Price**	**Amount of Registration Fee(1)**
7.75% Senior Subordinated Notes due 2020	$150,000,000	100.25%	$150,375,000	$17,458.54

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933 (the Securities Act).

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-166710

Prospectus supplement

(To prospectus dated May 10, 2010)

Omnicare, Inc.

$150,000,000

7.75% Senior Subordinated Notes due 2020

Issue Price 100.25%

Interest payable June 1 and December 1.

We are offering $150,000,000 aggregate principal amount of our existing 7.75% Senior Subordinated Notes due 2020, which we refer to as the new notes. The new notes will be issued under the indenture pursuant to which, on May 18, 2010, we issued $400 million aggregate principal amount of our 7.75% Senior Subordinated Notes due 2020 (the initial notes , and together with the new notes, the notes). The new notes will have the same terms (other than the issue date and public offering price) as the initial notes and will rank *pari passu* with, and vote together with, the holders of the initial notes on any matter submitted to the holders. The new notes will have the same CUSIP number and ISIN as the initial notes and will be fungible with the initial notes for trading purposes. Interest on the initial notes began accruing on May 18, 2010. The notes will mature on June 1, 2020. Upon consummation of this offering, the aggregate principal amount outstanding of our 7.75% Senior Subordinated Notes due 2020, including the new notes offered hereby, will be $550,000,000.

We may redeem some or all of the notes at any time on or after June 1, 2015 at the redemption prices set forth under Description of notes Optional redemption. Prior to June 1, 2015, we may redeem the notes at a make-whole premium. In addition, at any time prior to June 1, 2013, we may redeem up to 35% of the notes with proceeds we receive from certain equity offerings at the prices set forth under Description of notes Optional redemption. If we sell certain assets and do not reinvest the proceeds or repay indebtedness or if we experience specific kinds of changes in control, we must offer to repurchase the notes.

The notes are guaranteed on an unsecured senior subordinated basis by certain of our existing and future direct and indirect domestic subsidiaries. The notes and guarantees are general senior subordinated obligations ranking equally with our other senior subordinated debt and are subordinated to all of our and the guarantors senior debt, including our new senior credit facility. The notes are structurally subordinated to all indebtedness and obligations of our subsidiaries that do not guarantee the notes and effectively subordinated to our and the guarantors secured debt.

Investing in the notes involves risks. See Risk factors beginning on page S-13.

	Public offering price(1)	**Underwriting discounts and commissions**	**Proceeds, before expenses, to the Issuer(1)**
Per note	100.25%	1.75%	98.25%
Total	$150,375,000	$2,625,000	$147,750,000

(1) Plus accrued interest from and including June 1, 2011, to, but excluding, delivery date (totaling $3,519,791.67 on the new notes). This amount must be paid by the purchasers of the notes.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

We expect that delivery of the notes to purchasers will be made on or about September 20, 2011 in book-entry form through The Depository Trust Company for the account of its participants, including Clearstream Banking *société anonyme* and Euroclear Bank, S.A./N.V.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

J.P. Morgan

Barclays Capital

BofA Merrill Lynch

Goldman, Sachs & Co.

SunTrust Robinson Humphrey

September 15, 2011

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Prospectus supplement

Prospectus

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About this prospectus supplement

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering of our notes and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to our notes. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference, on the other hand, the information in this prospectus supplement shall control.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. Neither we nor any underwriter or agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither we nor any underwriter or agent is making an offer to sell our notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

References in this prospectus supplement and the accompanying prospectus to Omnicare, the Company, we, us or our are to Omnicare, Inc. unless otherwise indicated or the context otherwise requires. This section contains basic information about us and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing. You should carefully read this entire prospectus supplement, the accompanying prospectus and the other documents we refer to or incorporate by reference, including the Risk factors in this prospectus supplement and the accompanying prospectus, before making an investment decision.

We own the service marks and trademarks for Omnicare Geriatric Pharmaceutical Care Guidelines®, Omnicare Guidelines®, OSC2OR® and Omnicare Senior Health Outcomes™ .

Forward-looking statements

In addition to historical information, this prospectus supplement contains certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, all statements regarding the intent, belief or current expectations regarding the matters discussed or incorporated by reference in this document (including statements as to beliefs, expectations, anticipations, intentions or similar words) and all statements which are not statements of historical fact.

Such forward-looking statements, together with other statements that are not historical, are based on management s current expectations and involve known and unknown risks, uncertainties, contingencies and other factors that could cause results, performance or achievements to differ materially from those stated. The most significant of these risks and uncertainties are described in our Form 10-K, Form 10-Q and Form 8-K reports filed with the Securities and Exchange Commission and include, but are not limited to: overall economic, financial, political and business conditions; trends in the long-term healthcare and

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pharmaceutical industries; the ability to attract new clients and service contracts and retain existing clients and service contracts; the ability to consummate pending acquisitions; trends for the continued growth of our businesses; trends in drug pricing; delays and reductions in reimbursement by the government and other payors to customers and to us; the overall financial condition of our customers and our ability to assess and react to such financial condition of our customers; the ability of vendors and business partners to continue to provide products and services to us; the continued successful integration of acquired companies; the continued availability of suitable acquisition candidates; the ability to attract and retain needed management; competition for qualified staff in the healthcare industry; variations in the demand for our products and services; variations in costs or expenses; the ability to implement productivity, consolidation and cost reduction efforts and to realize anticipated benefits; the potential impact of legislation, government regulations, and other government action and/or executive orders, including those relating to Medicare Part D, including its implementing regulations and any subregulatory guidance, reimbursement and drug pricing policies and changes in the interpretation and application of such policies, including changes in calculation of average wholesale price; government budgetary pressures and shifting priorities; federal and state budget shortfalls; efforts by payors to control costs; changes to or termination of our contracts with pharmaceutical benefit managers Medicare Part D plan sponsors and/or commercial health insurers or to the proportion of our business covered by specific contracts; the outcome of disputes and litigation; potential liability for losses not covered by, or in excess of, insurance; the impact of executive separations; the impact of benefit plan termination; the differences in actuarial assumptions and estimates as compared to eventual outcomes; events or circumstances which result in an impairment of assets, including but not limited to, goodwill and identifiable intangible assets; the final outcome of divestiture activities; market conditions; the outcome of audit, compliance, administrative, regulatory, or investigatory reviews; volatility in the market for our stock and in the financial markets generally; access to adequate capital and financing; changes in international economic and political conditions and currency fluctuations between the U.S. dollar and other currencies; changes in tax laws and regulations; changes in accounting rules and standards; and costs to comply with our Corporate Integrity Agreements.

Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, our actual results, performance or achievements could differ materially from those expressed in, or implied by, such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as otherwise required by law, we do not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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Summary

Our company

Omnicare is a leading pharmaceutical services company. We are the nation s largest provider of pharmaceuticals and related pharmacy and ancillary services to long-term healthcare institutions. Our clients include primarily skilled nursing facilities (SNFs), assisted living facilities (ALFs), retirement centers, independent living communities, hospitals, hospices, and other healthcare settings and service providers. We are also a provider of specialty pharmaceutical products and support services. We serve long-term care facilities as well as chronic care and other settings which comprised approximately 1,376,000 beds, including approximately 93,000 patients served by the patient assistance programs of our specialty pharmacy services business, as of June 30, 2011. The comparable number at June 30, 2010 was approximately 1,353,000 (including 79,000 patients served by the patient assistance programs of the specialty pharmacy services business). We provide our pharmacy services in all 50 states in the United States, the District of Columbia and in Canada as of June 30, 2011. We also provide operational software and support systems to long-term care pharmacy providers across the United States.

We provide distribution of pharmaceuticals, related pharmacy consulting and other ancillary services, data management services and medical supplies to SNFs, ALFs, retirement centers, independent living communities, hospitals, hospice, and other healthcare settings and service providers. The Company purchases, repackages and dispenses pharmaceuticals, both prescription and non-prescription, and provides computerized medical record-keeping and third-party billing for residents in these facilities. We also provide consultant pharmacist services, including evaluating monthly patient drug therapy, monitoring the drug distribution system within the nursing facility, assisting in compliance with state and federal regulations and providing proprietary clinical and health management programs. In addition, we provide a variety of other products and services, including intravenous medications and nutrition products (infusion therapy services), respiratory therapy services, medical supplies and equipment, clinical care planning and financial and operational software information systems, electronic medical records systems, pharmaceutical informatics services, pharmacy benefit management services, retail and mail-order pharmacy services, pharmaceutical care management for hospice agencies and product support and distribution services for specialty pharmaceutical manufacturers. We also provide pharmaceutical case management services for retirees, employees and dependents who have drug benefits under corporate-sponsored healthcare programs. Since 1989, we have been involved in a program to acquire providers of pharmaceutical products and related pharmacy management services and medical supplies to long-term care facilities and their residents.

Our principal executive offices are located at 1600 RiverCenter II, 100 East RiverCenter Boulevard, Covington, Kentucky, 41011, and our telephone number is (859) 392-3300. Our corporate website address is www.omnicare.com. Information contained on our website is not part of this prospectus supplement.

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Recent developments

Proposed Acquisition of PharMerica Corporation

On September 7, 2011, we commenced a tender offer to purchase all of the outstanding shares of the common stock of PharMerica Corporation (PharMerica) for $15.00 per share in cash. The tender offer is conditioned on, among other things, (i) there being validly tendered, and not withdrawn, at least a majority of the total number of PharMerica shares outstanding on a fully diluted basis; (ii) the board of directors of PharMerica redeeming or invalidating its poison pill stockholder rights plan; (iii) the board of directors of PharMerica approving the Company s acquisition of PharMerica under Section 203 of the Delaware General Corporation Law (the DGCL) or the Company being satisfied that Section 203 of the DGCL is inapplicable to the acquisition; (iv) the expiration or termination of all waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder; and (v) PharMerica not entering into any agreement or transaction having the effect of impairing the Company s ability to acquire PharMerica or otherwise diminishing the expected value to the Company of the acquisition. The tender offer is scheduled to expire at 12:00 midnight, New York City time, on October 4, 2011, unless extended.

According to PharMerica s Annual Report on Form 10-K for the year ended December 31, 2010 (the PharMerica 10-K), PharMerica is the second largest institutional pharmacy services company in the United States based on revenues. PharMerica services healthcare facilities and also provides management pharmacy services to hospitals. According to PharMerica s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 (the PharMerica 10-Q), PharMerica operates 94 institutional pharmacies in 44 states. PharMerica s customers are typically institutional healthcare providers, such as skilled nursing facilities, nursing centers, assisted living facilities, hospitals and other long-term alternative care settings. According to the PharMerica 10- Q, PharMerica also provides management services to 90 hospitals in the United States. The information concerning PharMerica contained in this prospectus supplement was taken entirely from the PharMerica 10-K and the PharMerica 10-Q, and neither the Company nor the underwriters take responsibility for the accuracy or completeness of such information.

This offering is not conditioned upon the completion of the proposed acquisition of PharMerica and we cannot assure you that the tender offer, or any acquisition of PharMerica, will be consummated on the proposed terms or at all. The proceeds from this offering will not be used to fund the proposed acquisition.

On September 7, 2011, we filed a lawsuit in the Court of Chancery of the State of Delaware against PharMerica and the members of the board of directors of PharMerica. In the action, we allege, among other things, that the director defendants violated their fiduciary duties by refusing to engage in negotiations with us, refusing to evaluate our offer, and refusing to remove or render inapplicable preclusive defensive measures preventing PharMerica s stockholders from considering the proposed transaction. We are seeking, among other things, declaratory and injunctive relief (i) enjoining the director defendants from engaging in any action or inaction that has the effect of improperly impeding the tender offer in a manner inconsistent with their fiduciary duties and (ii) compelling the director defendants to render the stockholder rights plan and Section 203 of the DGCL inapplicable to the proposed transaction.

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New Senior Credit Agreement

On August 24, 2011, we entered into a $750 million senior unsecured credit agreement (the Senior Credit Agreement) with the lenders named therein, SunTrust Bank, as Administrative Agent, JP Morgan Chase Bank, N.A. as Syndication Agent and Barclays Bank PLC, Goldman Sachs Bank USA and Bank of America, N.A., as Co-Documentation Agents. The Senior Credit Agreement consists of (a) a $300 million five-year senior unsecured revolving credit facility and (b) a $450 million five-year senior unsecured term loan facility. The Senior Credit Agreement also provides for an uncommitted incremental facility that permits the Company, subject to certain conditions, to increase the commitment under the Senior Credit Agreement by up to $300 million in the aggregate; *provided* that no lender is committed to participate in any such increase.

The Senior Credit Agreement replaced our prior $400 million senior secured revolving credit facility. We are using a portion of the proceeds of the term loan facility to redeem a portion of our outstanding 6.875% senior subordinated notes due 2015. The Senior Credit Agreement may also be used to provide working capital and for other general corporate purposes. See Description of other indebtedness Senior Credit Agreement.

Putative Class Action Complaint

On August 24, 2011, a class action complaint entitled *Ansfield v. Omnicare*, *Inc., et al.* was filed on behalf of a putative class of all purchasers of the Company s common stock from January 10, 2007 through August 5, 2010 against the Company and certain of its current and former officers in the United States District Court for the Eastern District of Kentucky, alleging violations of federal securities law in connection with alleged false and misleading statements with respect to the Company s compliance with federal and state Medicare and Medicaid laws and regulations. The complaint seeks unspecified money damages. The Company believes that the claims asserted in the complaint are entirely without merit and intends to defend against them vigorously.

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The offering

The following summary contains basic information about the notes and is not intended to be complete. For a more complete understanding of the notes, please refer to Description of notes.

Issuer	Omnicare, Inc.
Securities	$150,000,000 aggregate principal amount of 7.75% Senior Subordinated Notes due 2020.
	The new notes offered hereby are an additional issuance under the existing indenture under which we issued the initial notes. The new notes will have the same terms (other than the issue date and public offering price), and will rank *pari passu* with the initial notes. Holders of the new notes will vote together with the holders of the initial notes on any matter submitted to the holders. The new notes will have the same CUSIP number and ISIN as the initial notes and will be fungible with the initial notes of such series for trading purposes.
Maturity	The notes will mature on June 1, 2020.
Interest Payment Dates	June 1 and December 1 of each year, beginning December 1, 2011.
Optional Redemption	At any time on or after June 1, 2015, we may redeem the notes, in whole or in part, at the redemption prices set forth under Description of notes Optional redemption. In addition, prior to June 1, 2015, we may redeem the notes at a make-whole premium.
	At any time prior to June 1, 2013, we may redeem up to 35% of the notes with the net cash proceeds of certain equity offerings at the redemption price set forth under Description of notes Optional redemption.
Ranking	The notes are our unsecured senior subordinated obligations. Accordingly, they rank:
	subordinated in right of payment to all of our existing and future senior indebtedness (including our obligations under our senior credit facility);
	equal in right of payment to our existing and future senior subordinated indebtedness;
	senior in right of payment to our existing and future subordinated indebtedness;
	structurally subordinated in right of payment to all existing and future indebtedness and other liabilities of any of our existing or future non guarantor subsidiaries; and

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- effectively subordinated in right of payment to our secured debt to the extent of the value of the assets securing such debt.

Guarantees

The notes are jointly and severally guaranteed on an unsecured senior subordinated basis by certain of our current and future domestic subsidiaries. Each subsidiary guarantee ranks:

- subordinated in right of payment to the guarantor s existing and future senior indebtedness (including the guarantors obligations under our senior credit facility);
- equal in right of payment to the guarantors existing and future senior subordinated indebtedness;
- senior in right of payment to the guarantors existing and future subordinated indebtedness;
- structurally subordinated in right of payment to all existing and future indebtedness and other liabilities of any subsidiary of a guarantor if that subsidiary is also not a guarantor under the notes; and
- effectively subordinated in right of payment to the secured debt of the guarantors to the extent of the value of the assets securing such debt.

As of June 30, 2011, after giving effect to the Senior Credit Agreement and the use of the proceeds thereof, this offering and the application of proceeds as described in Use of proceeds :

- our outstanding senior indebtedness would have been approximately $918.4 million, including approximately $452.5 million of our convertible senior debentures due 2035, which are guaranteed on a senior basis by Omnicare Purchasing Company, LP and capitalized lease obligations and excluding $19.5 million of outstanding letters of credit under our Senior Credit Agreement which is guaranteed on a senior basis by the guarantors; there would have been approximately $280.5 million available for borrowing under the Senior Credit Agreement (which is net of $19.5 million of outstanding letters of credit);
- our non-guarantor subsidiaries would have had approximately $2.7 million of indebtedness outstanding, including trade payables and excluding intercompany payables; and
- our outstanding secured debt would have been approximately $15.9 million, consisting of capitalized lease obligations.

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Covenants	The indenture governing the notes contains covenants that, among other things, limit our ability and/or our subsidiaries ability to: pay dividends or make other restricted payments; incur additional debt or issue preferred stock; create or permit to exist certain liens; incur restrictions on the ability of certain of our subsidiaries to pay dividends or other payments; consolidate, merge or transfer all or substantially all of our assets; enter into transactions with affiliates; and sell or dispose of our assets. However, each of these covenants is subject to a number of significant exceptions. You should read Description of notes Certain covenants for a description of these covenants. Many of these covenants will cease to apply to the notes at all times after such notes have investment grade ratings from both Moody s Investors Service, Inc. and Standard & Poor s.
Change of Control	Upon the occurrence of a change of control, we will be required to make an offer to purchase the notes at a price equal to 101% of their principal amount, plus any accrued and unpaid interest to, but not including, the date of repurchase.
Absence of Public Market for the Notes	There is currently no established public trading market for the notes. We do not intend to apply for a listing of the notes on any securities exchange or an automated dealer quotation system. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and may discontinue any market-making activities at any time without notice.
Use of Proceeds	We intend to use the proceeds from this offering to redeem the remaining outstanding portion of our 6.875% Senior Subordinated Notes due 2015 and to redeem the remaining outstanding portion of our 6.125% Senior Subordinated Notes due 2013, and to use any remaining proceeds from this offering for general corporate purposes. See Use of proceeds.
Form	The notes will be represented by registered global securities registered in the name of Cede & Co., the nominee of the depositary, The Depository Trust Company, or DTC. Beneficial interests in the notes will

be shown on, and transfers will be effected through, records maintained by DTC and its participants.

Risk Factors	See Risk factors beginning on page S-13 of this prospectus supplement, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2010 and Part II-Item 1A of our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011 for important information regarding us and an investment in the notes.

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Summary historical consolidated financial information

The following summary consolidated financial information should be read in conjunction with our historical consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Current Report on Form 8-K dated July 29, 2011 which is incorporated by reference into this prospectus supplement.

We derived the income statement data for the years ended December 31, 2008, 2009, 2010 and the balance sheet data as of December 31, 2009 and 2010 from our audited financial statements, which are incorporated by reference into this prospectus supplement. We derived the income statement data for the six months ended June 30, 2010 and 2011 and the balance sheet data as of June 30, 2011 from our unaudited financial statements, which are incorporated by reference into this prospectus supplement. We derived the balance sheet data as of December 31, 2008 and June 30, 2010 from our financial statements, as adjusted for discontinued operations, which are not incorporated by reference into this prospectus supplement. In the opinion of management, the unaudited financial statements from which the information below is derived contain all adjustments, which consist only of normal recurring adjustments, necessary to present fairly our financial results of operations as of the applicable dates and for the applicable periods in all material respects. Historical results are not necessarily indicative of the results to be expected in the future. In addition, interim results may not be indicative of results for the remainder of the year.

			Years Ended December 31,		**Six Months Ended June 30,**
	2008 (h)	**2009 (h)**	**2010 (h)**	**2010 (h)**	**2011**
Income Statement Data (a)(b):					
Total net sales	$ 5,992,450	$ 6,001,053	$ 6,030,670	$ 2,983,796	$ 3,081,477
Operating income	378,813	469,751	189,154	211,064	209,775
Interest expense (c)	143,051	119,893	135,720	68,320	56,801
Income from continuing operations before income taxes	219,610	331,551	33,508	130,709	141,663
Ratio of earnings to fixed charges (d)(e)	2.1x	2.9x	1.2x	2.4x	2.8x
Balance Sheet Data (at end of period)(a):					
Cash and cash equivalents (including restricted cash)	$ 216,557	$ 290,971	$ 496,503	$ 397,844	$ 524,013
Working capital	1,731,225	1,601,790	1,863,542	1,854,764	1,790,010
Total assets	7,450,245	7,324,104	7,363,413	7,405,348	7,126,054
Long-term debt (excluding current portion)	2,352,822	1,980,239	2,106,758	2,187,378	1,955,977
Stockholders equity	3,654,869	3,875,993	3,815,944	3,890,434	3,800,500
Other Financial Data (a)(b):					
Net cash flows from operating activities of continuing operations	$ 433,589	$ 480,715	$ 368,903	$ 152,949	$ 280,875
Net cash flows used in investing activities of continuing operations	(281,221)	(142,646)	(125,506)	(13,365)	(29,661)
Net cash flows used in financing activities of continuing operations	(208,706)	(275,929)	(18,652)	(20,383)	(224,088)
Capital expenditures (f)	(57,041)	(29,231)	(23,517)	(11,489)	(18,223)
EBITDA from continuing operations (g)	489,026	579,456	310,164	264,160	262,478
Total debt to total capitalization	39.2%	35.2%	35.6%	36.0%	34.0%

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(a) We have had an active acquisition program in effect since 1989, which impacts the comparability of the Company s results. See the Acquisitions note of the notes to our 2010 consolidated financial statements for additional information concerning acquisitions.

(b) Included in the income from continuing operations amounts are the following charges.