

ACCUMED INC
Form 424B5
May 14, 2010
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Calculation of Registration Fee

Title of each class of securities to be registered	Maximum aggregate offering price	Amount of registration fee(1)
7.750% Senior Subordinated Notes due 2020	\$400,000,000	\$28,520

(1) The filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

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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.**\$400,000,000****7.75% Senior Subordinated Notes due 2020****Issue Price 100%***Interest payable June 1 and December 1.*

We are offering \$400,000,000 of our 7.75% Senior Subordinated Notes due 2020, which we refer to as the notes. The notes will mature on June 1, 2020. Interest will accrue from May 18, 2010, and the first interest payment date will be December 1, 2010.

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 will be guaranteed on an unsecured senior subordinated basis by certain of our existing and future direct and indirect domestic subsidiaries. The notes and guarantees will be general senior subordinated obligations ranking equally with our other senior subordinated debt and will be subordinated to all of our and the guarantors senior debt, including our new senior credit facility. The notes will be 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-12.

	Public offering price(1)	Underwriting discounts and commissions	Proceeds, before expenses, to the Issuer(1)
Per note	100.00%	2.00%	98.00%
Total	\$ 400,000,000	\$ 8,000,000	\$ 392,000,000

(1) Plus accrued interest, if any, from May 18, 2010.

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 May 18, 2010 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.

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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

Citi

SunTrust Robinson Humphrey

Co-Managers

Daiwa Capital Markets

Goldman, Sachs & Co.

The Huntington Investment Company

KeyBanc Capital Markets

Mitsubishi UFJ Securities

RBC Capital Markets
May 13, 2010

RBS

US Bancorp

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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, pharmaceutical

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and contract research 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; 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 ability of clinical research projects to produce revenues in future periods; 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 Medicare Part D plan sponsors or to the proportion of our Part D business covered by specific contracts; the outcome of litigation; potential liability for losses not covered by, or in excess of, insurance; the impact of 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 1,370,000 beds, including approximately 74,000 patients served by the patient assistance programs of our specialty pharmacy services business, as of March 31, 2010. The comparable number at March 31, 2009 was approximately 1,382,000 (including 56,000 patients served by the patient assistance programs of the specialty pharmacy services business). We provide our pharmacy services in 47 states in the United States, the District of Columbia and in Canada as of March 31, 2010. We also provide operational software and support systems to long-term care pharmacy providers across the United States. Our contract research organization provides comprehensive product development and research services for the pharmaceutical, biotechnology, nutraceutical, medical devices and diagnostic industries in 32 countries worldwide as of March 31, 2010.

We operate in two business segments. Our primary line of business, Pharmacy Services, provides 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. Pharmacy Services 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, our Pharmacy Services segment provides 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 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. The Pharmacy Services segment comprised approximately 97% of our total net sales for the year ended December 31, 2009 and 98% for the three months ended March 31, 2010.

Our other business segment is contract research organization services (CRO Services). CRO Services is a leading international provider of comprehensive product development and research services to client companies in the pharmaceutical, biotechnology, nutraceutical, medical devices

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and diagnostics industries. Our CRO Services segment provides support for the design of regulatory strategy and clinical development of pharmaceuticals by offering individual, multiple, or comprehensive and fully integrated services including clinical, quality assurance, data management, medical writing and regulatory support for our client's drug development programs. The CRO Services segment comprised approximately 3% of our total net sales for the year ended December 31, 2009 and 2% for the three months ended March 31, 2010.

In mid-2009, we commenced activities to divest certain home healthcare and related ancillary businesses (the disposal group) that are non-strategic in nature. The disposal group, historically part of our Pharmacy Services segment, primarily represents ancillary businesses which accompanied other more strategic assets obtained by us in connection with our institutional pharmacy acquisition program. The results from continuing operations for all periods presented have been revised to reflect the results of the disposal group as discontinued operations, including certain expenses of ours related to the divestiture.

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.

Our concurrent financing transactions

On May 3, 2010 we commenced a tender offer to purchase for cash any and all of our 6.75% Senior Subordinated Notes due 2013 (the 2013 Notes). In conjunction with this tender offer, we are also soliciting consents to effect certain proposed amendments to the indenture governing the 2013 Notes. The consummation of the tender offer and consent solicitation is conditioned on the completion of this offering of notes. In addition, concurrently with this offering, we are also refinancing our existing senior credit facility with a new \$400 million senior secured revolving credit facility. The new senior credit facility will be guaranteed by our subsidiaries, subject to certain exceptions, and will be secured by substantially all of our and the guarantors' accounts receivable. See Description of other indebtedness.

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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	\$400,000,000 aggregate principal amount of 7.75% Senior Subordinated Notes due 2020.
Maturity	The notes will mature on June 1, 2020.
Interest Payment Dates	June 1 and December 1 of each year, beginning December 1, 2010.
Optional Redemption	<p>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.</p> <p>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.</p>
Ranking	<p>The notes will be our unsecured senior subordinated obligations. Accordingly, they will rank:</p> <p>subordinated in right of payment to all of our existing and future senior indebtedness (including our obligations under our new senior credit facility);</p> <p>equal in right of payment to our existing and future senior subordinated indebtedness;</p> <p>senior in right of payment to our existing and future subordinated indebtedness;</p> <p>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</p> <p>effectively subordinated in right of payment to our secured debt to the extent of the value of the assets securing such debt.</p>

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Guarantees

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

subordinated in right of payment to the guarantors' existing and future senior indebtedness (including the guarantors' obligations under our new 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 March 31, 2010, after giving effect to the concurrent financing transactions and to the application of proceeds as described in Use of proceeds :

our outstanding senior indebtedness would have been approximately \$989.5 million, including approximately \$977.5 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 \$3.1 million of outstanding letters of credit under our new senior credit facility which is guaranteed on a senior basis by the guarantors; there would have been approximately \$396.9 million available for borrowing under the new senior credit facility (which is net of \$3.1 million of outstanding letters of credit);

our non-guarantor subsidiaries would have had approximately \$3.8 million of indebtedness outstanding, including trade payables and excluding intercompany payables; and

our outstanding secured debt would have been approximately \$12.0 million, consisting of capitalized lease obligations and excluding \$3.1 million of outstanding letters of credit under the new senior credit facility, and further excluding approximately \$396.9 million available for borrowing under the new senior credit facility (which will be secured by substantially all of our and the guarantors' accounts receivable).

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Covenants

The indenture governing the notes will contain 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" and "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 or exchange 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 a portion of the proceeds from this offering to repurchase our 6.75% Senior Subordinated Notes due 2013. We also intend to use a portion of the net proceeds from this offering of notes to repay our existing senior credit facility. The remaining net proceeds from this offering will be used for general corporate purposes, which may include the repurchase of shares of our common stock from time to time. See "Use of proceeds." Certain affiliates of the underwriters are lenders under our existing senior credit facility and as such will receive a portion of the proceeds of this offering, which will be used in the repayment of the senior credit facility.

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Form	The notes will be represented by registered global securities registered in the name of Cede & Co., the nominee of the depository, 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-12 of this prospectus supplement, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2009 and Item 1A of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 for important information regarding us and an investment in the notes.

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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 Annual Report on Form 10-K for the year ended December 31, 2009 and incorporated by reference into this prospectus supplement.

We derived the income statement data for the years ended December 31, 2007, 2008, 2009 and the balance sheet data as of December 31, 2008 and 2009 from our audited financial statements, which are incorporated by reference into this prospectus supplement. We derived the income statement data for the three months ended March 31, 2009 and 2010 and the balance sheet data as of March 31, 2010 from our unaudited financial statements, which are incorporated by reference into this prospectus supplement. We derived the balance sheet data as of March 31, 2009 from our unaudited financial statements as adjusted for discontinued operations, which are not included in this prospectus supplement. We derived the balance sheet data as of December 31, 2007 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.

	2007(i)	2008(i)	Years Ended December 31, 2009(i)	Three Months Ended March 31, 2009(i)	2010(i)
Income Statement Data(a)(b):					
Total net sales(c)	\$ 6,100,394	\$ 6,205,715	\$ 6,166,209	\$ 1,542,105	\$ 1,524,234
Operating income	345,506	401,021	470,542	97,519	121,167
Interest expense(d)	163,073	143,073	119,896	31,287	28,608
Income from continuing operations before income taxes	167,107	241,796	332,339	61,842	86,892
Ratio of earnings to fixed charges(e)(f)	1.8x	2.2x	2.9x	2.4x	3.1x
Balance Sheet Data (at end of period)(a):					
Cash and cash equivalents (including restricted cash)	\$ 277,355	\$ 216,559	\$ 290,973	\$ 217,620	\$ 318,509
Working capital	1,803,990	1,730,904	1,599,558	1,706,573	1,685,619
Total assets	7,583,370	7,450,245	7,324,104	7,441,573	7,323,706
Long-term debt (excluding current portion)	2,416,131	2,352,824	1,980,239	2,285,690	1,995,086
Stockholders' equity	3,540,823	3,654,869	3,875,993	3,688,736	3,929,164

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	2007(i)	2008(i)	Years Ended December 31, 2009(i)	Three Months Ended March 31, 2009(i)	2010(i)
Other Financial Data(a)(b):					
Net cash flows from operating activities of continuing operations	\$ 501,850	\$ 436,156	\$ 482,349	\$ 120,777	\$ 117,809
Net cash flows used in investing activities of continuing operations	(194,446)	(283,786)	(144,280)	(41,253)	(3,415)
Net cash flows used in financing activities of continuing operations	(173,747)	(208,706)	(275,929)	(81,002)	(73,019)
Capital expenditures(g)	42,828	59,606	30,865	8,597	5,515
EBITDA from continuing operations(h)	452,605	513,080	582,141	126,238	149,744
Ratio of EBITDA from continuing operations to interest expense(d)(h)	2.8x	3.6x	4.9x	4.0x	5.2x
Ratio of total debt to EBITDA from continuing operations(h)	5.3x	4.6x	3.6x	4.5x	3.4x
Total debt to total capitalization	40.6%	39.2%	35.2%	38.3%	34.3%

(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 2009 consolidated financial statements for additional information concerning acquisitions.

(b) Included in the income from continuing operations amounts are the following charges which primarily impacted the Pharmacy Services segment. Management believes that these special items are either infrequent occurrences or otherwise not related to our ordinary course of business and/or are non-cash in nature (in thousands):

	2007(i)	2008(i)	Years Ended December 31, 2009(i)	Three Months Ended March 31, 2009(i)	2010(i)
Pre-tax:					
Restructuring and other related charges	\$ 27,883(1)	\$ 35,784(1)	\$ 29,155(1)	\$ 6,917(6)	\$ 7,039(6)
Litigation and other related charges	42,516(2)	99,267(2)	77,449(2)	41,665(7)	5,506(7)
Repack matters	17,193(2)	6,445(2)	(1,139)(2)	1,993(7)	1,193(7)
Other expense			5,633(3)	1,744(8)	1,283(8)
Amortization of discount on convertible notes	24,041(4)	25,934(4)	27,977(4)	6,797(9)	7,331(9)
Acquisition and other related costs			1,399(5)	839(10)	227(10)