

ION LLC
Form S-4/A
June 06, 2006
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As filed with the Securities and Exchange Commission on June 6, 2006

Registration No. 333-132017

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

AMERISOURCEBERGEN CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

5122
(Primary Standard Industrial Classification
Code Number)

23-3079390
(I.R.S. Employer
Identification No.)

1300 Morris Drive

Chesterbrook, Pennsylvania 19087-5594 (610) 727-7000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

See Table of Additional Registrants Below

John G. Chou

Vice President, Deputy General Counsel and Secretary

AmerisourceBergen Corporation

1300 Morris Drive

Chesterbrook, Pennsylvania 19087-5594

(610) 727-7000

(Name, address including zip code, and telephone number, including area code, of agent for service)

With a Copy to:

Craig L. Godshall, Esq.

R. Craig Smith, Esq.

Dechert LLP

Cira Centre

2929 Arch Street

Philadelphia, Pennsylvania 19104

(215) 994-4000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: _____

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: _____

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Name	State of Incorporation or Organization	Primary Standard Industrial Classification Code Number	IRS Employer Identification No.
Ambulatory Pharmaceutical Services, Inc.	New Jersey	5912	22-3125982
AmerisourceBergen Drug Corporation	Delaware	5122	23-2353106
AmerisourceBergen Holding Corporation	Delaware	6719	33-1123049
AmerisourceBergen Services Corporation	Delaware	5122	23-2546940
AmeriSource Health Services Corporation	Delaware	5122	52-1489606
AmeriSource Heritage Corporation	Delaware	5122	51-0382309
AmeriSource Sales Corporation	Delaware	6719	23-2892148
Anderson Packaging, Inc.	Illinois	7389	36-2653297
APS Enterprises Holding Company	Delaware	5912	23-3016067
ASD Specialty Healthcare, Inc.	California	5122	33-0800482
AutoMed Technologies, Inc.	Delaware	5047	36-3932047
Brownstone Pharmacy, Inc.	Connecticut	8099	06-0765364
Capstone Med, Inc.	Delaware	5912	52-1993496
Capstone Pharmacy of Delaware, Inc.	Maryland	5912	52-1191584
Clinicare Concepts, Inc.	Florida	5912	57-1167052
Compuscript, Inc.	New York	5912	13-3089063
Computran Systems, Inc.	Oregon	8099	93-0675109
Dunnington Rx Services of Massachusetts, Inc.	Massachusetts	8099	04-3128047
Dunnington Rx Services of Rhode Island, Inc.	Rhode Island	8099	05-0460848
Express Pharmacy Services, Inc.	Florida	8099	59-2919363
Family Center Pharmacy, Inc.	Pennsylvania	5912	25-1555759
Goot Nursing Home Pharmacy, Inc.	Arizona	5912	86-0785205
Health Services Capital Corporation	Delaware	6719	51-0294301
IHS Acquisition XXX, Inc.	Delaware	5912	52-2060810
Imedex, Inc.	Georgia	8299	02-0601048
Insta-Care Pharmacy Services Corporation	Texas	8099	59-1817412
Integrated Commercialization Solutions, Inc.	California	8742	75-2758166
International Physician Networks, L.L.C.	Delaware	8742	52-2207795
Leading Educational Research Network, LLC	Georgia	8299	55-0916970
Medical Initiatives, Inc.	Florida	8099	59-3550338
Network for Medical Communication & Research, LLC	Georgia	8999	58-2323341
NMCR Holdings, Inc.	Delaware	6719	56-2558296
Pharm Plus Acquisition, Inc.	Delaware	5912	06-1640259
Pharmacy Corporation of America, Inc.	California	8099	95-3849613
Pharmacy Corporation of America-Massachusetts, Inc.	Delaware	8099	71-0776297
Pharmacy Healthcare Solutions, Ltd.	Texas	8742	75-2661419

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PharMerica Drug Systems, Inc.	Maryland	8099	52-1198121
PharMerica, Inc.	Delaware	5122	11-2310352
PMSI, Inc.	Florida	8099	56-2422696

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Name	State of Incorporation or Organization	Primary Standard Industrial Classification Code Number	IRS Employer Identification No.
Premier Pharmacy, Inc.	Delaware	8099	58-2006361
Reimbursement Education Network, LLC	Delaware	8741	94-3405197
Rombro's Drug Center, Inc.	Maryland	8099	52-0748791
RXFirst, Inc.	Florida	8099	04-3722897
Solana Beach, Inc.	Delaware	7372	59-3762480
Southwest Pharmacies, Inc.	Arizona	8099	86-0362826
Specialty Pharmacy, Inc.	Delaware	5912	23-3003463
Specialty Pharmacy of California, Inc.	California	5912	23-3041534
Taylor & Manno Asset Recovery, Inc.	Florida	8099	65-0166808
Telepharmacy Solutions, Inc.	Delaware	5047	04-3252233
The Lash Group, Inc.	Delaware	8742	52-1663991
Tmesys (TM), Inc.	Florida	8099	59-3143128
US Bioservices Corporation	Delaware	5912	04-3734758
Value Apothecaries, Inc.	Texas	8742	75-2660314

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 6, 2006

PROSPECTUS

AMERISOURCEBERGEN CORPORATION

OFFER TO EXCHANGE

\$400,000,000 5⁵/₈% Senior Notes due 2012 and related Guarantees for all outstanding 5⁵/₈% Senior Notes due 2012

and

\$500,000,000 5⁷/₈% Senior Notes due 2015 and related Guarantees for all outstanding 5⁷/₈% Senior Notes due 2015

The exchange offer expires at 5:00 p.m., New York City time, on _____, 2006, unless extended.

Terms of the exchange offer:

We will exchange all old notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer.

You may withdraw tenders of old notes at any time prior to the expiration of the exchange offer.

We believe that the exchange of old notes will not be a taxable event for U.S. federal income tax purposes, but you should see Certain United States Federal Income Tax Considerations on page 82 for more information.

We will not receive any proceeds from the exchange offer.

The terms of the new notes are substantially identical to the old notes, except that the new notes are registered under the Securities Act of 1933 and the transfer restrictions and registration rights applicable to the old notes do not apply to the new notes.

See Risk Factors beginning on page 12 for a discussion of risks that should be considered by holders prior to tendering their old notes.

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

The date of this prospectus is _____, 2006

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This prospectus incorporates important business and financial information that is not included in or delivered with this document. This information is available without charge upon written or oral request. To obtain this information in a timely fashion, you must request such information no later than five business days before _____, 2006, which is the date on which the exchange offer expires (unless we extend the exchange offer as described herein). See Incorporation of Documents by Reference.

You should rely only on the information contained in this prospectus and any supplement, including the periodic reports and other information we file with the Securities and Exchange Commission, or SEC, or to which we have referred you. See Where You Can Find More Information. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended, which we refer to as the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where the old notes were acquired by the broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 90 days after the expiration date of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

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INDUSTRY AND MARKET DATA

We obtained the market and competitive position data used throughout this prospectus from our own research, surveys or studies conducted by third parties and industry or general publications. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While we believe that each of these studies and publications is reliable, we have not independently verified such data. Similarly, we believe our internal research is reliable but it has not been verified by any independent sources.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This offering document may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from the expectations contained in the forward-looking statements. The forward-looking statements herein include statements addressing management's views with respect to future financial and operating results and the benefits, efficiencies and savings to be derived from our integration plans to consolidate our distribution network.

The following factors, among others, could cause actual results to differ materially from those described in any forward-looking statements: competitive pressures; the loss of one or more key customer or supplier relationships; customer defaults or insolvencies; changes in customer mix; supplier defaults or insolvencies; changes in pharmaceutical manufacturers' pricing and distribution policies or practices; adverse resolution of any contract or other disputes with customers (including departments and agencies of the U.S. Government) or suppliers; regulatory changes; changes in U.S. government policies (including reimbursement changes arising from the Medicare Prescription Drug Improvement and Modernization Act of 2003); declines in the amounts of market share rebates offered by pharmaceutical manufacturers to the PharMerica long-term care business, declines in the amounts of rebates that the PharMerica long-term care business can retain, and/or the inability of the business to offset the rebate reductions that have already occurred or any rebate reductions that may occur in the future; market interest rates; operational or control issues arising from our outsourcing of information technology activities; the Pharmaceutical Distribution segment's ability to continue to successfully transition its business model to fee-for-service; success of integration, restructuring or systems initiatives; fluctuations in the U.S. dollar Canadian dollar exchange rate and other foreign exchange rates; economic, business, competitive and/or regulatory developments in Canada, the United Kingdom and elsewhere outside of the United States; acquisition of businesses that do not perform as we expect or that are difficult for us to integrate or control; and other economic, business, competitive, legal, regulatory and/or operational factors affecting our business generally.

More detailed information about these and other risk factors is set forth in the section entitled "Risk Factors" and elsewhere in this prospectus.

We are under no obligation to (and expressly disclaim any such obligation to) update or alter any forward-looking statements whether as a result of new information, future events or otherwise.

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SUMMARY

This summary highlights certain information contained elsewhere in this prospectus. We urge you to read this entire prospectus carefully, including the financial data and related notes, to obtain a more complete understanding of the exchange offer before making an investment decision. Unless the context otherwise requires:

we, us or our refers to AmerisourceBergen Corporation and its subsidiaries;

fiscal year refers to the twelve-month period ending on September 30 of the applicable year;

AmeriSource refers to the former AmeriSource Health Corporation and its subsidiaries;

Bergen refers to the former Bergen Brunswig Corporation and its subsidiaries;

2012 notes refers to the \$400 million aggregate principal amount of 7 1/8% senior notes due 2012 issued on September 14, 2005;

2015 notes refers to the \$500 million aggregate principal amount of 7 1/8% senior notes due 2015 issued on September 14, 2005;

old notes refers collectively to the 2012 notes and the 2015 notes;

new notes refers collectively to the \$400 million aggregate principal amount of 7 1/8% senior notes due 2012 and the \$500 million aggregate principal amount of 5 7/8% senior notes due 2015 offered in exchange for the old notes pursuant to this prospectus; and

notes refers collectively to the old notes and the new notes.

Our Company

We are one of the largest pharmaceutical services companies in the United States, with operating revenue and net income of approximately \$50.0 billion and \$264.6 million, respectively, for the fiscal year ended September 30, 2005 and operating revenue and net income of approximately \$27.6 billion and \$226.3 million, respectively, for the six months ended March 31, 2006.

Serving both pharmaceutical manufacturers and healthcare providers in the pharmaceutical supply channel, we provide drug distribution and related services designed to reduce costs and improve patient outcomes. More specifically, we distribute a comprehensive offering of brand name and generic pharmaceuticals, over-the-counter healthcare products, and home healthcare supplies and equipment to a wide variety of healthcare providers primarily located throughout the United States, including acute care hospitals and health systems, independent and chain retail pharmacies, mail order facilities, physicians, clinics and other alternate site facilities, and skilled nursing and assisted living centers. We also provide pharmaceuticals and pharmacy services to long-term care, workers' compensation and specialty drug patients. Additionally, we furnish healthcare providers and pharmaceutical manufacturers with an assortment of related services, including pharmacy automation, supply management software, pharmaceutical packaging, inventory management, reimbursement and pharmaceutical consulting services, logistics services, and physician education, all of which are designed to reduce costs and improve patient outcomes.

We are organized based upon the products and services we provide to our customers, and substantially all of our operations are located in the United States. Our operations are comprised of two reportable segments: Pharmaceutical Distribution and PharMerica.

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The Pharmaceutical Distribution segment includes the operations of AmerisourceBergen Drug Corporation (ABDC), the AmerisourceBergen Specialty Group (ABSG) and the AmerisourceBergen Packaging Group. The Pharmaceutical Distribution segment s operations provide drug distribution and related services throughout the United States, Puerto Rico and Canada. ABDC distributes a comprehensive offering of brand name and

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generic pharmaceuticals, over-the-counter healthcare products, and home healthcare supplies and equipment to a wide variety of healthcare providers, including acute care hospitals and health systems, independent and chain retail pharmacies, mail order facilities, physicians, clinics and other alternate site facilities. ABDC also provides scalable automated pharmacy dispensing equipment, medication and supply dispensing cabinets and supply management software to a variety of retail and institutional healthcare providers. ABSG, through a number of individual operating businesses, provides distribution and other services, including group purchasing services, to physicians and alternate care providers who specialize in a variety of disease states, including oncology, nephrology and rheumatology. ABSG also distributes vaccines, other injectables, plasma and other blood products. In addition, through its manufacturer services and physician and patient services businesses, ABSG provides a number of commercialization, third party logistics and other services for biotech and other pharmaceutical manufacturers, reimbursement consulting, practice management, and physician education. The AmerisourceBergen Packaging Group consists of American Health Packaging, Anderson Packaging (Anderson) and the recently acquired Brecon Pharmaceuticals Limited (Brecon). American Health Packaging delivers unit dose, punch card, unit-of-use and other packaging solutions to institutional and retail healthcare providers. Anderson is a leading provider of contracted packaging services for pharmaceutical manufacturers. Brecon is a United Kingdom-based provider of contract packaging and clinical trial materials services for pharmaceutical manufacturers. The drug distribution operations of ABDC and ABSG comprised over 90% of the segment's operating revenue and over 80% of the segment's operating income during the fiscal year ended September 30, 2005.

The PharMerica segment includes the operations of the PharMerica long-term care business (Long-Term Care) and a workers compensation-related business (Workers Compensation). Long-Term Care is a leading national provider of pharmacy products and services to patients in long-term care and alternate site settings, including skilled nursing facilities, assisted living facilities and residential living communities. Long-Term Care's institutional pharmacy business involves the purchase of bulk quantities of prescription and nonprescription pharmaceuticals, principally from our Pharmaceutical Distribution segment, and the distribution of those products to residents in long-term care and alternate site facilities. Unlike hospitals, most long-term and alternate care facilities do not have onsite pharmacies to dispense prescription drugs, but depend instead on institutional pharmacies, such as Long-Term Care, to provide the necessary pharmacy products and services and to play an integral role in monitoring patient medication. Long-Term Care pharmacies dispense pharmaceuticals in patient-specific packaging in accordance with physician orders. In addition, Long-Term Care provides infusion therapy services, as well as formulary management and other pharmacy consulting services. Workers Compensation provides mail order and on-line pharmacy services to chronically and catastrophically ill patients under workers' compensation programs, and provides pharmaceutical claims administration services for payors. Workers Compensation services include home delivery of prescription drugs, medical supplies and equipment, and an array of computer software solutions to reduce the payors' administrative costs.

Strategy

Our business strategy is focused solely on the pharmaceutical supply channel where we provide value-added distribution and service solutions to healthcare providers and pharmaceutical manufacturers that increase channel efficiencies and improve patient outcomes. Implementing this disciplined, focused strategy has allowed us to significantly expand our business, and we believe we are well-positioned to continue to grow revenue and increase operating income through the execution of the following key elements of our business strategy:

Optimize and Grow Our Distribution Business. We believe we are well-positioned in size and market breadth to continue to grow our distribution business as we invest to improve our operating and capital efficiencies. Distribution anchors our growth and position in the pharmaceutical supply channel as we provide superior distribution services and deliver value-added solutions that improve the efficiency and competitiveness of both healthcare providers and pharmaceutical manufacturers, thus allowing the pharmaceutical supply channel to better deliver healthcare to patients.

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In an effort to supplement our organic growth, we continue to utilize a disciplined approach to seek acquisitions that will assist us with our overall strategic growth plans. In October 2005, we acquired Trent Drugs (Wholesale) Ltd. (Trent), a Canadian wholesaler of pharmaceutical products. In January 2006, we changed Trent's name to AmerisourceBergen Canada Corporation (AmerisourceBergen Canada). AmerisourceBergen Canada provides us with a solid foundation to expand our pharmaceutical distribution capability into the Canadian marketplace. In March 2006, AmerisourceBergen Canada acquired substantially all of the assets of Asenda Pharmaceutical Supplies Ltd. (Asenda), a Canadian pharmaceutical distributor that operated primarily in British Columbia and Alberta. The Asenda acquisition strengthens our position in Western Canada.

In March 2006, we acquired Brecon Pharmaceuticals Limited (Brecon), a United Kingdom-based provider of contract packaging and clinical trial materials (CTM) services for pharmaceutical manufacturers. The acquisition of Brecon enhances our packaging business and provides the added capability to offer pharmaceutical manufacturers contract packaging and CTM services in new geographical regions.

We believe we have one of the lowest cost operating structures among our major national competitors, and to further improve our position we launched our Optimiz[®] program in fiscal 2001 for ABDC. As revised, the Optimiz[®] program consists of reducing the distribution facility network from 51 facilities in 2001 to a distribution facility network numbering in the mid-20's within the next two years. The plan includes building six new facilities (five of which are currently operational), closing facilities (26 of which have been closed through March 31, 2006) and implementing a new warehouse operating system. The sixth new facility is scheduled to open during fiscal 2006. We closed six facilities in fiscal 2005 and anticipate closing six additional facilities during fiscal 2006, thereby reducing the total number of distribution facilities to 28 by the end of fiscal 2006. These measures have been designed to reduce operating costs, to provide greater access to financing sources and to reduce our cost of capital. In addition, we believe we will continue to achieve productivity and operating income gains as we invest in and continue to implement warehouse automation technology, adopt best practices in warehousing activities, and increase operating leverage by increasing volume per full-service distribution facility.

Grow Our Specialty Pharmaceutical Business. Representing more than \$8.5 billion in annual operating revenue, ABSG, our specialty pharmaceuticals business, has a significant presence in this rapidly growing part of the pharmaceutical supply channel. With distribution and value-added services to physicians who specialize in a variety of disease states and a broad array of commercialization services for manufacturers, our specialty pharmaceuticals business is a well-developed platform for growth. We are the leader in distribution and physician services to community oncologists and have leading positions in nephrology and rheumatology. We also distribute vaccines, other injectables, plasma and other blood products and are well-positioned to service and support many of the new biotech therapies which will be coming to market in the near future.

We expect to continue to expand our manufacturer services, which help pharmaceutical manufacturers, especially in the biotechnology sector, commercialize their products in the channel. We believe we are the largest provider of reimbursement services that assist pharmaceutical companies launch drugs with targeted populations and support the products in the channel. We provide physician education services, third party logistics and specialty pharmacy services to help speed products to market. We expect to seek opportunities to enhance and expand the specialty pharmaceutical business. In February 2006, we acquired Network for Medical Communication & Research, LLC (NMCR), a privately held provider of physician accredited continuing medical education (CME) and analytical research for the oncology market. The acquisition of NMCR will expand ABSG's presence in its market-leading oncology distribution and services businesses and complement ABSG's Imedex accredited CME business.

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Expand Services in the Pharmaceutical Supply Channel. We offer value-added services and solutions to assist manufacturers and healthcare providers to improve their efficiency and their patient outcomes. Programs for manufacturers such as assistance with rapid new product launches, promotional and marketing services to accelerate product sales, custom packaging, product data reporting, logistical support, and workers' compensation are all examples of value-added solutions we currently offer. We are continually seeking to expand our offerings.

Our provider solutions include: our Good Neighbor Pharmacy® program, which enables independent community pharmacies and small chain drugstores to compete more effectively through pharmaceutical benefit and merchandising programs; best-priced generic product purchasing services; hospital pharmacy consulting designed to improve operational efficiencies; scalable automated pharmacy dispensing equipment; and packaging services that deliver unit dose, punch card and other compliance packaging for institutional and retail pharmacy customers. We also continue to pursue enhancements to our services and programs.

Industry Overview

We have benefited from the significant growth of the pharmaceutical industry in the United States. According to IMS Healthcare, Inc., an independent third party provider of information to the pharmaceutical and healthcare industry, industry sales in the United States are expected to grow between 6% and 7% in 2006 and annually between 5% and 8% over the next five years.

The factors contributing to the growth of the pharmaceutical industry in the United States, and other industry trends, include:

Aging Population. The number of individuals over age 55 in the United States grew from approximately 52 million in 1990 to approximately 59 million in 2000 and is projected to increase to more than 75 million by the year 2010. This age group suffers from chronic illnesses and disabilities more than the rest of the population and is estimated to account for approximately two-thirds of total healthcare expenditures in the United States.

Introduction of New Pharmaceuticals. Traditional research and development, as well as the advent of new research, production and delivery methods, such as biotechnology and gene research and therapy, continue to generate new compounds and delivery methods that are more effective in treating diseases. These compounds have been responsible for significant increases in pharmaceutical sales. We believe ongoing research and development expenditures by the leading pharmaceutical manufacturers will contribute to continued growth of the industry.

Increased Use of Drug Therapies. In response to rising healthcare costs, governmental and private payors have adopted cost containment measures that encourage the use of efficient drug therapies to prevent or treat diseases. While national attention has been focused on the overall increase in aggregate healthcare costs, we believe drug therapy has had a beneficial impact on overall healthcare costs by reducing expensive surgeries and prolonged hospital stays. Pharmaceuticals currently account for approximately 10% of overall healthcare costs. Pharmaceutical manufacturers' continued emphasis on research and development is expected to result in the continuing introduction of cost-effective drug therapies.

Pharmaceutical Supply Channel Changes. Historically, we and our major pharmaceutical distribution competitors derived a significant portion of our pharmaceutical distribution gross margin from manufacturer price increases, which have historically equaled or exceeded the overall Consumer Price Index. We believe these increases were due in large part to the relatively inelastic demand for brand name drugs notwithstanding higher prices charged for patented drugs as pharmaceutical manufacturers attempted to recoup costs associated with the development, clinical testing and regulatory approval of new products. Recently, pharmaceutical manufacturers have been under significant pressure to reduce the rate of pharmaceutical price increases. While we expect such

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price increases to occur in the future, we cannot predict the rate at which such prices will increase or the frequency of increases.

We have been continuing our efforts to shift our pharmaceutical distribution business to a fee-for-service model where we are compensated for the services we provide manufacturers versus one that is dependent upon manufacturer price increases. The fee-for-service model is intended to improve the efficiency of the supply channel and may establish a more predictable earnings pattern for ABDC, while expanding our service relationship with pharmaceutical manufacturers. As of March 31, 2006, ABDC has signed fee-for-service agreements with a substantial majority of the large branded pharmaceutical manufacturers. There can be no assurance that the fee-for-service transition will be successful or that our profitability will not be significantly reduced by the transition.

Medicare and Medicaid Legislative Developments. Medicare reimbursement rates for certain pharmaceuticals were impacted by implementation of the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA) by the U.S. Department of Health and Human Services (HHS), and further Medicare reimbursement reductions and policy changes are scheduled to be implemented in the future. In addition, the U.S. Congress is considering reductions in Medicaid reimbursement for certain prescription drugs. These policies may adversely affect our specialty distribution and our long-term care institutional pharmacy businesses directly and our wholesale drug distribution and specialty distribution businesses indirectly.

We continue to evaluate the effect that the MMA will have on Long-Term Care s business. This evaluation includes assessing the total compensation we receive for servicing patients covered by Medicare Part D under the MMA, effective January 1, 2006. Prior to January 1, 2006, the Long-Term Care business was compensated for servicing approximately 55% of these patients based on reimbursement rates previously established by Medicaid. During the quarter ended March 31, 2006, our total compensation, including supplier rebates, for servicing such patients under coverage provided by Medicare Part D was less than the total compensation, including supplier rebates, we received in the prior-year quarter based on Medicaid reimbursement rates then in place. In addition, the Centers for Medicare & Medicaid Services (CMS) of HHS continues to question whether long-term care pharmacies should be permitted to receive access/performance rebates from pharmaceutical manufacturers with respect to prescriptions covered under the Medicare Part D benefit, but has not prohibited the receipt of such rebates. In recent guidance issued to Medicare Part D Prescription Drug Plan Sponsors, CMS instructs Plan Sponsors to obtain full disclosure from long-term care pharmacies of all discounts, rebates or other remuneration that such pharmacies receive from manufacturers and CMS indicates its will provide further guidelines in this subject area. The elimination or reduction of manufacturing rebates, if not offset by other reimbursement, could have a further adverse affect on the Long-Term Care business.

Expiration of Patents for Brand Name Pharmaceuticals. A significant number of patents for widely-used brand name pharmaceutical products will expire during the next several years. These products are expected to be marketed by generic pharmaceutical manufacturers and distributed by distributors like us. We consider this a favorable trend because generic products have historically provided a greater gross profit margin opportunity than brand name products.

Investment Grade Rating

On November 10, 2005, Standard & Poor s Ratings Services (S&P) announced that it raised our corporate credit and senior unsecured debt ratings to BBB- from BB+ . S&P s upgrade constitutes an investment grade rating under the indenture governing the notes. As a result of the investment grade rating and the fact that no event of default existed on November 10, 2005, certain restrictive covenants are no longer applicable to the notes and will continue to be no longer applicable to the notes regardless of any changes in the ratings of the notes. The restrictive covenants that no longer apply to the notes relate to the requirement to repurchase the notes upon a change of control; asset sales (other than a sale of all or substantially all of our assets); restricted payments;

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incurrence of indebtedness and issuance of preferred stock; dividend and other payment restrictions affecting subsidiaries; designation of restricted and unrestricted subsidiaries; transactions with affiliates; and the net worth or fixed charge coverage ratio limitation with respect to a merger, consolidation or sale of all or substantially all assets. On June 1, 2006, Moody's Investors Service raised our corporate credit and senior unsecured debt ratings to Ba1 from Ba2. See Description of the Notes Certain Covenants Changes in Covenants when Notes Rated Investment Grade. As a result of the investment grade rating, we are also entitled to substantially relaxed covenants under our Senior Revolving Credit Facility, but to a lesser extent.

Risk Factors

You should consider carefully all the information set forth in this prospectus and, in particular, you should evaluate the specific factors set forth under Risk Factors for risks involved with the exchange of the old notes.

Our Corporate Information

We are a Delaware corporation. Our principal executive offices are located at 1300 Morris Drive, Chesterbrook, Pennsylvania 19087-5594 and our phone number is (610) 727-7000.

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The Exchange Offer

On September 14, 2005, we issued and sold \$400 million aggregate principal amount of 5⁵/₈% Senior Notes due 2012 and \$500 million aggregate principal amount of 5⁷/₈% Senior Notes due 2015. In connection with these sales, we entered into a registration rights agreement with the initial purchasers of the old notes in which we agreed to deliver this prospectus to you and to complete an exchange offer for the old notes.

Notes Offered

Up to \$400 million aggregate principal amount of 5⁵/₈% Senior Notes due 2012 and up to \$500 million aggregate principal amount of 5⁷/₈% Senior Notes due 2015, both of which have been registered under the Securities Act.

The terms of the new notes and old notes are identical in all material respects, except that

the new notes have been registered under the federal securities laws and will not bear any legend restricting their transfer;

certain registration rights applicable to the old notes do not apply to the new notes; and

the new notes bear a different CUSIP number than the old notes.

You are urged to read the discussions under the heading "The New Notes" in this Summary for further information regarding the new notes.

The Exchange Offer

We are offering to exchange \$1,000 principal amount of each of our 5⁵/₈% Senior Notes due 2012 and our 5⁷/₈% Senior Notes due 2015, for each \$1,000 principal amount of our outstanding 5⁵/₈% Senior Notes due 2012 and our outstanding 5⁷/₈% Senior Notes due 2015, respectively.

In this prospectus, the term "exchange offer" means the offer to exchange new notes for old notes in accordance with the terms set forth in this prospectus and the accompanying letter of transmittal. You are entitled to exchange your old notes for new notes.

Expiration Date; Withdrawal of Tender

The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2006, or such later date and time to which it may be extended by us. The tender of old notes pursuant to the exchange offer may be withdrawn at any time prior to the expiration date of the exchange offer. Any old notes not accepted for exchange for any reason will be returned without expense to the tendering holder thereof promptly after the expiration or termination of the exchange

offer.

Conditions to the Exchange Offer

Our obligation to accept for exchange, or to issue new notes in exchange for, any old notes is subject to customary conditions relating to compliance with any applicable law or any applicable interpretation by the staff of the SEC, the receipt of any applicable governmental approvals and the absence of any actions or

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proceedings of any governmental agency or court which could materially impair our ability to consummate the exchange offer. See [The Exchange Offer](#) [Conditions to the Exchange Offer](#).

Procedures for Tendering Old Notes

If you wish to accept the exchange offer and tender your old notes, you must either:

complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal, in accordance with its instructions and the instructions in this prospectus, and mail or otherwise deliver such letter of transmittal, or the facsimile, together with the old notes and any other required documentation, to the exchange agent at the address set forth herein; or

if old notes are tendered pursuant to book-entry procedures, the tendering holder must deliver a completed and duly executed letter of transmittal or arrange with the Depository Trust Company, or DTC, to cause an agent's message to be transmitted through DTC's Automated Tender Offer Program System with the required information (including a book-entry confirmation) to the exchange agent.

See [The Exchange Offer](#) [Procedures for Tendering Old Notes](#).

Broker-Dealers

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See [Plan of Distribution](#).

Use of Proceeds

We will not receive any proceeds from the exchange offer. See [Use of Proceeds](#).

Exchange Agent

J.P. Morgan Trust Company, National Association ([J.P. Morgan Trust Company](#)) is serving as the exchange agent in connection with the exchange offer.

Federal Income Tax Considerations

The exchange of old notes for new notes pursuant to the exchange offer should not be a taxable event for federal income tax purposes. See [Certain United States Federal Income Tax](#)

Considerations.

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Consequences of Exchanging Old Notes Pursuant to the Exchange Offer

Based on certain interpretive letters issued by the staff of the SEC to third parties in unrelated transactions, we are of the view that holders of old notes (other than any holder who is an affiliate of our company within the meaning of Rule 405 under the Securities Act) who exchange their old notes for new notes pursuant to the exchange offer generally may offer the new notes for resale, resell such new notes and otherwise transfer the new notes without compliance with the registration and prospectus delivery provisions of the Securities Act, provided:

the new notes are acquired in the ordinary course of the holders' business;

the holders have no arrangement with any person to participate in a distribution of the new notes; and

neither the holder nor any other person is engaging in or intends to engage in a distribution of the new notes.

Each broker-dealer that receives new notes for its own account in exchange for old notes must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. See Plan of Distribution. In addition, to comply with the securities laws of applicable jurisdictions, the new notes may not be offered or sold unless they have been registered or qualified for sale in the applicable jurisdiction or in compliance with an available exemption from registration or qualification. We have agreed, under the registration rights agreement and subject to limitations specified in the registration rights agreement, to register or qualify the new notes for offer or sale under the securities or blue sky laws of the applicable jurisdictions as any holder of the notes reasonably requests in writing. If a holder of old notes does not exchange the old notes for new notes according to the terms of the exchange offer, the old notes will continue to be subject to the restrictions on transfer contained in the legend printed on the old notes. In general, the old notes may not be offered or sold, unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Holders of old notes do not have any appraisal or dissenters' rights under the Delaware General Corporation Law in connection with the exchange offer. See The Exchange Offer Resales of New Notes.

The old notes are currently eligible for trading in the Private Offerings, Resales and Trading through Automated Linkages (PORTAL) market. Following commencement of the exchange offer but prior to its completion, the old notes may continue to be traded in the PORTAL market. Following completion of the exchange offer, the new notes will not be eligible for PORTAL trading.

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