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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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

- 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.

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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.

			Years Ended December 31,		Six Months Ended June 30,
	2008(h)	2009(h)	2010(h)	2010(h)	2011
Pre-tax:					
Restructuring and other related charges	$ 34,089(1)	$ 19,814(1)	$ 17,165(1)	$ 6,994(8)	$
Settlement, litigation and other related charges	99,267(2)	77,449(2)	113,709(2)	34,867(9)	25,829(9)
Other miscellaneous charges	6,445(3)	5,893(3)	42,422(3)	4,965(10)	4,221(10)
Amortization of discount on convertible notes	25,934(4)	27,977(4)	29,536(4)	14,804(11)	11,862(11)
Separation, benefit plan termination and related costs			64,760(5)		
Goodwill and other asset impairment charges			22,884(6)		
Gain on sales of rabbi trust assets			(3,606)(7)		
Debt redemption costs interest expense			14,297(4)	9,384(11)	1,079(11)
Provision for doubtful accounts			48,500(3)		
Total	$ 165,735	$ 131,133	$ 349,667	$ 71,014	$ 42,991

(1) See the Restructuring and Other Related Charges note of the notes to our 2010 consolidated financial statements.

(2) See the Commitments and Contingencies note of the notes to our 2010 consolidated financial statements.

(3) See the Description of Business and Summary of Significant Accounting Policies note of the notes to our 2010 consolidated financial statements.

(4) See the Debt note of the notes to our 2010 consolidated financial statements.

(5) See the Separation, Benefit Plan Termination and Related Costs note of the notes to our 2010 consolidated financial statements.

(6) See the Goodwill and Other Intangible Assets note of the notes to our 2010 consolidated financial statements.

(7) See the Employee Benefit Plans note of the notes to our 2010 consolidated financial statements.

(8) See the Restructuring and Other Related Charges note of the notes to our June 30, 2011 Form 10-Q (Q2 10Q).

(9) See the Commitments and Contingencies note of the notes to our Q2 10Q.

(10) See the Significant Accounting Policies note of the notes to our Q2 10Q.

(11) See the Debt note of the notes to our Q2 10Q.

(c) Interest expense represents gross interest expense, rather that interest expense net of investment income. Our ratio of EBITDA from continuing operations to interest expense has been computed by dividing EBITDA from continuing operations by interest expense.

(d) Our ratio of earnings to fixed charges has been computed by adding income from continuing operations before income taxes and fixed charges to derive adjusted income, and dividing adjusted income by fixed charges. Fixed charges consist of interest expense on debt (including the amortization of debt issuance expense and discount on convertible bonds) and one-third (the proportion deemed representative of the interest portion) of rent expense.

(e) Our ratio of earnings to fixed charges and preferred stock dividends for all periods presented are the same as our ratios of earnings to fixed charges because we had no shares of preferred stock outstanding during any period presented, and currently have no shares of preferred stock outstanding.

(f) Primarily represents the purchase of computer equipment and software, machinery and equipment, and furniture, fixtures and leasehold improvements.

(g) EBITDA represents earnings before interest (net of investment income), income taxes, depreciation and amortization. Omnicare uses EBITDA primarily as an indicator of the Company s ability to service its debt, and believes that certain investors find EBITDA to be a useful financial measure for the same purpose. However, EBITDA does not represent net cash flows from operating activities, as defined by United States Generally Accepted Accounting Principles (U.S. GAAP), and should not be considered as a substitute for operating cash flows as a measure of liquidity. The Company s

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calculation of EBITDA may differ from the calculation of EBITDA by others. The following is a reconciliation of EBITDA to net cash flows from operating activities (in thousands):

	Years Ended December 31,			Six Months Ended June 30,	
	2008(h)	2009(h)	2010(h)	2010(h)	2011
EBITDA from continuing operations	$ 489,026	$ 579,456	$ 310,164	$ 264,160	$ 262,478
Subtract: Interest expense, net of investment income	(133,269)	(110,223)	(126,110)	(65,551)	(56,250)
Income tax provision	(88,309)	(96,856)	(19,044)	(49,523)	(56,227)
Change in assets and liabilities, net of effects from acquisition and divestiture of businesses	166,141	108,338	203,893	3,863	130,874
Net cash flows from operating activities of continuing operations	433,589	480,715	368,903	152,949	280,875
Net cash flows from operating activities of discontinued operations	4,608	3,079	(288)	628	420
Net cash flows from operating activities	$ 438,197	$ 483,794	$ 368,615	$ 153,577	$ 281,295

(h) Certain amounts for all periods presented have been recast to present the Company s Contract Research Organization Services, Tidewater Group Purchasing Organization and certain home healthcare and related ancillary businesses as discontinued operations.

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Risk factors

Investing in the notes involves risks. You should carefully consider the risks described in this prospectus supplement and the accompanying prospectus, in addition to the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision. These risks are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business operations. Any of these risks could materially and adversely affect our business, financial condition or results of operations. In such cases, you may lose all or part of your investment.

Risks relating to our business

If we or our client facilities fail to comply with Medicaid and Medicare regulations, our revenue could be reduced, we could be subject to penalties and we could lose our eligibility to participate in these programs.

Our business is dependent upon revenues from the Medicare and Medicaid programs, which are highly regulated. The failure, even if inadvertent, of us and/or our client facilities to comply with applicable regulations could adversely affect our reimbursement under these programs and our ability to continue to participate in these programs, which could have a material adverse effect on our results of operations. In addition, our failure to comply with applicable Medicare and Medicaid regulations could subject us to other penalties.

A significant portion of our revenue is pursuant to agreements with payors, including Medicare Part D Plans, and with long term care facility clients, and could be reduced due to the termination of or changes to such agreements.

In 2010, approximately 45% of our revenue was derived from beneficiaries covered under the Medicare Part D program, and 21% was paid by SNFs for drugs covered under Medicare Part A. Our reimbursement under the Part D Program, as well as our reimbursement from certain private third-party payors, is determined pursuant to agreements that we negotiate with those payors or their pharmacy benefit manager (PBM) representatives. Likewise, our reimbursement from SNFs for drugs is determined pursuant to our agreements with them. Certain of these contracts are terminable upon prior notice by the other party. We cannot provide assurance that we will be able to replace terminated or expired contracts on terms as favorable as the existing contracts or at all. The termination or modification of these agreements could adversely affect our reimbursement from these sources, which could have a material adverse effect on our results of operations. Further, termination of our agreement with a long term care facility or similar customer generally terminates our provision of services to any of the residents of the given facility, resulting in the loss of revenue from any source for those residents. Additionally, the proportion of our Part D business serviced under specific agreements may change over time based upon beneficiary choice, reassignment of beneficiaries to different Part D Plans, Part D Plan consolidation or other factors, which could also adversely affect our revenue. The Company s payor mix (as a % of annual sales) for the last three years ended December 31 is presented at the Description of Business and Summary of Significant Accounting Policies note of the Notes to Consolidated Financial Statements for the year ended December 31, 2010 which is incorporated by reference into this Prospectus Supplement.

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Continuing efforts to contain healthcare costs may reduce our future revenue.

Our sales and profitability are affected by the efforts of healthcare payors to contain or reduce the cost of healthcare by lowering reimbursement rates, limiting the scope of covered services, and negotiating reduced or capitated pricing arrangements. The Federal government and many states are facing significant budget pressures that could result in increased cost containment efforts impacting healthcare providers. In particular, the Budget Control Act of 2011 may result in reductions in Medicare payments, which may have an adverse impact on our business and revenues. We cannot predict at this time the possible significance of this legislation on our long-term financial position. Any such changes which lower reimbursement levels under Medicare, Medicaid or other programs could reduce our future revenue. These changes may include modifications in the timing or processing of payments and other changes intended to limit or decrease the growth of Medicare, Medicaid or third party expenditures. In addition, our profitability may be adversely affected by any efforts of our suppliers to shift healthcare costs by increasing the net prices on the products we obtain from them.

Federal and state healthcare legislation has significantly impacted our business, and future legislation and regulations are likely to affect us.

We derive a significant portion of our revenues directly or indirectly from government-sponsored programs, principally the federal Medicare program and to a lesser extent state Medicaid programs. As part of ongoing operations, the Company and its customers are subject to legislative and regulatory changes impacting operations and the level of reimbursement received from the Medicare and Medicaid programs. For example, pursuant to the Patient Protection and Affordable Care Act, as amended by the Health Care and Education and Reconciliation Act of 2010 (collectively, the ACA), the Centers for Medicare & Medicaid Services (CMS) issued a final rule requiring long-term care pharmacies to dispense branded oral solid medications (other than antibiotics) every 14 days, rather than the current practice of every 30 days, effective as of January 1, 2013. In addition, for fiscal year 2012 beginning on October 1, 2011, CMS has announced that payments to Medicare SNFs will be reduced by $3.87 billion, or 11.1 percent lower than payments for fiscal year 2011. CMS has stated that the reduced rates are intended to correct for an unintended spike in payment levels and better align Medicare payments with costs. There can be no assurance that these legislative and regulatory changes will not adversely impact our results of operations, cash flows, or financial condition as a result of a number of possible factors, including unfavorable changes in reimbursement, increased operational costs, the assessment of penalties on the Company by regulators, and the potential loss of licenses by the Company and/or its customers.

In order to rein in healthcare costs, we anticipate that federal and state governments will continue to review and assess alternate healthcare delivery systems, payment methodologies and operational requirements for healthcare providers, including long-term care facilities and pharmacies. Given the debate regarding the cost of healthcare, managed care, universal healthcare coverage, and other healthcare issues, we cannot predict with any degree of certainty the impact of the ACA, or additional healthcare initiatives, if any, on our business. Further, we receive discounts, rebates and other price concessions from pharmaceutical manufacturers pursuant to contracts for the purchase of their products. There can be no assurance that any changes in legislation or regulations, or interpretations of current law, that would eliminate or significantly reduce the discounts, rebates and other price concessions that we receive from manufacturers or that otherwise impact payment available for drugs under federal or state healthcare programs, would not have a material adverse impact on our overall consolidated results of operations, financial position or cash flows. Longer term, funding for federal and state healthcare programs must consider the aging of the population; the growth in enrollees as eligibility is potentially expanded; the escalation in drug costs owing to higher drug utilization among seniors; the impact of the Medicare Part D benefit for seniors; the introduction of new, more efficacious but also more expensive medications; and the long-term financing of the entire Medicare program. Given competing national priorities, it remains difficult to predict the outcome and impact on us of any changes in healthcare policy relating to the future funding of the Medicare and Medicaid programs. Further, Medicare, Medicaid and/or private payor rates for pharmaceutical supplies and services may not continue to be based on current methodologies or remain comparable to present levels. Any future healthcare legislation or regulation impacting these rates may materially adversely affect our business.

Changes in industry pricing benchmarks could materially impact our financial performance.

Contracts and fee schedules in the prescription drug industry, including our contracts with various payors and fee schedules under state Medicaid programs, generally use certain published benchmarks to establish pricing for prescription drugs. These benchmarks include average wholesale price (AWP) and wholesale acquisition cost (WAC). Most of our contracts and fee schedules utilize the AWP standard. Recent events have raised uncertainties as to whether payors will continue to utilize AWP as it has previously been calculated or whether other pricing benchmarks will be adopted for establishing prices within the industry. Also, pursuant to the ACA, certain federal upper limit prices for generic drugs under Medicaid which had been calculated using WAC will instead be calculated using average manufacturer price (AMP), a benchmark which has not been publicly available. These new upper limit prices have not yet been published. Further, CMS announced that it will be conducting a national survey of pharmacies to create a national database of actual acquisition costs (AACs), the results of which states may use to set pharmacy payment rates.

Due to these and other uncertainties, we can give no assurance that the short- or long-term impact of changes to industry pricing benchmarks will not have a material adverse effect on our business and financial results in future periods. Our various projections, including earnings guidance for 2011, contemplate what we have estimated to be the most probable impact resulting from the short- or long-term impact of changes to industry pricing benchmarks. Actual results may be materially less favorable or materially more favorable than those estimated in formulating such projections.

If we fail to comply with licensure requirements, fraud and abuse laws or other applicable laws, we may need to curtail operations, and could be subject to significant penalties.

Our pharmacy business is subject to extensive and often changing federal, state and local regulations, and our pharmacies are required to be licensed in the states in which they are located or do business. While we continuously monitor the effects of regulatory activity on our operations and we currently have pharmacy licenses for each pharmacy we operate, the failure to obtain or renew any required regulatory approvals or licenses could adversely affect the continued operation of our business. In addition, we are subject to federal and state laws imposing registration, repackaging and labeling requirements on certain entities that repackage drugs for distribution; state and federal laws regarding the transfer and shipment of pharmaceuticals; and drug pedigree provisions requiring wholesale drug distributors to document a history of the transactions in a drug lot s chain of distribution. We are also subject to federal and state laws that prohibit some types of direct and indirect payments between

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healthcare providers. These laws, commonly known as the fraud and abuse laws, prohibit payments intended to induce or encourage the referral of patients to, or the recommendation of, a particular provider of items or services. Violation of these laws can result in loss of licensure, civil and criminal penalties, and exclusion from the Medicaid, Medicare and other federal healthcare programs.

Health care companies are subject to numerous investigations by various governmental agencies. Further, under the federal False Claims Act, private parties have the right to bring qui tam, or whistleblower, suits against companies that submit false claims for payments to, or improperly retain overpayments from, the government. Some states have adopted similar state whistleblower and false claims provisions. We have from time to time received, and may in the future receive, government inquiries from federal and state agencies relating to us regarding compliance with various health care laws. These investigations, claims or litigation could result in penalties, fines or other consequences, and there can be no assurance that the resolution of these matters, individually or in the aggregate, will not have a material adverse effect on our results of operations, financial position or cash flows.

Our pharmacies are registered with the appropriate state and federal authorities pursuant to statutes governing the regulation of controlled substances. The Drug Enforcement Administration (DEA) has recently increased scrutiny and enforcement of long-term care pharmacy practices under the federal Controlled Substances Act. We believe that this increased scrutiny and, in some cases, stringent interpretation of existing regulations, effectively changes longstanding practices for dispensing controlled substances in the long-term care facility setting. We have been required to modify the controlled substances dispensing procedures at certain of our pharmacies to comply with the regulations as currently interpreted by the DEA. Heightened enforcement of controlled substances regulations could increase the overall regulatory burden and costs associated with our pharmacy services. We are currently cooperating in connection with two government investigations with respect to certain of these matters. See the Commitments and Contingencies note of each of the Notes to Consolidated Financial Statements for the year ended December 31, 2010 and the Notes to Consolidated Financial Statement for the calendar quarters ended March 31, 2011 and June 30, 2011, which are incorporated by reference into this Prospectus Supplement. There can be no assurance that this heightened level of enforcement and such investigations or any other investigations, or any fines or other penalties resulting therefrom, will not materially adversely affect our results of operations, financial condition or cash flows.

We expend considerable resources in connection with our compliance efforts. However, we cannot assure you that we may not be subject to an enforcement action under applicable law. Moreover, the ACA expands federal health care fraud enforcement authorities. We cannot predict at this time the costs associated with compliance with such law.

Federal and state laws that protect patient health and other personal information may increase our costs and limit our ability to collect and use that information.

Our Company and the healthcare industry generally are required to comply with the Health Insurance Portability and Accountability Act of 1996, as amended, or HIPAA, which mandates, among other things, the adoption of standards to enhance the efficiency and simplify the administration of the healthcare system and to protect the privacy and security of patient information. Many states have similar laws applicable to us. In many of our operations, we are a covered entity under HIPAA, and therefore required to comply in our operations with these

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standards, to notify the government in the event of certain security breaches, and are subject to significant civil and criminal penalties for failure to do so. We also provide services to customers that are healthcare providers themselves and we are required to provide satisfactory written assurances to those customers, in the form of contractual agreements, that we will provide our services in accordance with the requirements of the HIPAA standards. Failure to comply with these contractual agreements could lead to loss of customers, contractual liability to our customers, or, direct action by the federal government, including penalties. In addition to HIPAA, we work to ensure that our operations adhere to state privacy laws and other state privacy or health information requirements not preempted by HIPAA, including those which furnish greater privacy protection for the individual than HIPAA. We believe we comply with HIPAA and similar state requirements; however, at this time we cannot estimate if future changes, if any, to the cost of compliance of the HIPAA and similar state standards will result in an adverse effect on our operations or profitability, or that of our customers.

Like many health care providers, Omnicare maintains personal information of or concerning its patients. Such information is subject to increasing regulation designed to prevent or mitigate the effects of financial and medical identity theft. There can be no assurance that the loss or improper exposure of personal data by us will not adversely impact our business or result in possible civil litigation by customers and affected individuals.

There are costs and administrative burdens associated with ongoing compliance with information privacy and security laws. Failure to comply carries with it the risk of significant penalties and sanctions. Omnicare cannot predict at this time the costs associated with compliance, or the impact of such laws and regulations on our results of operations, cash flows or financial condition.

We have substantial outstanding debt and could incur more debt in the future. Any failure to meet our debt obligations would adversely affect our business and financial condition.

At June 30, 2011, our total consolidated long-term debt accounted for approximately 34.0% of our total capitalization. In addition, we and our subsidiaries may be able to incur substantial additional debt in the future. The instruments governing our current indebtedness contain restrictions on our incurrence of additional debt. These restrictions, however, are subject to a number of qualifications and exceptions, and under certain circumstances, we could incur substantial additional indebtedness in compliance with these restrictions, including in connection with potential acquisition transactions. Additionally, these restrictions do not prevent us from incurring obligations that do not constitute debt under the governing documents.

The degree to which we are leveraged could have important consequences to you, including:

- a substantial portion of our cash flow from operations will be required to be dedicated to interest and principal payments and may not be available for operations, working capital, capital expenditures, expansion, acquisitions, dividends or general corporate or other purposes;
- our ability to obtain additional financing in the future may be impaired;
- we may be more highly leveraged than our competitors, which may place us at a competitive disadvantage;
- our flexibility in planning for, or reacting to, changes in its business and industry may be limited; and

our degree of leverage may make it more vulnerable in the event of a downturn in our business or in our industry or the economy in general. Our ability to make payments on and to refinance our debt will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, business, financial, competitive, legislative, regulatory and other factors that are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available under our credit facilities in an amount sufficient to enable us to pay our debt or to fund our other liquidity needs. We may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we would be able to refinance any of our debt, including any credit facilities, on commercially reasonable terms or at all.

We are subject to risks relating to our acquisition strategy, including in connection with our proposed acquisition of PharMerica.

One component of our strategy contemplates our making selected acquisitions. Acquisitions involve inherent uncertainties. These uncertainties include our ability to consummate proposed acquisitions on favorable terms or at all, the effect on acquired businesses of integration into a larger organization, and the availability of management resources to oversee the operations of these businesses.

Even though an acquired business may have experienced positive financial performance as an independent company prior to an acquisition, we cannot be sure that the business will continue to perform positively after an acquisition.

We also may acquire businesses with unknown or contingent liabilities, including liabilities for failure to comply with healthcare laws and regulations, and tax contingencies. We have policies and procedures to conduct reviews of potential acquisition candidates for compliance with healthcare laws and to adapt the acquired businesses to our standards and applicable laws. We also generally seek indemnification from sellers covering these matters. We may, however, incur material liabilities for past activities of acquired businesses.

We cannot be sure of the successful completion or integration of any acquisition, or that an acquisition will not have an adverse impact on our results of operations, cash flows or financial condition. We also may not realize any or all of the anticipated benefits of any acquisition.

Our proposed acquisition of PharMerica is subject to all of the risks described above. In addition, management of PharMerica has been unwilling to negotiate the terms of a transaction with us. Therefore, we have been unable to conduct a review of PharMerica s operations or to obtain representations with respect to PharMerica s business. Because we expect to acquire at least a majority of the total number of PharMerica s shares outstanding on a fully diluted basis if the tender offer is successful, our investment in PharMerica will be subject to all of its liabilities other than obligations, if any, discharged upon closing of the potential transaction, including unknown or contingent liabilities that could be material. We cannot assure you as to whether or when, and on what terms, the proposed acquisition of PharMerica will take place. See Recent Developments Proposed Acquisition of PharMerica Corporation.

If we fail to comply with our Corporate Integrity Agreement, we could incur penalties or suffer other adverse consequences; there are costs associated with compliance.

In 2009, we entered into an amended and restated Corporate Integrity Agreement (CIA), which requires, among other things, that we maintain and augment our compliance program in accordance with the terms of the agreement. Pursuant to the CIA, we are required, among other things, to (i) create procedures designed to ensure that each existing, new or renewed arrangement with any actual or potential source of health care business or referrals to us or any actual or potential recipient of health care business or referrals from us does not violate the Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b), or related regulations, directives and guidance, including creating and maintaining a database of such arrangements; (ii) retain an independent review organization to review our compliance with the terms of the CIA and report to the Office of Inspector General regarding that compliance; and (iii) provide training for certain of our employees as to our obligations under the CIA. The CIA continues the requirements of our prior corporate integrity agreement to create and maintain procedures designed to ensure that all therapeutic interchange programs are developed and implemented by us consistent with the CIA and federal and state laws for obtaining prior authorization from the prescriber before making a therapeutic interchange of a drug, and to maintain procedures for the accurate preparation and submission of claims for federal health care program beneficiaries, including beneficiaries in hospice programs. The requirements of the CIA have resulted in increased costs to maintain our compliance program and greater scrutiny by federal regulatory authorities. Violations of the CIA could subject us to significant monetary penalties or other adverse consequences. Consistent with the CIA, we review our contracts for compliance with applicable laws and regulations. As a result of this review, pricing under certain consultant pharmacist services contracts has been increased, and there can be no assurance that such pricing will not result in the loss of certain contracts.

We operate in a highly competitive business.

The long-term care pharmacy business is highly regionalized and, within a given geographic region of operations, highly competitive. Our largest competitor nationally is PharMerica Corporation. In the geographic regions we serve, we also compete with numerous local and regional institutional pharmacies, pharmacies owned by long-term care facilities and local retail pharmacies. While we compete on the basis of quality, price, terms and overall cost-effectiveness, along with the clinical expertise, breadth of services, pharmaceutical technology and professional support we offer, competitive pressures may adversely affect our profitability and results of operations.

Risks relating to this offering

The notes and the subsidiary guarantees are subordinated to senior indebtedness.

The notes are subordinated in right of payment to all of our current and future senior indebtedness, including our obligations under the Senior Credit Agreement. The indenture governing the notes will not limit the amount of additional indebtedness, including senior indebtedness, we or our subsidiaries can create, incur, assume or guarantee, if we are in compliance with the covenants contained in the indenture. By reason of the subordination of the notes, in the event of insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up of our business, our assets will be available to pay the amounts due on the notes only after all of our senior indebtedness has been paid in full. In addition, upon default in payment with respect to certain of our senior indebtedness or an event of default with respect to this indebtedness permitting the acceleration thereof, we may be blocked from making payments on the notes pursuant to the indenture.

In addition, we conduct most of our operations through our subsidiaries. The notes are structurally subordinated to indebtedness of our subsidiaries. Certain of our domestic subsidiaries

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will guarantee, on a joint and several basis, our obligations under the notes on a senior subordinated basis. However, the guarantees are subordinated to the senior indebtedness of these subsidiaries, including the guarantors guarantees of the Senior Credit Agreement and Omnicare Purchasing Company, LP s guarantee of the convertible debentures. In the event of the insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up of the business of any of these subsidiaries, senior creditors of these subsidiaries generally will have the right to be paid in full before any distribution is made in respect of the guarantees. In addition, your claims will be effectively subordinated to the claims of creditors of any of our subsidiaries that do not guarantee the notes. Our non-guarantor subsidiaries generated approximately 2.2% of our total revenues during the twelve months ended June 30, 2011 and comprised approximately 3.3% of our total assets at June 30, 2011.

As of June 30, 2011, after giving effect to the Senior Credit Agreement and the use of 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. Approximately $280.5 million (net of $19.5 million of outstanding letters of credit) would have been available for borrowing under the Senior Credit Agreement which is guaranteed on a senior basis by the guarantors. See Summary Recent Developments.

Your ability to enforce the guarantees of the notes may be limited.

Although the notes are our obligations, they are unconditionally guaranteed on an unsecured senior subordinated basis by certain of our domestic subsidiaries. The performance by each subsidiary guarantor of its obligations with respect to its guarantee may be subject to review under relevant federal and state fraudulent conveyance and similar statutes in a bankruptcy or reorganization case or lawsuit by or on behalf of unpaid creditors of such subsidiary guarantor. Under these statutes, if a court were to find under relevant federal or state fraudulent conveyance statutes that a subsidiary guarantor did not receive fair consideration or reasonably equivalent value for incurring its guarantee of the notes, and that, at the time of such incurrence, the subsidiary guarantor: (i) was insolvent; (ii) was rendered insolvent by reason of such incurrence or grant; (iii) was engaged in a business or transaction for which the assets remaining with such subsidiary guarantor constituted unreasonably small capital; or (iv) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured, then the court, subject to applicable statutes of limitation, could void the subsidiary guarantor s obligations under its guarantee, recover payments made under the guarantee, subordinate the guarantee to other indebtedness of the subsidiary guarantor or take other action detrimental to the holders of the notes.

The measure of insolvency for these purposes will depend upon the governing law of the relevant jurisdiction. Generally, however, a company will be considered insolvent for these purposes if the sum of that company s debts is greater than the fair value of all of that company s property or if the present fair salable value of that company s assets is less than the amount that will be required to pay its probable liability on its existing debts as they become absolute and matured or if a company is not able to pay its debts as they become due. Moreover, regardless of solvency, a court could void an incurrence of indebtedness, including the guarantees, if it determined that such transaction was made with the intent to hinder, delay or

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defraud creditors. In addition, a court could subordinate the indebtedness, including the guarantees, to the claims of all existing and future creditors on similar grounds. The guarantees also could be subject to the claim that, since the guarantees were incurred for our benefit and only indirectly for the benefit of the subsidiary guarantors, the obligations of the subsidiary guarantors under the guarantees were incurred for less than reasonably equivalent value or fair consideration.

There can be no assurance as to what standard a court would apply in order to determine whether a subsidiary guarantor was insolvent upon the sale of the notes or that, regardless of the method of valuation, a court would not determine that the subsidiary guarantor was insolvent upon consummation of the sale of the notes. If the court concludes that a guarantee is voided or limited on fraudulent conveyance grounds, other senior creditors of ours may have priority over the holders of the notes in respect of the assets of the relevant guarantor.

The notes are structurally subordinated to all obligations of our non-guarantor subsidiaries and effectively subordinated to our secured obligations.

We are a holding company and hold most of our assets at, and conduct most of our operations through, direct and indirect subsidiaries. As a holding company, our results of operations depend on the results of operations of our subsidiaries. Moreover, we are dependent on dividends or other intercompany transfers of funds from our subsidiaries to meet our debt service and other obligations. The ability of our subsidiaries to pay dividends or make other payments or advances to us will depend on their operating results and will be subject to applicable laws and restrictions contained in agreements governing the debt of such subsidiaries.

The claims of creditors of our non-guarantor subsidiaries, including trade creditors, will generally have priority as to the assets of such subsidiaries over the claims of our creditors, including the holders of notes. At June 30, 2011, after giving effect to the issuance of notes in this offering and the use of proceeds therefrom, the aggregate amount of debt of our non-guarantor subsidiaries, including trade payables and excluding intercompany payables, would have been approximately $2.7 million.

In addition, the notes are our general unsecured obligations. Therefore, the notes are effectively subordinated to our and the guarantors secured debt to the extent of the value of the collateral. As of June 30, 2011 after giving effect to the Senior Credit Agreement and the use of proceeds thereof, this offering and the use of proceeds therefrom, we and the guarantors would have had approximately $15.9 million of secured debt consisting of capitalized lease obligations.

We are permitted to create unrestricted subsidiaries, which generally will not be subject to any of the covenants in the indenture, and we may not be able to rely on the cash flow or assets of those unrestricted subsidiaries to pay our indebtedness.

Unrestricted subsidiaries will generally not be subject to the covenants under the indenture. Unrestricted subsidiaries may enter into financing arrangements that limit their ability to make loans or other payments to fund payments in respect of the notes. Accordingly, we may not be able to rely on the cash flow or assets of unrestricted subsidiaries to pay any of our indebtedness, including the notes. See Description of notes Brief description of the notes and the guarantees for further information.

Our ability to repurchase the notes upon a change of control or in connection with an asset sale repurchase may be limited.

In the event of certain changes of control involving us, you will have the right, at your option, to require us to purchase all or a portion of the notes you hold at a purchase price equal to 101% of the aggregate principal amount of your notes, plus accrued interest thereon to the repurchase date. In addition, under certain circumstances we may be required by the terms of the indenture to make an offer to repurchase notes with proceeds from asset sales. Our ability to repurchase the notes upon a change of control or in connection with any asset sale repurchase may be limited by the terms of our senior indebtedness and the subordination provisions of the indenture relating to the notes. Further, our ability to repurchase the notes upon a change of control or in connection with an asset sale repurchase will be dependent on the availability of sufficient funds and our ability to comply with applicable securities laws. Accordingly, there can be no assurance that we will be in a position to repurchase the notes upon a change of control or in connection with an asset sale repurchase. The term change of control under the indenture is limited to certain specified transactions and may not include other events that might adversely affect our financial condition or result in a downgrade of the credit rating (if any) of the notes, nor would the requirement that we offer to repurchase the notes upon a change of control necessarily afford holders of the notes protection in the event of a highly leveraged reorganization. See Description of notes Repurchase at the option of holders Change of control.

There is currently no public market for the notes, and an active trading market may not develop for the notes. The failure of a market to develop for the notes could adversely affect the liquidity and value of your notes.

There is no existing market for the notes. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. We have been advised by the underwriters that following the completion of the offering, certain of the underwriters currently intend to make a market in the notes. However, they are not obligated to do so and any market-making activities with respect to the notes may be discontinued by them at any time without notice. In addition, any market-making activity will be subject to limits imposed by law. A market may not develop for the notes, and there can be no assurance as to the liquidity of any market that may develop for the notes. If an active, liquid market does not develop for the notes, the market price and liquidity of the notes may be adversely affected. If any of the notes are traded after their initial issuance, they may trade at a discount from their initial offering price.

The liquidity of the trading market, if any, and future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors.

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A breach of a covenant in our debt instruments could cause acceleration of a significant portion of our outstanding indebtedness.

A breach of a covenant or other provision in any debt instrument governing our current or future indebtedness could result in a default under such instruments. Our ability to comply with these covenants and other provisions may be affected by events beyond our control, and we cannot assure you that we will be able to comply with these covenants and other provisions. Upon the occurrence of an event of default under any debt instrument, the lenders or holders of such debt instruments could elect to declare all amounts outstanding to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders or holders of such debt instruments could proceed against collateral granted to them, if any, to secure the indebtedness. If our current or future lenders or holders of such debt instruments accelerate the payment of the indebtedness owed to them, we cannot assure you that our assets would be sufficient to repay in full our outstanding indebtedness.

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Use of proceeds

We estimate that the net proceeds from this offering will be approximately $147,000,000 million after deducting the underwriting discount and estimated offering expenses payable by us. 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. Certain underwriters or their affiliates may hold positions in the 6.875% Senior Subordinated Notes due 2015, which will be redeemed with the proceeds of this offering. As of June 30, 2011, $525 million in aggregate principal amount of the 6.875% Senior Subordinated Notes due 2015 was outstanding. Subsequent to June 30, 2011, we redeemed $250 million aggregate principal amount of our 6.875% senior subordinated notes due 2015 and called an additional $175 million aggregate principal amount of such notes for redemption. As of June 30, 2011, $75 million in aggregate principal amount of the 6.125% Senior Subordinated Notes due 2013 was outstanding. Subsequent to June 30, 2011, we redeemed $25 million aggregate principal amount of our 6.125% Senior Subordinated Notes due 2013.

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Capitalization

The following table shows our capitalization as of June 30, 2011 on an actual basis and as adjusted to reflect the offering of the notes in this offering and the use of proceeds therefrom as described under Use of proceeds. The following should be read in connection with our consolidated financial statements and notes, which are incorporated by reference in this prospectus supplement.

	As of June 30, 2011	
	Actual	**As Adjusted**
	($ in thousands, except per share data)	
Cash and cash equivalents (including restricted cash)	$ 524,013	$ 490,513
Debt		
$400 million senior secured revolving credit facility, due 2015 (1) (2)		
New $300 million senior unsecured revolving credit facility, due 2016 (1) (2)		
New $450 million senior unsecured term loan facility, due 2016 (2)		450,000
6.125% senior subordinated notes, due 2013 (3)	75,000	
6.875% senior subordinated notes, due 2015 (2)(4)	525,000	
7.75% senior subordinated notes, due 2020	400,000	400,000
7.75% senior subordinated notes, due 2020, offered hereby		150,000
3.75% convertible senior subordinated notes, due 2025	575,000	575,000
4.00% junior subordinated convertible debentures, due 2033	345,000	345,000
3.25% convertible senior debentures, due 2035	452,500	452,500
Capitalized lease and other debt obligations	15,919	15,919
Subtotal	2,388,419	2,388,419
Add interest rate swap agreement	6,075	6,075
(Subtract) unamortized debt discount/premium	(435,014)	(434,639)