

Your Guide to

Selling a Pharmacy

Knowing your options and being prepared can lead to a rewarding and successful sale of your pharmacy.

resources

Ready to Get Started?

This guide lays out the three key phases of selling a pharmacy with suggested actions for each phase. Below is a list of specific areas of consideration with additional details. You'll notice that we've cross-referenced and color-coded these to highlight specific details for you to consider at key points along your path to selling your store.

These materials are intended to give you a conceptual overview of the process of selling a pharmacy. Each path to ownership is unique and the timing of activities will vary.

Contracts and Licenses

- Lease(s)
- Proof of Insurance
- Business License
- Wholesaler Supply Agreement
- Technology License(s)
- Franchise Agreement
- Third-Party Contracts

Clinical Licenses

- DEA
- State Pharmacy
- NCPDP Number
- NPI Number
- Medicaid
- Medicare
- State Controlled Dangerous Substances
- DMEPOS Accreditation
- Clinical Services (e.g., CLIA-waived testing, immunization)

Consult with McKesson

- Retail Sales Manager
- RxOwnership Consultant
- Health Mart Franchise Manager
- Area Credit Manager
- McKesson Pharmacy System Technical Sales Executive
- Automation Sales Executive

Final Negotiation

- Deal Structure
- Buy/Sell Agreement
- Leases (e.g., Building, Equipment)
- Wholesaler Supply Agreement

Build a Team of Experts

- Attorney
- Banker
- Broker
- Accountant
- Insurance Agent
- General Contractor

Utilities

- Phone
- High-Speed Internet
- Gas
- Water
- Electric
- Security System
- Waste Management



Throughout all phases, communicate with business advisors and your McKesson team to provide status updates and ask for feedback.

Visit www.rxownership.com for more resources.

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Phase 1: Plan and Research

You've worked hard to be successful and you should benefit from that success. Planning and research will ultimately lead to a smoother and less stressful sale of your business. Follow these steps to prepare for the sale of your pharmacy.

- Make decision to sell
- Determine business strengths and weaknesses to appeal to potential owners
- Determine time frame for sale (e.g., within one year, in five years, etc.)
- Evaluate reasons for sale
- Ensure completeness of financial statements for the last three years (at least)
- Assemble team of trusted advisor experts
- Consult with McKesson

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Phase 2: Prepare to Sell and Start Process

Now that you've made the decision to sell and assembled your team of advisors, it's time to initiate the process of selling your store.

- Review and then execute any updates needed to maximize your store's attractiveness to potential buyers (e.g., technology, fixtures)
- Obtain appraisal and valuation of store to set starting price for bids
- Decide whether to use a broker
- Gather financial statements and tax returns from past years and prepare them for distribution to potential buyer
- Develop a detailed list of pharmacy assets and liabilities
- Create a list of business and supplier contacts associated with store
- Create a list of relevant paperwork on file
- Consider use of nondisclosure agreement (NDA) or confidentiality agreement
- Identify potential buyers
- Conduct preliminary buyer/seller meetings
- Review bids
- Select buyer from bids presented

Facilitating Your Ownership Goals

As a pharmacy owner, planning for the sale of a pharmacy is one of the most important things you can do — for yourself, your staff and your customers. However, the process of selling an independent pharmacy can be complex.

To help you navigate the sales process, we've developed this guide that covers the major decisions and steps involved, from planning and researching, to preparing to sell, and ultimately completing the sale.

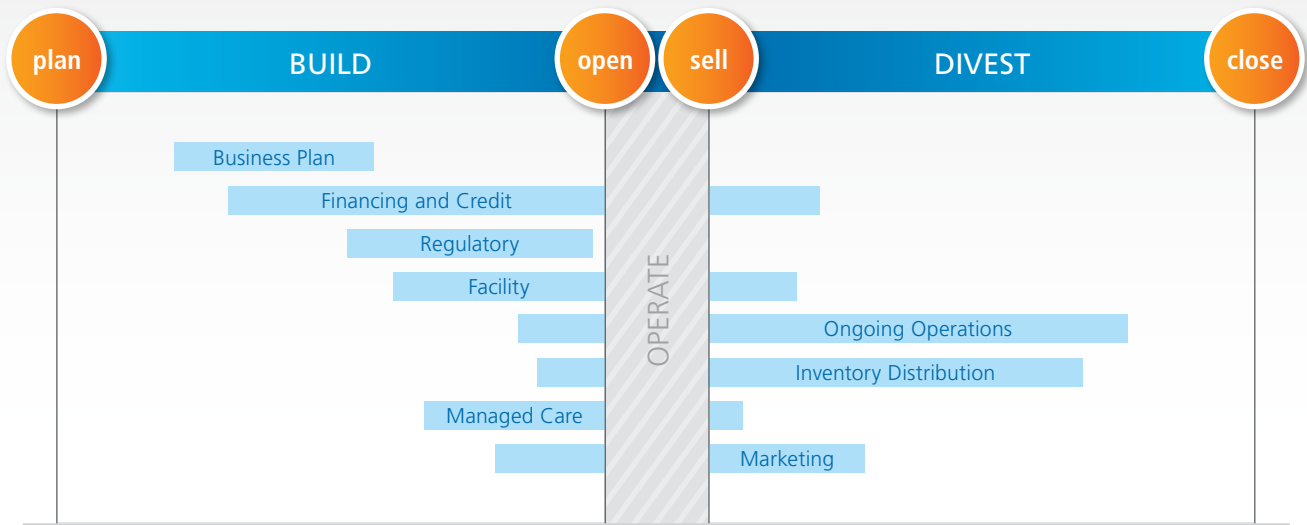
We're here to help.

RxOwnership's® goal is to provide you with confidential support to help you sell your business to another independent. We can help you understand your options, find the information you'll need about the process and valuation, identify candidates, and suggest the types of business consultants who can support you, such as lawyers and accountants who specialize in retail businesses. RxOwnership also has created tools to help you plan for the successful sale and transfer of your pharmacy. And, when appropriate, we'll collaborate to help you engage McKesson assistance, like your area credit manager and outside resources.

Team up with RxOwnership today to realize your goal.

Ownership Life Cycle

Our checklists and resources help guide you through the process — whether you're starting, buying or selling a pharmacy.



The length of time and complexity for conducting activities can vary depending on the type and size of your pharmacy and the location and state in which you do business. These materials are intended to be informative in nature, and are not intended to be a complete list of options or activities required to buy, sell, open or close a pharmacy. You are responsible for determining the required activities to buy, sell, open or close a pharmacy, and for obtaining appropriate legal, accounting, tax and other professional advice, as appropriate for your situation.

You Don't Have to Do It Alone

RxOwnership has a team devoted to your success, providing information at every step of the pharmacy-ownership process.

Our Ownership Consultants are experienced professionals who truly understand the issues involved in starting, buying and selling a pharmacy. They also respect the confidential nature of the process.

Contact your regional Ownership Consultant to get answers you can trust.

NATIONAL
Chris Cella
christopher.cella@mckesson.com
508.579.3230

NORTH CENTRAL REGION
Nick Secrest
nicholas.secrest@mckesson.com
630.618.6944
Kim Diemand
kim.diemand@mckesson.com
612.819.9326

NORTHEAST REGION
Sarah Clarfield
sarah.clarfield@mckesson.com
908.878.9481
Tammy McDonald
tammy.mcdonald@mckesson.com
856.425.4392

WEST REGION
Cory Miller
cory.miller2@mckesson.com
619.807.9257
Karen Schmidt
karen.schmidt@mckesson.com
562.463.2136

SOUTH REGION
Ryan Riviello
ryan.riviello@mckesson.com
817.975.6264
Jim Springer
jim.springer@mckesson.com
863.616.2948

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