



McKesson *Driven to Deliver*

McKesson Empowers Hospital Customers with Distribution Strength

McKesson is leading the way in the three core competencies of distribution excellence: **order accuracy**, **reliable delivery**, and **service levels**. We earn high marks for our advanced distribution technology and innovative processes that address your operational challenges and help you deliver the medications patients need.

Behind the scenes, our distribution centers (DCs) nationwide are concentrating their efforts on improving performance to better serve you. Over the past years, we've improved our pick, pack, and ship accuracy substantially to achieve **higher than 99.9% accuracy**.

To reach this level of improvement, we're adopting Six Sigma methodology across the organization, adhering to best practices across the network, sharing ideas among DCs, and undergoing regular standard audits. We've concentrated on progress in areas such as our quality index, returns processing time, and location accuracy. That commitment to excellence helps you better manage costs and streamline operations, all while helping to provide superb care to patients.



The center for Customer-Driven Quality at Purdue University/BenchmarkPortal.com certified McKesson's ServiceFirst call centers as the first "Centers of Excellence" in the pharmaceutical distribution industry in 2003.

Distribution Excellence: It's What Sets McKesson Apart

Order Accuracy

- Acumax®, Smithsonian Award-winning warehouse technology since 1993
- Access to inventory as soon as it arrives at DCs using bar code technology and real-time updates
- Six Sigma discipline — commitment to improving processes and quality across the company
- Industry-leading order quality and fulfillment

Pricing Integrity

- The most accurate, up-to-date contract pricing
- Systems designed to eliminate errors and resolve discrepancies prior to loading
- Collaboration with all supply chain parties — customers, GPOs and suppliers

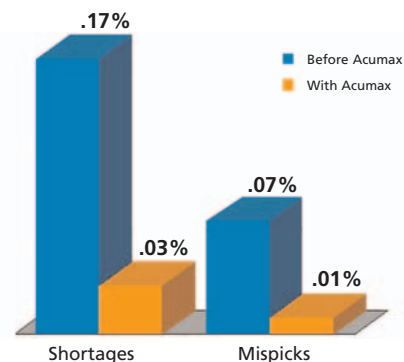
Reliable Delivery

- Nationwide distribution system aggregates nearly 60,000 products from more than 1,500 suppliers
- DCs process more than 1.5 million lines every day
- Skilled professionals work day and night to provide you with the products you need when you need them

Service Levels — Highest Product Availability

- Dedicated team reviews daily service levels, customer buying patterns, and DC-level fill rates to ensure high product availability
- Rigorous collaboration with manufacturers to specially purchase best-dated critical items when products are in short supply

Acumax® Revolutionizes Quality



McKESSON

Empowering Healthcare



THE HALLMARKS OF DISTRIBUTION EXCELLENCE

- Heritage of industry leadership and culture of operational excellence
- Strong supplier relationships and purchasing expertise combined to maximize product availability
- State-of-the-art technology to optimize distribution operations
- Unparalleled distribution network — 30 fully integrated distribution centers, a unique redistribution center, and a repackaging facility.
- Industry-leading processes and technologies designed to ensure accurate, reliable, and timely delivery
- User-friendly yet sophisticated technologies for pharmacy ordering and asset management
- Customer-focused pricing policies that ensure contract price integrity
- Dedicated health system Account Managers and Coordinators in every market
- Centralized ServiceFirst call centers with more than 170 trained representatives
- Business continuity planning, with sophisticated infrastructure supported by our state-of-the-art Drohan Data Center, enables uninterrupted, consistent business operations
- Commitment to quality using Six Sigma's proven process methodologies

*McKesson's
Distribution Strength
Fuels the High
Performance Pharmacy*



We Are Driven to Deliver

For more than 170 years, McKesson has been at the forefront of pharmaceutical distribution by anticipating customer needs, investing in the resources to meet those needs, and delivering consistently and reliably. We strive each day to earn the trust of health system pharmacies that depend on our distribution strength. Our entire organization is driven to deliver to health system pharmacies — empowering you to deliver the highest quality patient care.



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Empowering Healthcare