Amerisourcebergen Corporation Logo

AmeriSource Launches E-commerce Initiative: Virtual Internet Pharmacy

February 28, 2000

MALVERN, Pa.--(BUSINESS WIRE)--Feb. 28, 2000--

Independent Pharmacies Transformed into Comprehensive Online Superstores to Provide Consumers Access Anytime, Anywhere to Nation's Largest Inventory of Healthcare Products

AmeriSource Health Corp. (NYSE:AAS), one of the nation's leading

wholesale pharmaceutical distributors, today launched Virtual Internet Pharmacy (VIP). VIP is a service that enables retailers to transform themselves into online pharmaceutical superstores using AmeriSource's comprehensive distribution capabilities.

Through VIP, each retailer can offer a co-branded Web site that allows customers to browse AmeriSource's catalog of over 15,000 non-pharmaceutical products and then electronically select the items they wish to buy. This catalog far exceeds the typical retailer inventory of approximately 4,000 products.

The online order is fulfilled by one of AmeriSource's distribution centers and delivered to the retailer the next day. The products may be delivered to the consumer by the retail pharmacy or the consumer may elect to pick up the order in person.

"VIP is the latest example of our 'click and brick' strategy --which combines the awareness and consumer confidence of the traditional retail pharmacy with the convenience of web shopping. The ability to reach out and touch customers both in and out of cyberspace will be an essential element of retail pharmacy success," stated R. David Yost, AmeriSource President and CEO. "This solution expands the potential for local retailers, enabling them to compete online while still emphasizing their 'close to the customer' approach. There is strong demand by our retailers for this service which has now produced a rapidly growing implementation backlog." He concluded by saying "VIP is unique to the industry in that it enhances the local retailer with what we believe to be the most comprehensive healthcare product catalog and resource on the Internet today."

Thousands of products are available to the consumer with customized retail pricing which include home healthcare, over-the-counter, and health and beauty care. The VIP Web site also permits customers to refill prescriptions online, obtain wellness information, retrieve facts about particular illnesses and receive treatment recommendations for specific symptoms.

Smaller retailers may now use the Internet to expand their product offerings and services without expanding their inventory investment or retail space, thereby putting them in a better position to compete with larger retail stores and online pharmacies.

AmeriSource's VIP architect and Chief Information Officer Denny Steele said, "Global communications has revolutionized the way B2C commerce is conducted, enabling pharmacists to leverage the convenience of online shopping and the power of information with their customers. VIP was developed to allow the independent and regional chain retailer to maintain his online identity. Store branding, member affiliations, store location, store hours, photos and other community information are custom services which may be featured on the pharmacy website."

The VIP program is unique as compared to other online pharmacies because it ensures that the products customers are selecting are immediately available to them. Each website's inventory catalog is customized by geographic region and directly correlates to the products contained in each of AmeriSource's distribution centers across the country, guaranteeing that each pharmacy filling an order has direct access to the items offered on the site.

"As a result of AmeriSource's VIP program, I can participate in the Internet pharmacy revolution while still providing my customers with the personalized attention they receive from their hometown store," stated Jon Riddle, owner of Memphis Drug located in Memphis, Texas. "AmeriSource's offerings enable me to grow my business significantly and provide very competitive pricing by providing my customers access to the more than 15,000 non-Rx products in their distribution facilities. We are excited about the future prospects of this interactive service."

VIP is also available to AmeriSource's institutional pharmacy and retail chain customers. Today, this fully operational technology will be initially launched in pharmacies across the state of Texas. Interested pharmacists and consumers may visit the demo site at vip.amerisource.com.

About AmeriSource

AmeriSource, with over \$10 billion in operating revenue, is a Fortune 200 company and one of the nation's leading full-service wholesale distributors of pharmaceutical products and related healthcare services.

Headquartered in Malvern, PA, the Company services its base of 21,000 customer accounts through a national network of 24 strategically located distribution facilities. AmeriSource is the industry's largest provider of pharmaceuticals to the acute care/institutional market. For more information about AmeriSource, visit our website at www.amerisource.com.

CONTACT: AmeriSource, Malvern Investor Contact: MaryBeth Alvin, 610/993-3411 malvin@amerisource.com or Press Contact: Jill Monahan, 215/732-4100 jmonahan@tierneygroup.com