

# **McKesson: Unlocking the Power of Data with SAP Analytics**

**Shantanu Nene**

**Susan De Klerk**

# McKesson At A Glance

Delivering Better Health to All

Fortune 5  
company



Founded in

1833



More than

15,000

owned and banner  
pharmacies

\$199B

FY17 revenues



\$4.7B



FY17 operating cash flow

Delivering

1/3



of all *prescription medicine*  
in North America<sup>1</sup>

75,000+

employees worldwide



Value  
*creation*

CHANGE  
HEALTHCARE

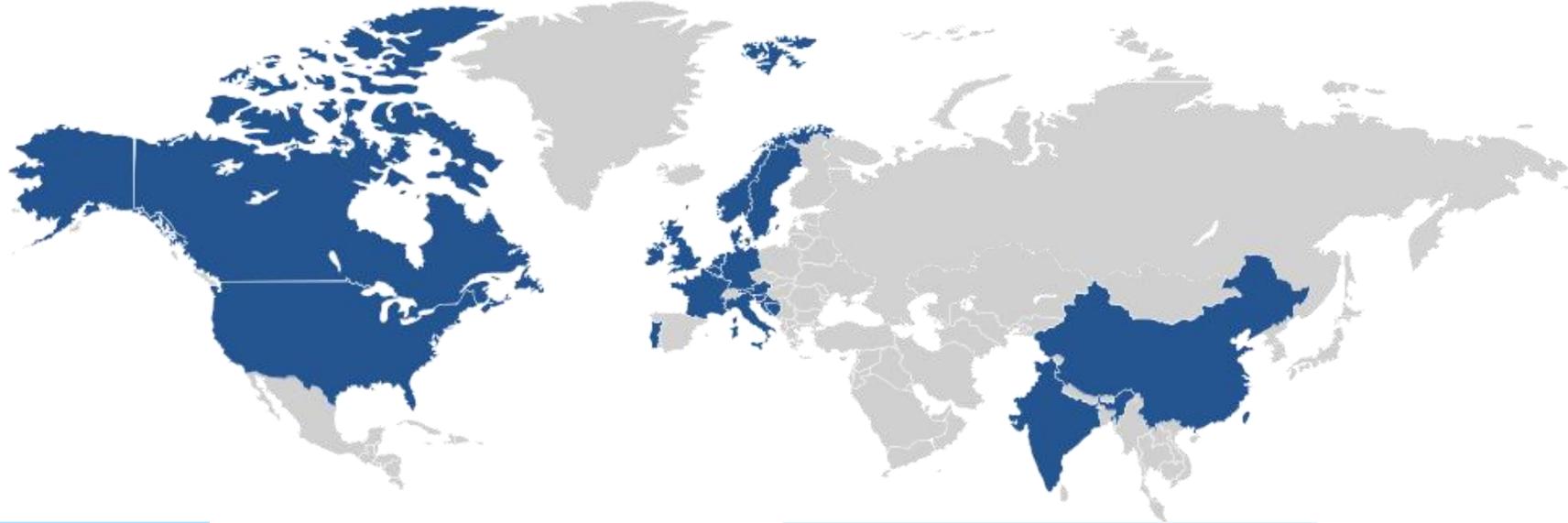
<sup>1</sup>This information is an estimate derived from the use of information under license from the following QuintilesIMS information service: Market Prognosis North America for the period 2017-2021 (published March 2017).

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Financial data reported for Fiscal Year ended March 31, 2017. Operational and employee data reflected as of March 31, 2017

# Global Healthcare Company



## North America Pharmaceutical Distribution and Services

Pharmaceutical  
distribution,  
technology and  
services in the U.S.  
and Canada

## Medical-Surgical Distribution and Services

Medical surgical  
supplies distribution  
and services  
in the U.S.

## International Pharmaceutical Distribution and Services

Celesio  
pharmaceutical  
distribution and  
retail operations

## Global Procurement & Sourcing

Enterprise-wide  
sourcing  
organization

# Industry Landscape

Healthcare Continues to be a Dynamic and Growing Industry

**5.4%** Total Market Sales CAGR  
2016 to 2021<sup>1</sup>

**~4.5 Billion**

Prescriptions Dispensed in 2016<sup>2</sup>



**Generic Launches**

**\$103 Billion**

of brand sales at risk from 2017 to 2021<sup>2</sup>

**40-45** Innovative Medicines

to launch annually from 2017 to 2021<sup>2</sup>



**5.6%**

Generic CAGR 2016 to 2021<sup>1</sup>

<sup>1</sup>QuintilesIMS Market Prognosis 2017-2021: North America – USA, March 2017

<sup>2</sup>QuintilesIMS Institute Medicines Use and Spending in the U.S.: A Review of 2016 and Outlook to 2021 (May 2017); Generic launches exclude biosimilars

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# McKesson Solutions

Comprehensive Solutions & Services Across the Supply Chain



**Customer-First Focus**

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**Delivering Operational  
Excellence**

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**Fostering Innovation**

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**Driving Scale & Growth**

# Healthcare Industry Challenges



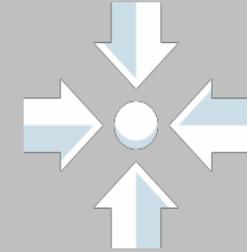
**Fewer expected generic launches compared to prior years**



**Moderation of brand and generic pharmaceutical pricing trends**



**Increase in customer pricing competitiveness**



**Impact of customer consolidation**

# McK Solutions – Analytics and Reporting



- Inventory Management
- Ambulatory / Specialty Consultation
- Specialty Drug Access

**• Analytics and Reporting**

- Integration with Automation Vendors
- 340B Products and Services

# McK Solutions – Analytics and Reporting

Q&A

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**THANK YOU!**

**Shantanu Nene (Shantanu.Nene@Mckesson.com)**

**Susan De Klerk (Susan.DeKlerk@Mckesson.com)**