



Independents on warpath

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A DRUGS war of a different kind looms with chemist outlets in three states planning to combine against a growing challenge from supermarkets and discount prescription outlets.

The 25-strong group of independent pharmacies which belong to the Health Corporation franchise are raising \$7.5 million via a share issue to increase their war chest and seed business

growth.

Health Corp managing director Ken Lee said the cash also would be used to help finance young pharmacists into their own businesses and further grow the network.

Health Corp aims to grow its east coast membership to 40 outlets within the next year and eventually to 100 stores nationwide.

Mr Lee said the company was expected to be worth \$31.9 million when

the company lists on the Australian stock exchange early next month.

Sydney broker Findlay & Co is sponsoring the offer, which comprises 12.5 million shares, fully-paid at 60¢, with a one free option for every two shares purchased.

Company chairman Graham Dunkley, a pharmacist, said the offer would fund the expansion of what was already a profitable and established

business.

Formed in 2002 to counter increased competition from supermarkets and discount chemist chains, Health Corp comprises 15 outlets across Queensland, eight in NSW and two in Victoria.

It offers chemist members specialist industry coaching and provides accounting services and store acquisition finance for young pharmacists.



REACHING for a bigger share ... Health Corporation is seeking \$7.5 million in funds.