

Our Local Global Pharmacy

Of course, the relation between a local shop and the global chain of shops it belongs to isn't *exactly* the same as that between a nation and a conglomeration of nations, like the Soviet Union or Yugoslavia or, say, the EU. Still, there *are* parallels. The larger the organisation and the more remote the centres of power from the bits on the periphery, the less the bits on the periphery will matter in the centres of power. So, the following illustration of what happened to a village chemist shop when it got taken over by an international conglomerate may throw some light on what happens to nations when absorbed into the EU and the Eurozone. The Greeks might think so anyway.

When Corbridge village chemist's was—as at different times, it was—Merriman's and then Henderson's—and made no pretence of being yours or mine—it didn't have a Corporate Social Responsibility Agenda but it did have well-stocked shelves, with all sorts of ordinary things on them, like glucose powder and hydrogen peroxide, which probably didn't turn much of a profit for its owners but were useful to its customers. But now that it's owned by *Alliance Boots* (created when *AB Acquisitions Ltd* took *Alliance Boots Plc* into private ownership, after it was formed from the merger between *Alliance Unichem Plc* and *Boots Group Plc*—Registered Office, Zug, Switzerland) that's all changed. It *does* now have a Corporate Social Responsibility Agenda. It takes Corporate Social Responsibility Initiatives—with Community Target Highlights—and monitors their success on a Corporate Social Responsibility Scorecard.

It has gone one better than *M&S Plc* even. *M&S Plc* is merely *Our M&S*. Since the worldwide rollout of “Your Local Boots Pharmacy” branded format in 2009, the Corbridge chemist's shop—along with every other chemist's shop in the Tyne Valley (and, no doubt, other Valleys up and down the country, and on every continent) has become *Our Local* chemist's shop. We locals now have the rolled out Branded Format and the Community Target Highlights. What we don't have anymore are those cheap and useful things that didn't contribute much to the bottom line, in Zug, Switzerland.

And Alliance Boots is now to become local *everywhere*. It has merged with Walgreens, a big chain of American drug stores, in a \$6.7bn deal which will create the world's largest pharmacy business. Walgreens has invested \$4bn in cash and the rest in shares and has an option to buy the rest of Alliance Boots within three years. The new company will be the proud global leader in pharmacy-led *Health and Well-being Retail* (with over 11,000 stores in 12 countries), the largest global pharmaceutical wholesale and distribution network (with over 370 distribution centres delivering to more than 170,000 pharmacies, doctors, health centres and hospitals in 21 countries) and the world's largest purchaser of prescription drugs and many other health and well-being products. All of which is wonderful news (especially for Mr Pessina and the private equity house KKR, who between them own 70pc of the business) but—whichever way you cut it—your local chemist's shop, any longer, it *ain't*. So don't try and buy glucose powder, hydrogen peroxide, oxalic acid or any other cheap stuff there any more. (Though—to be fair—you *can* still get the hydrogen peroxide, if you want: 12 bottles at a time.)

To see, by the way, how much Boots's end was in its beginning, read Lawrence's poem “Nottingham's New University”.

Duke Maskell