

# Option care



This strategy worked well for him so that by 1909, he had opened a second store. Seven years after the opening of this second store, Walgreen had a total of nine stores under his belt, which he duly incorporated as Walgreen Co. (Walgreen Co, 2010a). By 1926, the number of stores under the company's fold had increased to 100. In 1931, the company's shares were floated to the public, and Walgreen formally joined the ranks of listed American corporations.

By 1953, Walgreen was recognized as the biggest self-service retailer in the US and in 1975; Walgreens would add another feather in its cap, when it joined the hallowed ranks of American firms netting \$1 billion in sales revenues (Walgreen Co, 2010a). The phenomenal growth of the company continued into the coming decades, so that by 1984, Walgreens had 1000 stores. These would rise to 200 by 1994, 3000 by the turn of the millennium, and then on to 4000 stores by 2003.

By 2005, Walgreen had 5000 stores, a figure that would swell to 6000 stores by 2007. By 2009, Walgreens had opened its 7000th store (Walgreen Co, 2010a; Walgreens, 2009). Along the way, the company also made a string of acquisitions, while also diversifying into other areas. For example, Walgreen acquired the Mexican retailer going by the name Sanborn's in 1946, a rival drugstore chain known as Happy Harry's in 2006, Take Care Health Systems in 2007, and Option Care in 2007.

Some of the areas it has since diversified into include the home infusion and specialty pharmacy segments of the healthcare market as well as out-patient diagnosis and treatment (Walgreen Co, 2010a). Apart from being recognized as the leading drugstore retailer in the country, Walgreens has managed to

chalk up the envious reputation of being among America's most respected companies. For the last sixteen straight years, it has been ranked among America's most admired companies by Fortune magazine, and is ranked 36th among the top 500 US companies (Walgreens, 2009).

With 2009 sales of \$63 billion and a staff complement of over 230, 000 employees, it is estimated that 75% of all Americans are able to access a Walgreen store within five miles. Not only that, Walgreens has the best retail network in the US. With more than five and a half million customers visiting its stores on a daily basis, it commands an 18. 3% share of the US prescriptions market, making it the clear market leader. For the last 35 straight years, it has chalked up record sales.

In thirty four of these years, its quarterly dividends have increased and it has paid out dividends every year since 1933 (Walgreens, 2009). a. Mission statement: The basis of every firm's strategy is its mission statement. The mission statement defines not only the firm's identity, but also its purpose. It answers the question of what business the firm is in and what markets it serves (that is, who its customers are). The mission statement also answers the question of what customer needs the firm seeks to serve (resources and capabilities. PDF).

Walgreen's mission statement is summarized by the following statement: " We will treat each other with respect and dignity and do the same for all we serve. We will offer employees of all backgrounds a place to build careers. We will provide the most convenient access to healthcare services and consumer goods in America. We will earn the trust of our customers and build shareholder value" (Walgreen Co, 2010a, p. 1).