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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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SCHEDULE 14D-1

TENDER OFFER STATEMENT PURSUANT TO SECTION 14(D)(1)  
OF THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 7)

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MCKESSON CORPORATION  
(NAME OF SUBJECT COMPANY)

ECO ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ELI LILLY AND COMPANY  
(BIDDERS)

COMMON STOCK, \$2.00 PAR VALUE PER SHARE 581556 10 7  
(INCLUDING THE ASSOCIATED RIGHTS) (CUSIP NUMBER OF CLASS OF SECURITIES)  
(TITLE OF CLASS OF SECURITIES)

J.B. KING, ESQ.  
VICE PRESIDENT AND GENERAL COUNSEL  
ELI LILLY AND COMPANY  
LILLY CORPORATE CENTER  
INDIANAPOLIS, INDIANA 46285  
(317) 276-2000

(NAMES, ADDRESSES AND TELEPHONE NUMBERS OF PERSONS AUTHORIZED  
TO RECEIVE NOTICES AND COMMUNICATIONS ON BEHALF OF BIDDER)

WITH A COPY TO:

BERNARD E. KURY, ESQ.  
DEWEY BALLANTINE  
1301 AVENUE OF THE AMERICAS  
NEW YORK, NEW YORK 10019  
(212) 259-7400

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This Amendment No. 7 to the Schedule 14D-1 relates to a tender offer by ECO Acquisition Corporation (the "Purchaser"), a Delaware corporation and a wholly owned subsidiary of Eli Lilly and Company, an Indiana corporation ("Parent"), to purchase all outstanding shares of common stock, par value \$2.00 per share and the associated Rights (as defined in the Offer to Purchase) (collectively, the "Shares"), of McKesson Corporation (the "Company"), a Delaware corporation, at a purchase price of \$76.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated July 15, 1994 (the "Offer to Purchase"), and the related Letter of Transmittal (which together constitute the "Offer"), copies of which were attached as Exhibits (a)(1) and (a)(2), respectively, to the Schedule 14D-1 filed with the Securities and Exchange Commission on July 15, 1994 as amended by Amendment Nos. 1, 2, 3, 4, 5 and 6 thereto dated July 27, 1994, August 10, 1994, September 7, 1994, September 21, 1994, October 11, 1994 and October 13, 1994, respectively (collectively, the "Schedule 14D-1"). The purpose of this Amendment No. 7 is to amend and supplement Items 10 and 11 of the Schedule 14D-1 as described below.

ITEM 10. ADDITIONAL INFORMATION TO BE FURNISHED.

Reference is made to the press release issued by Parent on October 14, 1994, a copy of which is filed as Exhibit (a)(25) to the Schedule 14D-1 and is incorporated herein by reference.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

(a)(25) --Form of press release issued by Parent on October 14, 1994.

SIGNATURE

AFTER DUE INQUIRY AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, EACH OF THE UNDERSIGNED CERTIFIES THAT THE INFORMATION SET FORTH IN THIS STATEMENT IS TRUE, COMPLETE AND CORRECT.

Eli Lilly and Company

/s/ James M. Cornelius

By: \_\_\_\_\_

Name: James M. Cornelius  
Title: Vice President, Finance  
and  
Chief Financial Officer

ECO Acquisition Corporation

/s/ Charles E. Schalliol

By: \_\_\_\_\_

Name: Charles E. Schalliol  
Title: President

Dated: October 14, 1994

October 14, 1994  
For Release Immediately  
Refer to (317) 276-3655

LILLY WILL NOT PURSUE DISTRIBUTION ARRANGEMENTS WITH MCKESSON

Eli Lilly and Company (NYSE:LLY) announced today that it has advised McKesson Corporation that Lilly does not intend to pursue the possibility of closing some of Lilly's distribution centers and using McKesson to handle physical distribution of Lilly products to wholesalers and/or to be the sole distributor of Lilly products. In a memorandum of understanding dated July 10, 1994, Lilly and McKesson had stated their intent to investigate such a possibility, but Lilly has concluded that such arrangements would not be feasible.

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