BLOOD PRODUCTS LABORATORY: NOTES ON MR HART'S PAPER OF 8.8.80

1. Paragraphs which need recasting

- Para.1: MS(H) and I believe Beechams has the idea that the existing building should be incorporated as far as possible into a new one. Therefore 'redevelopment' rather than 'rebuilding'.
- Para.2: The reference to the cost of upgrading (which we hope will be off-set by increased production) needs to be expanded.
- Para.10c: We shall need to explain why we propose if we do propose to supply products free to the NHS, rather than charging for them and thereby alerting authorities to the value of the products they use. I have not had a chance to discuss this with Mr Hart since we met Beechams; my impression was that during our talk with them he saw advantages in the Department paying them for the products, but thought the Department could then charge authorities. We need to reach an agreed view on this.
- Para.14: I shall expect to develop this whole paragraph; for the moment I note that 14 g needs to make some reference to the possibility of having to re-staff the laboratory, since Beechams might retain at least some of them for other work.

2. Additional points to be made

a. The paper will need to refer to the unrealized capacity of the Protein Fractionation Centre at Edinburgh. The Department invested £400,000 in the Centre several years ago in the expectation that it would supply some of England's needs. SHHD cannot tell us what the Centre's future capacity may be (they have problems following a visit by Medicines Inspectors similar to ours with the BPL), and for practical purposes we may have to ignore it. This will however raise questions of our nugatory investment, and I am looking into the matter.

b. We need to place greater emphasis on Ministers' decision to maintain the voluntary blood donor system in this country and, if necessary, to discourage industry from offering payments to donors.

c. The WHO resolution regarding national self-sufficiency in blood products must be mentioned.

d. Beechams appear to me to have two clear intentions, which must be discussed:

i. They want to buy expertise in the fractionation of blood. They know how to use blood fractions for purposes other than those for which BPL products are used; but they do not know how to make them. They are anxious to get the BPL staff. There is the possibility (which must be related to discussion of ii below) that having obtained the skills they want they will decide that the BPL is a liability they do not want.

ii. Like overseas firms which have approached us Beechams want to set up a factory in the south of England primarily to import plasma and to export products made from it. That is where the money is, and the NHS operation would merely be an adjunct to it. It raises questions of (a) the ethics (in the light of the WHO resolution) of supplying blood products to countries other than those from which plasma is obtained, and (b) whether the NHS operation must be completely segregated (e.g.

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by the use of different machinery) so as to avoid any risk of bepatitis infection.

e. Beechams' intention to use imported plasma to make up deficiencies in NHS supplies must be discussed in the light of (a) the WHO resolution, and (b) the risk of hepatitis.

f. It seems unlikely that in the foreseeable future the NHS would offer Beechams quantities of plasma greater than those required to meet the NHS's requirements for blood products, but we should consider what should happen to the extra plasma if it were available. Cout it be used for products for export? We also need to think about what should happen to 'spare' products, e.g. Factor IX and immunoglobulins which the BPL could already supply in quantities greater than those wanted by the NHS. I am looking into the question of alternatives to destroying the BPL's spare materials.

g. The paper will have to take account of the reservations which Medicines Division have about our entering into an arrangement with Beechams.

GRO-C J HARLEY 13 AUGUST 1980