Interoffice
Communication

MILES Berkeley CA

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Subject U.K. Trip Report

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DRAFT
U.K. Trip Report

During my trip to the U.K. and Ireland my time was divided between training activities, forecasting, reviewing Cutter's new product offerings, and visiting with key accounts.

Training Activities: Tuesday June 17
I spent all morning in training discussions on Koate®-HT/Konyne®-HT with Eddy Van Den Broeck of European Medical Supplies. He is the salesperson from EMS, a distributor out of Belgium responsible for Cutter sales to Holland. We are preparing to enter the Dutch market with our cosgulation factors and through mutual agreement with EMS and Cutter U.K. management he came to Stoke Court during my visit for basic training on our coagulation factors.

During the afternoon Eddy and I were joined by Ann Walton, our new representative in U.K., and Linda Frith for more in depth training of existing products and initial training on Koate®-HS. Ann, who was formally with Speywood Laboratories, will be a good asset to the U.K. sales team.

After my return, I will follow up be sending additional agreed upon reading materials for their reference.

Forecasting: Monday June 16
Linda Frith and I met first with Marie Tatt in the morning for a couple of hours to review the meeting in Milan and to project future needs for Koate®-HS. Marie expressed concern on how to license the product, but will advise Eli Greene on any needs as they arise.

Linda and I reviewed the concentrate needs at present and throughout the remainder of the year -

250 IU Koate®-HT

Currently we are about 2-3 weeks behind on her needs for 250 IU Koate-HT due to changing UK requirements and production delays. This is most critical for our business in Manchester which orders on the average

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between 800-1000 packages per month. The current inventory of 190 uncommitted vials is all available until the next shipment.

500 IU Koate-HT

Due to the loss of Cardiff to Alpha, the UK forecast through September will be scaled down on the 500 size of Koate-HT. In September it is targeted that we win back the Cardiff account.

1000 IU Koate®-HT

Current inventories are adequate.

It was suggested that UK sell Manchester on using more 500 IU material at least for one month as we replenish the 250 IU material. This strategy will be attempted by UK sales personnel.

New Product Offerings - June 16-18

Discussions on new offerings of factor concentrates were on going throughout my stay. I will categorize them in the following manner:

ALT Screened Material

The UK strongly urged that we move quickly to provide them with only ALT screened material. Alpha and Armour are both indicating to customers that their UK inventories are both HTLV-III and ALT screened. I explained to Linda that we were currently moving rapidly to this goal and that beginning sometime in the fourth quarter 1986 all newly finished lots will be ALT screened.

Koate®-HS

We reviewed with all parties in the UK the paper presented by Prof. Scharrer in Milan on our HS material. I also reviewed the manufacturing parameters and key characteristics of this product. It was emphasized that Koate-HS was only recently licensed in the U.S. and the final production lots had just begun. They were very interested in the possibilities of this solution heated product especially with the success of Alpha's wet heated product in the UK. I cautioned them that this would have to be a premium priced product due to it's low yields. It was suggested that careful marketing strategies, including price, be discussed with Jack Wood and Willi Ewald before launching into sales discussions.

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Naturally, this product would have to be licensed before extensive sales efforts care begun.

rDNA F VIII

These discussions were centered around the up-coming European clinical meeting in September and questions from Marie Tatt stemming from an early June meeting in Germany on the rDNA F VIII strategies. I reviewed Milt Mozen's report of April to Cutter personnel and invited U.S. clinicians, on the characteristics of our rDNA F VIII. We also reviewed the significance of the animal data presented by M. Furnell and Dr. Giles during the Milan congress.

It was conveyed that we appear to be the furthest along in rDNA development and that our most formidable non-rDNA F VIII competition will come from monoclonal derived F VIII products from Armour and Travenol.

Key Accounts - June 18-20

OXFORD HAEMOPHILIA CENTRE

Linda Frith and I visited with Roger Matchett and the hemophilia nurse coordinator. Roger explained that the U.K. is divided into various hemophilia regions with a responsible total care center in each region. The Oxford center is one such regional center. At present they currently stock about three brands, one of which is Cutter. He felt they would always keep some of the Elstreet product, but not be solely dependent upon them.

He maintained that if wet or solution heated products continued to command premium prices they would only use them sparingly at Oxford.

ROYAL FREE HOSPITAL

Linda Frith, Ann Watson and I called upon Dr. Peter Kernoff. He has been coordinating the Profilate-HS studies in the UK and believes it is the safest product available in the UK for hemophilia treatment. Though he didn't compare the Koate-HT product as he did the Travenol or Armour, he felt that our dry heat would still not be as effective for Non-A Non-B hepatitis and hepatitis B as is the Alpha product. He did acknowledge that it may possibly be more effective than the Travenol and Armour dry heated products but didn't feel Allains's presentation went far enough in establishing that as a fact.

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In discussing our Koate®-HS product he didn't want to involve himself in any more wet heat studies. Bud he did allow that if it is truly an aqueous heated product that is pastuerized at 60°C for 10 hours he will buy it when available. He recognizes that a truly pastuerized product heated in aqueous solution should be safer than the Alpha Profilate-HS product.

He is also anxious to hear what we have to present during our September meeting with European clinicians on our rDNA F VIII product.

PELICAN HOUSE

On the 19th and 20th Brian Dyos and I travelled to Ireland with an Irish distributor, Mike O'Donnell, and met with Sean Harratty and Dr. Terry Walsh of Pelican House. Pelican House is the Irish transfusioin center responsible for the distribution of practically all plasma derived products in the Republic of Ireland.

Our discussions centered around the quality of our Koate®-HT/Konyne®-HT products and if we desired to enter into new discussions on fractionating their plasma for them. They currently have a fractionation contract with Travenol that, with a six months termination clause, will take them into January 1987. If we were desirous they wanted us to be aware of the following:

- They use a non-US licensed HTLV-III screen made by Burroughs-Welcome for donor plasma.
- Their goal is a 20% yield with a 2.0+ specific activity for F VIII concentrate.
- They plan to make 18,000 liters available in 1987.

Brian and Mike also discussed blood bag and albumin needs.

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