

Cutter

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MILES

TO: Willi Ewald
FROM: Jack Wood REF: JW-4-840
SUBJECT: Europe/Middle East Discussions

DATE: Dec. 10, 1984

COPIES TO: Office of J. Hjorth
Ry **RECEIVED**

JAN - 3 1984

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Meetings were held on Thursday, December 6, and Friday, December 7, to review and discuss developments in Europe and Middle East. The major issues discussed are recorded with the actions where indicated listed by responsible individual.

GERMANY

Follow-up

Distribution

In our meetings with Dr. Hebler it was apparent that he is experiencing pressure from his supervisory board to obtain better results from his Cutter business. Dr. Hebler advised that this board is heavily influenced by ethical products (EP) and wished to use Tropon to dramatically expand EP business in Germany. Dr. Hebler encouraged us to consider other alternatives for the distribution of Cutter products in the future.

We agreed in our meeting that a study will be done which considers a number of alternatives for distribution of Cutter products in Germany. Though no due date was set for this study I am projecting completion before the end of the first quarter 1985 providing sufficient resources can be made available from Tropon and Cutter.

J. Wood

Regular Koate

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We reviewed the extensive inventory of regular Koate still at Tropon (listed in JW-4-579). This inventory which is outdated or near outdated can have its dating extended by at least one year by having Cutter re-assay and then requesting one year's extension from the BGA in Germany based on this information.

J. Wood

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It was agreed that this material should be extended where possible and sold at a price of not less than 4 cents per unit. It was also agreed that sufficient funds be reserved in 1984 to cover this inventory. J. Wood

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Follow-up

ITALY

Fractionation Plant

The recommendations contained in JW-4-779 are being studied by Jan Hjorth. W. Ewald will discuss this project with Sclavo on December 12. Emeryville will then study in January/February. A decision should be made and communicated to Jack Wood within the first quarter of 1985. ✓

W. Ewald

→ Sclavo Koate H.T. Free Goods (5%)

W. Ewald to visit December 12 for discussions with Drs. Fognani and Vanni. Following this visit a recommendation will be forwarded to J. Wood.

W. Ewald

Agreement Extension

Sclavo has requested an extension of their current distribution agreement on Koate. They wish that this agreement which was extended by J. Hjorth to December 31, 1985 now be extended to December 31, 1987. W. Ewald to visit December 12 after which J. Ryan will send an extension letter to Sclavo. done

J. Ryan

Sifra Project

→ Jan Hjorth and Len Wisdom are working together to develop this blood bag project. Once agreement in principle is reached to build this plant J. Wood will develop marketing plan to distribute blood bags in northern Europe.

J. Wood

SPAIN

Hubber Koate H.T.

A proposal has been made to the Spanish Health Authorities by Hubber, that they be the only authorized distributors for factor VIII in Spain. If the proposal is accepted Cutter is to provide any product shortfall between Hubber's supplies and market demand. The price we agreed to provide to Hubber is 12 cents per unit with 10% free goods. We are currently awaiting Department of Health response to this request. J. Wood to continue to monitor this opportunity. in comment at BB strategy

J. Wood

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Follow-up

Landerlan Koate H.T.

Landerlan has asked to have a licensing agreement from Cutter on factor VIII H.T. J. Wood to advise Landerlan that we are not interested in such an agreement.

J. Wood

FRANCE

C.N.T.S.

A proposal has been made to Dr. J.P. Allain that Cutter be included in the clinical trials he is conducting on heat-treated factor VIII products. Under the guidelines for this trial the CNTS purchases Koate H.T. at a price premium and we pay a clinical cost of US-\$ 800 per patient up to 15 patients. J. Wood to draft up the administrative actions required to facilitate this transaction through Biopharm.

J. Wood

ENGLAND

Koate regular

With recent developments in the United Kingdom it is possible that our current Koate regular inventory will not be saleable in that country due to the rapid conversion of several centers to heat-treated factor VIII preparations. Every effort is to be made to sell the regular product in the United Kingdom. Only after total conversion of heat-treated factor VIII preparations has been made in the United Kingdom will we consider selling this product at a reduced price to Eastern European markets.

MIDDLE EAST

Regional Office

W. Ewald advised that as yet Bayer has not been removed from the Arab boycott list and therefore no decision would be made on J. Wood's request to

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Follow-up

establish Cutter's Middle East Office in England.

It was agreed that we continue to pay commissions to Mohamad Nahhas for the coming year (1985) until such time as we are effectively off the boycott list.

J. Wood stressed the importance of establishing an area office outside the Middle East which is the common business practice today of firms doing business in that area. Athens is the most popular location with London, Rome, Paris and Brussels also quoted. J. Wood stressed that when we re-enter this market we must have a knowledgeable professional who can properly detail Koate, Konyne and IGIV products to key users.

*Use Konyne
Cutter GmbH
from this office
London MTE*

EUROPE/MIDDLE EAST OVERVIEW

J. Wood discussed JW-2-308 and JW-3-020 (attached) and asked what guidelines we should follow in 1985. It was indicated that maintenance of current staffing levels should be expected unless significant sales and profit gains could be shown through new staff employment.

Regards,

GRO-C

Jack Wood

Attachments

JW:um

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