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GRO-C

CUTTER LABORATORIES INC.,

INTERNATIONAL DIVISION

PRELIMINARY

1982 MARKETING PLAN

CUTTER LABORATORIES LIMITED.

UNITED KINGDOM

1982 MARKETING PLAN.

1. <u>OVERVIEW</u>.

1981 has proved to be a difficult year for Cutter Laboratories, largely due to factors outside our control, i.e.

1.1. Delay in receipt of Cutter Blood Bag licence, received in March. Product hold up in Canada and non-availability of product prevented commencement of trials in Regional Transfusion Centres until June 1981.

1.2 Continued delay in obtaining Plasbumin licences.

1.3 Koate quality problems, coupled with adverse publicity concerning quality problems with Humanate, the pirate Koate product sold by Speywood Laboratories.

1.4 Continuing difficulties in obtaining sufficient Koate in required potencies to support increased sales activities.

1.5 Continuing supply problems with Tuta Blood Bags and lack of inventory.

Nevertheless, we feel we have established the Company very firmly in the eyes of both customers and competitors and that we are now well placed to achieve our ambitious plan for 1982.

All of the markets we operate in will continue to be extremely competitive and price will continue to be of major significance.

The major factor which could seriously affect our plans and subsequent performance concerns the proposed introduction of the Travenol I.P.P. "Wedge pack". During 1982 the N.H.S. will undergo re-organisation in that the area level of management will be phased out. The organisation will then consist of about 250 District Management Teams within the existing regions. There will undoubtedly be changes concerning contracting but we do not anticipate any adverse effects on our business activities.

2. OBJECTIVES.

2.1 To achieve or exceed sales of 5.017 m dollars.

2.2 To achieve or exceed profit of 198,000 dollars.

2.3 To achieve or exceed sales by product line as follows:-

1.	Tuta blood bags	1.386 m dollars.
2.	Cutter blood bags	1.670 m dollars.
3.	Koate.	1.235 m dollars.
4.	Plasbumin.	0.637 m dollars.
5.	Other products.	0.089 m dollars.

2.4 To hire and train the following personnel :-

1.	Salesman.	Quarter two.
2.	Salesman.	Quarter three.

3. BLOOD BAGS.

3.1. Objectives.

3.2 Codes.

3.3. Market information.

3.4 Competition.

3.5 Stategy.

3.6 Periodicities.

3.7 Planning assumptions.

3.1 Objectives.

A. Tuta bags.

1. Meet or exceed budget of 1.386 million dollars

2. Increase market share in Scotland from 85% to 90 % +

B. Cutter Bags.

1. Meet or exceed budget of 1.670 million dollars

C. Sebra.

1. Achieve market penetration at all centres with Sebra products.

3.2. CODES.

A. Tuta Blood Bags.

	1981 Estimate		SBE %	1982 Budget		SBE %
	SBE's '000	Units '000		SBE's '000	Units '000	
Single	95	95	16	104	104	17
Double	384	192	66	376	188	62
Triple	102	34	17	114	38	19
Misc.	4	4	1	11	11	2
Total	585	325	100	605	341	100
$'000 Sales		1272			1,386	

B. Cutter Blood Bags.

1982 budgeted sales :-

	SBE's '000	SBE %	Units '000	$ '000
Singles	32	5	32	85.0
Doubles	456	70	228	1161.0
Triples	162	25	54	424.0
	650	100	314	1,670

3.3. Market Information.

The U.K. market consists of those centres detailed in tables (1) and (2) with estimated 1982 collections. Centres in England and Wales are dominated by Fenwal although during 1981 Biotest have established a foothold in some centres and are currently supplying up 50 % of requirements in some smaller centres.

The Lewisham centre in S.E. London remains 100% Tuta. Centres in Scotland are dominated by Tuta with Fenwal having 15% of the business. Biotest have recently established a small foothold in Scotland at the expense of Fenwal.

The central market issue is the I.P.P. or Travenol " wedge pack" and its proposed introduction in the Autumn of 1981. A number of Regional Transfusion Directors remain firmly opposed to its introduction and we are currently engaged in legal correspondence with the D.H.S.S. concerning the legality of this proposed move. Outside of this issue, centres are moving steadily to a greater use of red cell concentrates and more complete component therapy teaching at hospital level. It is expected that in 1982 most centres in England and Wales will adopt the code-a-bar labelling system.

Table (1)

TOTAL DONATIONS OF BLOOD : ENGLAND AND WALES.

CENTRE	REGION	ESTIMATED NO. OF DONATIONS 1982 ('000)	ESTIMATED CUTTER SALES	%
Newcastle	Northern	145	70 (C)	48
Leeds	Yorkshire	145	70 (C)	48
Sheffield	Trent	165	-	
Cambridge.	East Anglia.	95	45 (C)	47
Edgware	N.W. Thames.	200	-	
Brentwood	N.E. Thames.	170	-	
Lewisham and Canterbury.	S.E. Thames.)			
Tooting.	S.W. Thames.)	300	60 (T)	20
Southampton	Wessex.	95	25 (C)	26
Oxford.	Oxford	135	35 (C)	26
Bristol	S. Western	194	45 (C)	23
Birmingham	W. Midlands	220	-	
Liverpool	Mersey	130	24 (C)	18
Manchester	N. Western	200	-	
Cardiff	Wales :RTC Cardiff	100	-	
TOTAL :		2294	374	16

N.B.: C = Cutter Blood Bags.
T = Tuta Blood Bags.

Table (2)

TOTAL DONATIONS OF BLOOD : SCOTLAND.

CENTRE	REGION	ESTIMATED NO. OF DONATIONS 1982 ('000)	ESTIMATED CUTTER SALES	%
Glasgow	West.	150	136 (T)	91
Edinburgh	South East.	80	80 (T)	100
Dundee.	East	35	25 (T)	71
Aberdeen	North East.	35	25 (T)	71
Inverness	North	15	15 (T)	100
TOTAL :		315	281	90

Table (3)

SUMMARY

TOTAL DONATIONS OF BLOOD

	ESTIMATED NO. OF DONATIONS 1982 ('000)	ESTIMATED CUTTER SALES	%
England / Wales	2,294	374	16
Scotland	315	281	90
TOTAL:	2,609	655	25

3.4 Competition.

1. Fenwal

Remain the dominant market leader with 85 - 90 % of total U.K. business. They are able to provide a complete service and range of products. Their involvement is so complete that some Regional Transfusion Director's have reacted to this "overkill" and would be happy to use an equivalent alternative system.

2. Biotest.

Launched their bag in the Autumn of 1980 and have established a firm base by merely being available, despite problems at centre and hospital level caused by the necessity to change established systems and procedures.

3. Terumo .

Rumours persist concerning the introduction of a Terumo product but no concrete evidence is currently available.

4. Others.

Potential home based manufacturers continue to show interest, the most active of which is a Scottish based international Company, C.J. Coates Ltd. This Company have taken over the development commenced by I.C.I., and under their " New Ventures Department " will continue to receive full co-operation from the D.H.S.S. to establish a U.K. manufacturing facility.

3.5. Strategies.

A. Tuta Bags.

Regular servicing of the Scottish market will continue. Because of cost, streamlining of systems and personnel changes, it is expected that Tuta dominance in Scotland will increase during 1982. We will continue to give the necessary support and we expect that our established contacts will enable us to increase our business. The Lewisham sub-centre continues to have severe financial problems and we expect to provide 100% of their 1982 requirements, despite Fenwal efforts to obtain this account. It should be noted that in some centres, particularly Lewisham and Edinburgh, there is currently a move to using more singles and fewer doubles because of system changes.

On a national level we intend to obtain a greater share of the hospital laboratory blood bag market by emphasising the cost and packaging benefits of the Tuta system.

The Scottish market will remain the responsibility of Brian Dyos with support from the Sales Manager and the Northern Sales Representative when required. All representatives will spend time selling the Tuta bag at national hospital level.

B. Cutter Blood Bag.

It is our objective to firmly establish the Cutter bag in the U.K. market during 1982. Account selection and trials are now underway and initial response has been excellent. We intend to provide an all-round service to a number of selected centres. We will be emphasising the unique benefits of the Cutter system including the tamperproof donor needle and administration ports.

The centres chosen to form the basis of our 1982 result are:-

Leeds	Trial in progress.
Cambridge.	Trial in progress.
Newcastle.	Trial commences August 1981.
Bristol, Liverpool.)	Trials to be arranged in
Oxford, Southampton.)	quarter three/four of 1981.

Other centres will be considered as we become more aware of the political situation and any changes which would benefit us.

It is our intention to sell the Sebra system at each centre and at hospital level. The main sales responsibility for the Cutter bag will be Barry Barber's with support from Brian Dyos. The sales representatives, with responsbility at present for Koate, will also be involved where necessary, and will sell the bag at hospital level where appropriate.

3.7 Planning Assumptions.

1. Availability of Tuta bags to support sales objectives and enable a good inventory to be built and maintained.

2. Introduction of Cutter code-a-bar labelling, to support efforts in centres where this system already exists.

3. Cutter bag, CPD-A anticoagulant admended licence, early 1982.

4. The availability of Sebra equipment.

5. That the Travenol I.P.P. does not become firmly established.

4. KOATE.

4.1 Objectives.

4.2 Codes.

4.3 Market information.

4.4 Competition.

4.5 Strategy.

4.6 Periodicty.

4.7 Planning assumptions.

4.1. Objectives.

Sell nine million I.U.'s at a.s.p. of 7p per i.u. (equivalent to 13.72 cents)

4.2 Codes.

650 - 20	6.0 million i.u.
650 - 30	2.0 million i.u.
650 - 50	1.0 million i.u.

4.3 Market Information.

Total usage of commercial A.H.F. is estimated now (July 81) at 37.5 million i.u.'s within the British Isles. Estimated shares of the commercial companies are as follows:-

Armour	41.4 %
Immuno	21.3 %
Travenol	16.7 %
Cutter	13.2 %
Alpha	7.4 %

See also table (7)

of the 37.5 million i.u. some 40 % is contracted on a yearly or two-yearly basis by individual Regional Health Authorities. Most authorities contract with at least two companies but some contracts are single-sourced.

During the next two years the National Health Fractionation facilities in England and Wales plan to expand product of A.H.F. concentrate from about 15 million i.u. to 30 million i.u. Their success in achieving this very much depends on proposed changes in Regional Transfusion Centre plasma collection procedures involving the Travenol " wedge pack " being implemented and on fractionation capacity being expanded. It is felt that while the supply of N.H.S. concentrate will increase, the 30 million i.u. target by 1983 is over-ambitious. It is expected that during the next two years the use of Cryoprecipitate will continue to decrease.

Consequently, while some Regions will receive increased amounts of N.H.S. A.H.F. concentrate and their demand for commercial A.H.F. may fluctuate, that overall, the demand for commercial A.H.F. will show a steady increase.

Total number of centres.	117
Total number of patients.	4500
Total number of patients on home treatment	1200
A.H.F. conc. usage level per H/T patient.	25,000 i.u. per annum.

Tables (5) and (6) demonstrate our increasing level of business and number of buying accounts - 1981 over 1980.

COUNT.	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
ford.	-	-	-	-	52000	126880	284480	239680	174560	146400	-	-	1024000
eywood	-	-	951690	-	-	-	-	-	-	-	-	-	951690
.Thomas.	-	-	-	-	-	617700	-	-	-	-	-	-	617700
idlesex.	-	-	-	-	-	-	-	-	20880	-	-	-	20880
inton.	-	-	-	-	-	-	-	-	8100	-	-	-	8100
'AL :	-	-	951690	-	52000	744580	284480	239680	203540	146400	-	-	~~2631970~~

Page no. 19

Account	January I.U.	February I.U.	March I.U.	April I.U.	May I.U	June I.U	July I.U	Total I.U.
Oxford.	72,000	50,000	239,820	158,400	132,000	247,200	355,630	1,255,100
Newcastle.	50,000	-	-	-	75,000	150,000	156,000	431,000
Bristol.	50,000	-	50,000	-	109,460	-	-	209,460
Edgware.	115,200	-	-	-	-	-	-	115,200
Manchester.	-	-	92,400	-	-	-	-	92,400
Glasgow	-	-	-	30,250	-	49,000	-	79,750
Cardiff	-	-	-	-	31,200	-	-	31,200
Liverpool	-	-	-	-	15,600	-	31,200	46,800
Huddersfield	-	-	-	-	-	10,400	-	10,400
Taunton.	7,200	-	-	-	-	-	-	7,200
Leicester.	-	-	-	-	-	-	52,000	52,000
Swansea.	-	-	-	-	-	5,200	-	5,200
Wessex.	-	-	-	-	-	3,120	-	3,120
York.	-	-	-	-	-	-	2,600	2,600
Plymouth.	2,500	-	-	-	-	-	-	2,500
Misc.	-	-	-	-	-	8,000	-	8,000
	296,900	50,000	382,220	188,650	412,760	423,920	597,430	2,351,930

4.4. Competiton.

1. Armour

   Are the firm market leaders and have a dominant position with Regional contracts. Their strength in some Regions is such that bids offering A.H.F. concentrate at prices under-cutting them by over 1.0 p per i.u. have failed to take the contract away from them. They have recently expressed concern about the falling price level. They defend their contracts strongly and attempt to break those they are not on. At smaller centre level where price is not so important they have a very strong loyalty built up over five years with regular sales activity. Heavy financial support is provided to major users.

2. Immuno.

   Have become very aggressive over the last 12 months and have undercut both Armour and Travenol to obtain new A.H.F. business. They have National coverage with about eight sales people selling a broad based product line including P.P.F., Albumin and diagnostic products.

3. Travenol.

   Hemofil marketing appears to be controlled from Europe. Their market share has recently fallen. They appear content with a small number of major users who are financially supported and who appear committed to adverti-sing the benefits of Autoplex. To prevent further market share loss they have had to reduce the price of Hemofil.

4. Alpha.

   Have only one U.K. representative. Prepared to cut price below 6.0 p per i.u. to obtain business. At present this strategy has not produced any business gains. Major supplier to Newcastle and Hospital for Sick Children, London. However this activity will ensure current low price level is maintained for some time.

4.5. Strategy.

1. Major Accounts.

All major accounts will continue to be subject to intensive sales activity. Funds have been budgeted to allow for support in those centres where it is necessary to obtain a major share of the business.

Table (7) shows all regions with details of contracts, present suppliers, price and our 1982 marketing target.

2. Supporting Activities.

Harold Booklets	Harold's secret. Let Harold do it. Harold takes a date.
Poster series.	Series of three.
Tape/Slide programme.	Heredity and Haemophilia Inside a Bleeding Joint.
World Federation of Haemophilia Booklets.	Series of seven.
Echo magazines.	Limited number to key centres.

3. Service Programme.

Exercise programme.
Infusion record book .
Reconsititution Chart.
Home care pack.

4. Meetings.

Support/involvement at :-

a. Hospital/centre meetings. Staff and patient training.
b. Haemophilia Society Meetings.
c. National and International Meetings.
d. Haemophilia Nurses Association.

Region.	1981 Commercial purchases of AHF	Current Major suppliers/Contractor	Price	Contract period	1982 Marketing objective.	Comment.
Yorkshire.	1.2million	Armour	7.2-7.8	No contract	0.5 million	Major account, Leeds our current offer 6.8p
Northern.	4.0 "	Cutter/Alpha	6.75-7.0	" "	2.0 "	Protection - Newcastle.
Wales.	2.0 "	All companies.	6.8 +	" "	1.0 "	Major account - U.H. Wales-developing
Wessex	3.25 "	Travenol/Armour/ Immuno.	7.0	" "	0.25 "	
S.E. Thames	5.00 "	Travenol/Armour/ Immuno.	7.0	1.8.81- 31.7.81	0.5 "	Only 40% to be contracted
S.W. Thames	0.75 "	Armour	7.0 +	No contract	-	
Mersey.	1.5 "	Armour/ Immuno.	7.0 +	1.9.80 - 31.8.81	0.5 "	Contract reviewed each year.
Oxford.	4.0 "	Cutter / Armour	7.2 +	1.7.80 - 31.6.82	2.0 "	Protection.
N.E. Thames.	4.2 "	Armour/Immuno.	7.0	1.4.81 - 31.3.82	2.0 "	
Anglia	0.1 "	Armour	7.5	No contract	-	
S. Western	1.0 "	Cutter/all others.	6.5-7.5	1.8.81 - 31.7.82		
N.W.Thames	0.75 "	Immuno.	6.8	1.7.81 - 30.6.82		
Trent.	1.8 "	Immuno/Travenol Armour/Speywood.	7.2 +	No contract.	0.8 "	
N.Western.	2.5 "	Travenol/Immuno/ Armour.	7.0 +	" "	0.5 "	
W.Midlands	2.5 "	Armour.	7.0	1.8.81 - 31.7.82		
Scotland.	0.75 "	Armour/Cutter.	6.8-7.0	No contract.	0.25	
Misc.	2.2				0.35 "	
	37.5				10.65	

4.6 KOATE PERIODICITY (Preliminary)

Quarterly Sales

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total for year
International Units ('000)	1,650	2,250	2,400	2,700	9,000
$'000	225	308	327	375	1,235

N.B: Estimated average selling price per activity unit is 7.0 pence (equivalent to 13.72 cents at budget exchange rate of 1.96)

5. Pricing.

During quarter 4, 1980 the average market price moved downwards from 8.0p to 7.2 - 7.5p During the first six months of 1981, some of our competitors have quoted below 6 p on contracts and 6.0 p for non contract volume business. Armour have indicated that they are keen to raise the overall price level but with Immuno, Alpha and ourselves keen to increase market share the current lower prices could persist well into 1982. Whatever price changes occur we will defend our recently acquired increase in business with all the tools at our disposal including price where necessary.

4.7. <u>Planning Assumptions.</u>

1. A minimum of 6.0 million i.u. Koate in 10ml vials with potency in range 240 - 260 i.u. to be available as per submitted forecast and provided end of year inventory is achieved as planned.

2. No major"product reactions".

3. No"pirate" Koate available in U.K.

5. Plasbumin.

5.1 Objective.

5.2 Codes.

5.3 Market information.

5.4 Competition.

5.5 Strategy.

5.6 Planning assumptions.

5.7 Periodicity.

5.1 Objective.

Sell product - value £ 325,000 (637,000 dollars)

5.2 Codes

			Budgeted Units
5 %	685-20	50 ml	5,800
	685-25	250 ml	7,200
	685-27	500 ml	1,800
20 %	683-20	50 ml	3,000
	683-71	100 ml	1,000
25 %	684-16	20 ml	900
	684-20	50 ml	2,400
	684-71	100 ml	600

5.3 Market Information.

1. Estimated market - £ 1.5 - 1.8 million. ($3.0 - 3.7 m)
2. Currently shared by Immuno and Travenol on an estimated 60/40 split.
3. N.H.S. products are distributed via Regional Blood Transfusion centres similar to distribution of F. VIII concentrate produced by N.H.S.
4. Major hospital accounts are supplementing N.H.S. supply by up to 3,000 bottles per year =(to 400 ml of 4.3 % P.P.F.)
5. Major uses are :-
   1. Volume replacement/expander.
   2. Burns.
   3. Plasmapheresis - Therapeutic, Replacement.
   4. Renal units.

5.4 Competition.

1. Immuno

Currently are very aggressive in pricing. Supply 400 ml 4.3 % P.P.F. to replicate N.H.S. product. Also supply 20 % solution. Have secured a number of major accounts (100 bottles per month) on an annual basis, at prices below £ 1.50 per g. of albumin. At present gaining market share from Travenol.

2. Travenol.

Supply 20 % and 5 % solutions. Have very recently (June81) introduced a 400 ml bottle of 5 % to combat Immuno sales pitch in the P.P.F. market. Have good support in areas where they have traditional all-round support for f. VIII concentrate and blood bags.

3. Kabi

Have licences but are not marketing product.

4. Armour.

Known to be awaiting Albumin product licences. Have well established Hospital and Therapeutics sales force.

5.5. Strategy.

1. Launch

It is our intention to immediately contact all known purchasers of commercial Albumin solutions. We are currently preparing/up-dating our information bank. Prior to launch an action plan will be produced detailing all buying accounts and detailing sales responsibilities.

2. Letter.

All major hospital pharmacy departments will be informed by letter of the availability of Cutter Plasbumin solutions.

3. Pricing.

It is our intention to be very competitive to gain business from Travenol and Immuno. Our lowest budget price equates to £ 1.30 ($ 2.64) per G of Albumin.

5.6. Planning Assumptions.

1. Award of licences for 5 % and 25 % by mid- November 1981.

   This date has regressed by over 12 months and it is now very important that we have the licences if we are to achieve our ambitious 1982 objective.

5.7 PLASBUMIN PERIODICITY

	Quarterly Sales				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total for year
Plasbumin 5 %					
$ '000	49	79	115	140	383
Plasbumin 20 %					
$'000	-	21	43	63	127
Plasbumin 25 %					
$'000	25	31	34	37	127
Total Sales					
$'000	74	131	192	240	637

N.B.: Estimated average selling price is based on £ 1.30 per gram of albumin
(Equivalent to $ 2.54 per gram at budget exchange rate of 1.96)

6. OTHER PRODUCTS.

6.1. General.

6.2 Strategies.

6.3 Competition.

6.4 Action Plans.

6.5 Assistance required from Cutter International.

6.6 Periodicity.

Disposable Equipment.

6.1 General.

1982 will primarily be a period for an evaluation of both the U.K. disposables market and of the Cutter product range, in order to isolate the products which should be actively promoted. This applies particulaly to the revised product line from Calgary and the items from the new Korean facility. Until the decision is made to hire a salesman whose priority would be disposables, emphasis will be given to those products purchased on an annual tender basis and requiring minimum sales back up.

Hence, Saftiwing is the only product budgeted for in 1982, but introductory sales of Interface, leg bags and transmission sets may also be achieved.

6.2 Strategies.

1. Market entry

Saftiwing is to be launched in quarters three and four of 1981 to establish the product for 1982.

2. Market.

Total market is estimated at 2.5 million units :-

National Health Service	2.25
Independent hospitals, other	0.25
	2.50

The N.H.S. market consists of 90 Area Health Authorities who buy between 10,000 and 80,000 units on an annual tender basis, plus Scotland which has one central contract.

The independent hospitals, with the exception of the Nuffield Trust hospitals, each have their own buying arrangements.

3. Objectives.

Unit sales	:	228,000 (representing approx 9.0 per cent of market)
Dollar sales	:	$ 89,000
Gross margin	:	$ 22,000 (approx 25 per cent margin)

4. Pricing.

Market prices range from 40 cents to 60 cents. The budget is prepared on the assumption that our average selling price will be 40 cents, but higher prices in certain areas are expected.

6.3 Competition.

Abbott is the market leader with up to 80% of the market. A number of other companies with cheaper products account for the remainder.

6.4 Action Plans.

1. Assumptions.

i) Market penetration in quarters 3/4 of 1981.

ii) Successful tenders achieved in 1981, indicating acceptability of product to N.H.S./other customers.

iii) Product must be viewed by potential customers as a reasonable alternative to Abbott's Butterfly, with the price advantage swinging the buyer's preference to Cutter.

2. Compete aggressively for tender business.

   Up to 100 separate contracts are to be tendered for over the year.

3. Emphasize good stockholding, supply factors.

4. Compete for non-contract business at the independent hospitals and other sales outlets.

6.5 <u>Assistance Required from Cutter International</u>.

1. Periodic updates on the progress of Saftiwing in other markets.

   - customer objections.
   - customer preferences for competitors' products.

2. Audio visual material.

3. Literature, market studies.

6.6 SAFTIWING PERIODICITY (Preliminary)

	Quarterly Sales				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total for year
Units '000	45	51	60	72	228
$ '000	18	21	23	27	89

N.B: Average selling price is expected to be 19.5 p per unit (equivalent to 38.2 cents per unit at budget exchange rate of 1.96)

7. RECRUITMENT/TRAINING.

7.1 Time Budget.

Type of Account	Number	Calling frequency.	Total calls
Blood Transfusion centres (England & Wales)	15	monthly	180
Major Haemophilia Centres.	30	monthly	360
District Gen.Hospitals /Haemophilia centres	250	two monthly	1500
TOTAL CALLS REQUIRED :			2040

With 210 selling days per salesman and covering two accounts per day this requires five salesmen.

7.2 Proposed Organisation 1982.

- Managing Director
  - Office Manager
    - Secretary (in post)
    - Fin/Admin. Assistant (1.1.82)
  - Sales Manager
    - Salesman (in post)
    - Salesman (in post)
    - Salesman (1.1.82)
    - Salesman (1.7.82)

7.3 Recruitment.

1. Terms and conditions of employment.
   (as per attached 7.3.1)

2. Action plan.
   (attached 7.3.2)

4. Profile - Selection of sales representatives, (7.3.4)

5. Outline product training course. (7.3.5)

6. Further training.

   1. Albumin training for new/existing salesmen to be incoporated in Training course for new salesmen, January 1982. Assistance will be requested from International for this.

   2. Existing sales force is all Xerox P.S.S. trained. New salesmen will attend this course if not attended during last two years.

   3. Continued field training

   4. Training element to be incorporated in all sales meetings.

   5. Specific course to be selected on individual basis in line with individual needs and overall objectives.

OBJECTIVE	ACTION	RESPONSIBILITY	COMPLETION DATES Salemen 1	COMPLETION DATES Salemen 2
Recruit two salespeople	1. Interview/select candidates for shortlist.	Barber.	1/82	5/82
	2. Appoint two salespeople from shortlist.	Barber/ Dyos.		
	3. Check References.	Barber.		
	4. Write letters of appointment.	Dyos.		
Provide suitable product Training.	1. Write programme. 2. Decide location. 3. Inform guest lecturers.	Barber.	2/82	6/82
Provide equipment/ literature for sales person.	1. Prepare brief cases. 2. Prepare literature. 3. Prepare records. 4. Organise telephone credit cards 5. Cars.	Hollis/Forth	4/82	7/82
Prepare sales training programme - if necessary	1. Select suitable training course.	Barber/ Dyos.	2/82	6/82

J O B   D E S C R I P T I O N   Page no. 41

. JOB TITLE : Salesman	02. LOCATION : Central England
. DIVISION :	04. DATE :
. JOB HOLDER :	06. REPORTS TO : B.J. Barber.

. POSTION IN ORGANIZATION:

Managing Director

Accountant/Administrator

Secretary

Sales Manager.

Salesman

Salesman

Salesman

. MAIN PURPOSE :

To sell Cutter Blood Products and Blood Bags.
To achieve sales target and other planned objectives in accordance with sales and marketing policies.

. TIES :

1. To sell the products within the defined territory.
2. To meet or exceed quarterly sales target.
3. To develop and implement journey and call plans to maximise sales.
4. To utilise his time in the best way possible to achieve the maximum amount of direct selling time.
5. To sell the products whenever and whenover possible within the defined territory, in such a manner to properly illustrate the key features and customer benefits.
6. To report his activities on a weekly and monthly basis on the forms provided.
7. To maintain comprehensive records of his activities with existing and potential customers.
8. To fully understand the products and their applications.

10. CONTACTS AND COMMUNICATIONS :

1. Attend sales meetings, seminars, exhibitions etc. as detailed by management.

2. Communicate by telephone, letter and report with management .

11. JUDGEMENTS/DECISIONS :

Judgements : Individual account approaches.
Decisions : Call and route planning.

12. SKILLS AND EXPERIENCE:

Professional salesman/trainee.

Science oriented education.

13. OTHER INFORMATION :

Job Holder's signature

Date

Managing Director.

Date

MAN PROFILE FOR SELECTING REPRESENTATIVES

ɔlicants name : ______________________

ıe Address : ______________________

____

.ephone : ______________________

Highest poss score=HPS

Lowest suitable score = LSS

		POINTS	HPS	LSS	RATING
First impression .	Likeability & magnestism Good manners and dignity Constructive aggressiveness Personality and appearance	1 2 3 4	10	6	
Ac	Under 25 or over 45 From 30 to 45 From 25 to 30	1 2 3	3	2	
Education	Left school early-no further training. Left school early-continued training. Good general education - O levels plus.	1 2 3	3	2	
Health	Looks weak and unfit. Had serious illness - now recovered. Looks in fairly good health Looks extremely fit.	1 2 3 4	4	3	
Family background	Single,Divorced,Widowed or seperated-no dependants. Same as above- but dependants. Happily married-no children Happily married -children	1 2 3 4	4	1	
Sales History.	No sales experience. Some sales experience. At least 2 years sales experience Highly experienced sales person.	1 2 3 4	4	1	

		POINTS	HPS	LSS	RATING
Financial.	No car,no house, no reserves Car, but no house, or capital. House but no car or capital. House, car and reasonable reserves.	1 2 3 4	4	2	
Speech.	Talks poorly-cannot hold interest Talks reasonably well. Talks very clearly and convincingly.	1 2 3	3	2	
Loyalty.	Speaks badly of previous employers. Does not speak badly of previous Employers. Speaks well of previous employers	1 2 3	3	2	
Military experience.	None-& no satisfactory explanation As private/or explanation. As NCO Commissioned officer.	1 2 3 4	4	2	
Ability to sell himself.	Poor - makes no attempt. Tries - but is very weak. Quite good & could be trained. Excellent in every way.	1 2 3 4	4	3	
Number of jobs held in last 10 years.	None. Over five. Three to five. One to two.	1 2 3 4	4	3	
Motivation	Wants outdoor job meeting people No positive objectives. Wants to earn more money. Wants a career	1 2 3 4	4	3	
Future developm-ent possibilities.	Poor. Fair Good Excellent.	1 2 3 4	4	2	
Highest possible total score.			58		
Lowest suitable total score.				34	
Grand total scored by this applicant.					

Sales Manager (Signed) ____________________

Managing Director (Signed) ____________________

7.3.5 OUTLINE PRODUCT TRAINING COURSE (ONE WEEKS DURATION)

Blood Components.
Plasmapheresis.
Blood - Donor to Recipient.

History.
Haemophilia.
Inheritance.
Classification.

U.K. Blood Products Market - Introduction.

FILM : Blood Component Therapy

Koate.

Plasbumin.

Blood Bags.

Other products.

Organisation of the Haemophilia Centre,
Selling Koate.
Pricing.
Contacts,
Contracts.
Support Programme.

FILM: The Natural Human Resource.

Competition- Review/comparison.
Factor VIII
Albumin,
Blood Bags.

Cascade sequence.
Extrinsic/Intrinsic Coagulation.
Haemostasis.

Factor VIII Antigen.

Von Willebrands Disease.

Inhibitors
Laboratory Assay.

FILM : Fraction v Product .

U.K. Blood Product Market.
Current Issues.
N.I.B.S.A.C.

Territory Organisation.
Reporting.

Administration.

1982 Objectives.

Management of bleeds.
Prophylaxis.
Home Treatment.

8. SUPPORTING ACTIVITIES.

8.1 Sponsorship.

Our planned sales result for 1982 represents a 66 % increase over our estimated 1981 result. We are well aware of the challenge this represents and that in addition to the product group strategies outlined, it will be necessary to provide support for a number of existing and potential major accounts. To this end, $ 42,000 has been budgeted to be spent on supporting research work, organised via Cutter International, and supporting travel to international meetings and congress.

8.2 Special Promotions.

$ 10,000 has been budgeted for exclusive Cutter symposium. It is anticipated that these will involve mainly the blood bag area.

8.3 Samples.

$ 15,000 has been allocated. The major expenditure will be with the Cutter Blood Bag, but some samples of other product groups will be necessary.

8.4 Meetings/Exhibitions.

We intend to attend the following meetings :-

I.S.B.T. - Budgeted.
A.A.B.B. - Los Angeles

In addition to attending small local exhibitions we will exhibit at the British Society of Haematologists meeting and provide travel assistance for guest speakers at this meeting.

8.5 Advertising/Literature.

No major journal advertising will be undertaken and we will continue to rely with minor exceptions, on literature provided by International.

9. GRAPE SCHEDULES.

9.1 Total sales and Grape.

9.2 Tuta Blood Bags.

9.3 Cutter Blood Bags.

9.4 Koate.

9.5 Plasbumin.

9.6 Thromboscreen.

9.7 Saftiwing.

COUN.RY/REGION UNITED KINGDOM

9.1 TOTAL SALES & GRAPE*

(000 US$)

1980 - 1982

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
		%		%		%		%		%		%
ET SALES	1,545	100	4,968	100	685	100	2,382	100	4,993	100	+ 110%	100
OGS	1,220	79	3,939	79	560	82	1,969	83	4,055	81	+ 106%	-
ROSS PROFIT	325	21	1,029	21	125	18	413	17	938	19	+ 127%	-
ARKETING & ELLING EXPENSE	275	18	644	13	134	19	364	15	582	12	+ 60%	-
RAPE	50	3	385	8	(9)	(1)	49	2	356	7	+ 627%	-
XCHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+ 2%	-

*Gross return (profit) after promotional expenses

Cutter

MAJOR ( )JP: BLOOD BAGS

9.2 PRODUCT SUB-GROUP TUTA BLOOD BAGS.

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
ET SALES	1,012	% 100	1,272	% 100	411	% 100	1,272	% 100	1,369	% 100	+ 8 %	% 100
OGS	745	74	942	74	326	79	1,015	80	1,109	81	+ 9 %	-
ROSS PROFIT	267	26	330	26	85	21	257	20	260	19	+ 1 %	-
ARKETING & LLING EXPENSE	178	18	139	11	80	20	163	13	159	12	- 2%	-
APE	89	8	191	15	5	1	94	7	101	7	+ 7 %	-
CHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+ 2 %	-

*Gross return (profit) after promotional expenses

*Table (13)

MAJOR GROUP: BLOOD BAGS

9.3 PRODUCT SUB-GROUP CUTTER BLOOD BAGS.

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
ET SALES	–	% 100	1,767	% 100	–	% 100	250	% 100	1,667	% 100	NM	% 100
OGS	–	–	1,494	85	–	–	240	96	1,510	91	NM	–
ROSS PROFIT	–	–	273	15	–	–	10	4	157	9	NM	–
ARKETING & ELLING EXPENSE	–	–	192	11	–	–	59	23	194	12	+ 131 %	–
RAPE	–	–	81	4	–	–	(59)	(24)	(37)	(3)	- 37 %	–
CHANGE RATE	2.33	–	2.12	–	1.97	–	1.93	–	1.96	–	+ 20 %	–

*Gross return (profit) after promotional expenses

MAJOR G[illegible]P: PLASMA FINISHED

9.4 PRODUCT SUB-GROUP KOATE*

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
:T SALES	524	% 100	1,527	% 100	268	% 100	850	% 100	1,231	% 100	+ 45%	% 100
)GS	468	89	1,242	81	230	86	707	83	751	61	+ 6%	-
:OSS PROFIT	56	11	285	19	38	14	143	17	480	39	+236%	-
RKETING & LLING EXPENSE	97	19	215	14	54	20	125	15	141	11	+ 13%	-
APE	(41)	(8)	70	5	(16)	(6)	18	2	339	28	NM	-
CHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+ 2%	-

*Gross return (profit) after promotional expenses

Table (15)

MAJOR GROUP: PLASMA FINISHED

9.5 PRODUCT SUB-GROUP PLASBUMIN 5 % and 25 %

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
ET SALES	-	% 100	369	% 100	-	% 100	-	% 100	637	% 100	-	% 100
OGS	-	-	240	65	-	-	-	-	618	97	-	-
ROSS PROFIT	-	-	129	35	-	-	-	-	19	3	-	-
ARKETING & LLING EXPENSE	-	-	94	25	-	-	-	-	73	11	-	-
APE	-	-	35	10	-	-	-	-	(54)	(8)	-	-
CHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+2 %	-

*Gross return (profit) after promotional expenses

Table (16)

MAJOR GROUP: DIAGNOSTICS

9.6 PRODUCT SUB-GROUP THROMBOSCREEN

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
ET SALES	3	% 100	33	% 100	2	% 100	4	% 100	-	% 100	-	% 100
OGS	2	67	21	64	1	50	3	75	-	-	-	-
OSS PROFIT	1	33	12	36	1	50	1	25	-	-	-	-
RKETING & LLING EXPENSE	-	-	4	12	-	-	-	-	-	-	-	-
APE	1	-	8	24	1	50	1	25	-	-	-	-
CHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+2 %	-

*Gross return (profit) after promotional expenses

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Table (17)

Cutter

MAJOR GROUP: DISPOSABLE EQUIPMENT

9.7 PRODUCT SUB-GROUP SAFTIWING/OTHER *

TOTAL SALES & GRAPE 1980 - 1982

(000 US$)

	Actual 1980		Budget 1981		6 Months 1981 *		Est. Actual 1981		Proposed 1982		+/-% 1982/1981	
NET SALES	-	% 100	-	% 100	4	% 100	6	% 100	89	% 100	NM	% 100
COGS	-	-	-	-	3	75	4	67	67	75	NM	-
GROSS PROFIT	-	-	-	-	1	25	2	33	22	25	NM	-
MARKETING & SELLING EXPENSE	-	-	-	-	-	-	-	-	15	17	NM	-
GRAPE	-	-	-	-	1	25	2	33	7	8	NM	-
EXCHANGE RATE	2.33	-	2.12	-	1.97	-	1.93	-	1.96	-	+ 2 %	-

*Gross return (profit) after promotional expenses

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10. SUMMARY.

In our plan we have detailed a number of assumptions. In summary, the most important are :-

1. That the Travenol I.P.P. " Wedge pack" is not introduced to any great extent. It's wholesale introduction could be disasterous for Cutter Blood Bag sales and would also impact adversely on Koate sales.

2. We are able to increase our Tuta Blood Bag inventory to support our planned major business gains.

3. We are able to obtain a consistent supply of Koate in the potencies required in our market.

4. That no further supplies of pirate Koate are dumped in our market.

5. That we obtain licences for 5 % and 25 % by December 1981.

6. That out planned increase in manpower is approved.