

Date 8th May, 1985.
To Linda
From Walid
Subject Area 2 - North and Wales - April, 1985 report.

Copy to Brian

KOATE HT

- NHS supplies of heat-treated Factor VIII have remained to a large extent unchanged. Although solubility has apparently improved, it is still a problem (30 mins. solubility). Another problem became apparent this month. This is a vial size of 170 I.U. which seems to be unsuitable for most Centres. Although certain clients have received heat-treated NHS material for the first time, they are reluctant to use it because of the following disadvantages.

1. Solubility.
2. Vial size.
3. Unknown purity, half life and recovery rate, etc.
4. Complicated and time consuming paper work.

Finally, if the NHS material quality and quantity continued to "improve" in this direction, it is unlikely that they would affect the commercial market to any reasonable degree until the end of the year.

- The continued lack of Koate HT stock has remained a major problem. Despite all attempts made to reassure clients, it was felt that their loyalty was being overstretched and those who were not able to risk their patients any longer have gone elsewhere for supplies.
- DERBY are now buying Profilate HT as well as Koate HT. It is hoped that we will reverse the situation in due course.
- LEICESTER. This account has almost been lost on two occasions this month because of our lack of stock. It was very hard to persuade them to keep their confidence in Cutter and just wait a few more days!!! I am pleased to say that supplies have come at a critical moment. However, Dr. Mitchell in Leicester is a believer in using material of the same batch and I have been asked many times to reserve a batch for them. Although I hope to reassure them that we should be able to put them on the same batch for three months, this problem is by no means solved.
- CARDIFF. Lack of stock and inability to reserve a batch have pushed Professor Bloom to go to Alpha for supplies. Alpha were able to reserve a large batch and have supplied at a "competitive price". This may mean that they have come down from 14p to 12p per I.U.

Professor Bloom is now looking at the safety of Profilate HT for Non A Non B hepatitis.

However, Professor Bloom has assured me that when this batch is finished and if Cutter is able to reserve a batch, he will start buying again from Cutter. This is estimated to be a three month period.

It must also be remembered that it is the policy of Professor Bloom to change suppliers once a year. This change was due last September and Cutter have held on very well to delay it until the end of March, 1985.

- NEWCASTLE. The administrators of the Northern region have pushed Dr. Jones to put out tenders for the Factor VIII business. The result was that a contract for 2 million units was awarded to Travenol at the low price of 10.5 pence per unit. The rest of the business will continue to be shared by Armour, Alpha and Cutter. The total Factor VIII requirement for this region for 1985 is in the range of 6 million units. This means that Cutter would still be asked to supply approximately 600,000 I.U. of Factor VIII during the second half of the year.

Taking into consideration sales already made to Newcastle and sales that could be made during the second half of the year (as long as we were able to supply), it is unlikely that the award of 2 million I.U. to Travenol will have a serious effect on our 1985 sales figures to Newcastle.

KONYNE HT

Sales of Konyne HT have stabilised during this month. Manchester and Leeds are yet to decide whether to use heat-treated commercial or not. Efforts continue in both Centres to attract Factor IX business.

Possible Leeds business	125,000 I.U. per annum
Possible Manchester business	250,000 I.U. per annum

KOATE HT AND KONYNE HT COMPETITORS' REPORT

Koate HT

Travenol continues to bid 10.5p per I.U. for Factor VIII business. This is a very bad sign in a market which appears to be very unsettled in terms of differences in the wet and dry process and now large differences in price. Alpha have brought down their price to 12p per I.U. from 14p per I.U. to Cardiff and it is hoped that this will not be done with other accounts.

Present price changes seen with Travenol, and to a lesser extent Alpha, as well as the uncertainty felt in the market could very well be the start of a price war. However, all efforts must be made to stop it taking place.

Konyne HT

Armour remains without a product but they are hoping to have one in the U.K. for sale in July.

Konyne HT Competitors' Report (Cont.)

It is essential, therefore, that any large businesses available must be dealt with promptly and agreed on before Armour have a product in the U.K.

Although no price has as yet been set by Armour, it is extremely unlikely that it will be 14p per I.U. My guess is that, if they have a product for sale, it will be in the range of 10p - 12p per I.U.

GAMIMUNE REPORT

Gamimune sales were again very low despite all efforts made to improve sales.

Although it was hoped that the Gamimune Symposium held in Sheffield on the 24th April would create more interest in the use of IVIG in ITP, this was not a success. This was due to the fact that there was a Sandoz meeting held in Birmingham two days after Cutter's meeting and Sandoglobin being licensed for ITP. Sandoz continue to spend large sums of money on advertising, giving away large amounts of free material as a feeding programme which started 2 - 3 years ago. Furthermore, they continue to invite their delegates to meetings to an overnight stay at four and five star hotels. It is estimated that Cutter's meeting will cost approximately £500 compared to a Sandoz meeting costing in the range of £5000.

The total market size is £250,000 - £300,000 thinly spread all over the country, apart from a few large Centres. Assuming that large quantities of this material are now being supplied free of charge and with the competition from Sandoz, Biotest, Armour and now Kobi, who believe that they have "native" IgG, Cutter should not attempt to invest large sums in the market.

Efforts must be made, however, and will continue to be made to introduce Gamimune in those large concentrated areas where returns on investment could be achieved. A typical example for such an area is London.