

Our Ref: SED/BW/SL

31st May, 1979.

Department of Industry,
Regional Development Grants Office,
24-26, Newport Road,
Cardiff,
CF2 1SY

Your Ref: EU/11/PT

Dear Sirs,

Re: Manufacturing Unit at Wrexham.

Please find enclosed forms RDG/B in respect of expenditure of £8,736 and RDG/P in respect of expenditure of £13,644 duly certified by our accountants Messrs. Thomson, McLintock and Company of Glasgow.

May I draw your attention to several of the provision dates in column 4 of the claim, which at first sight appear to be outside the 2 year time limit for claiming the grants. Hopefully the following detailed explanations will clarify this matter.

Speywood started in business in 1974. It's main purpose was the development of pure sterile anti haemophilic fraction made from animal blood for the treatment of haemophiliacs with high inhibitor levels. Basic "know how" and product rights were purchased from Maws Limited and a Research and Development Laboratory set up at Oxford. As a result of this R. and D. and basic "know how" various improvements to the product have been made over a period of some 5 years. The laboratory improvements however had to be translated into production of the product on a commercial basis and this posed several problems. Various very expensive items of plant had to be purchased but the problems of putting the laboratory techniques onto a commercial production basis resulted in time delays before machines were used, whilst other supplementary techniques were developed and additional equipment ordered and installed; with additional delays caused by lead times for the supply of the equipment and constraints imposed by our own cash flow. In the meantime our attention would be diverted by the need to make product at various stages in this development to satisfy the small demand from life or death emergencies and to help

Cont/.....

finance the various stages of this development. It was not until the middle of January, 1979 that all of the equipment, the subject of this claim, was used in the production of the latest product in any commercial quantity, (i.e. for sale and not merely for experiments and trials on animals).

We are now engaged in the adaption of one more refinement to the production process which will hopefully produce our final "dream" product for which we can hopefully obtain a license from the Department of Health to make freely available for general treatment other than in an emergency only situation.

I trust that this will help clarify the situation and explain the delay in the claim for the grant. We wanted to avoid claiming the grant in any equipment that would subsequently prove unsuitable and have to be returned or sold off and the grant repaid.

Should you require any further information or help please do not hesitate to contact me.

Yours faithfully,

S. E. Dennison.
Financial Controller.