

From: Batz, Helge (STP)
Sent: 08/05/2011 12:43:23 PM
To: Kelly, Mike (Marlboro); Intoccia, Al; Pedersen, John; Smith, Charles
CC: Charest, Ann; Schwartz, Scott (STP)
Subject: FW: Uro Polypropylene Resin HGX-03-01

Importance: High

Fyi,

We are working on 2 different sources in China. See status of China efforts below the email I sent to Rob Sandfelder.

Helge Batz

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From: Batz, Helge (STP)
Sent: Friday, August 05, 2011 11:38 AM
To: Sandfelder, Rob
Subject: FW: Uro Polypropylene Resin HGX-03-01
Importance: High

Hi Rob,

Unfortunately we have never met face-to-face although I have been in Shnanghai twice, you are always traveling.

From the email string below you can see that we do have an urgent issue to avoid a \$120M impact to BSC Urology.

Uro requires a certain resin what was discontinued in 2005. The original manufacturer Phillips also stop making that resin. We have a world-wide search going on to see if there is someone out there who still have left-overs.

About 2 weeks ago we found a distributor in China. But within 24hours after we contacted them someone else bought everything. Phillips stopped selling to the medical industry about 7 yrs ago, but still manufactured it till about 5 months ago. Apparently there are others out there who need that material.

My guy on the ground in Shanghai Michael (Zhao Ying in Mahesh's org) found 2 more distributors in China. But they are waiting for purchase orders and payments to start the shipping process. Michael told me that the Shanghai org is waiting for your signature to issue purchase orders and payments. We are talking about small amounts (~\$20K) compared to the potential business impacts.

Could you please sign off and also instruct your organization that this is a very time critical topic and we can not loose hours/days. We don't want someone else to buy that material last minute again.

If you have questions feel free to contact me (Cell **Redacted**) or talk to Michael directly. I do appreciate your help a lot.

Best
Helge

Status of China

1st PO: waiting for Shanghai office accounting to review and sign off, then country GM needs to sign off. ETA is to make payment on Monday. Plan is to pick up 1st bag from Dongguan on Monday. Distributor will hold on to the rest 2 tons while we perform testing (this distributor already has the inventory). Once confirmed, will ship the rest 2 tons.

2nd PO: same status as 1st PO. waiting for Shanghai's signatures. Plan is to get 2 bags first, perform testing while distributor holds on to the rest 2 tons. This distributor does not have this inventory yet, he must receive payment before he buys. Will push SH office to make payment. hope next Monday or Tuesday.

who is going to pick up material from distributor? I have contacted Brian who is BSC account manager, but he has not provided me the detail local contact info. who will pick it up? And where to ship it to? We will not be able to ship anything without these info. We need this info now.

Regards,
Michael

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From: Kelly, Mike (Marlboro)
Sent: Thursday, August 04, 2011 10:25 AM
To: Schwartz, Scott (STP)
Cc: Sorenson, Brad (BSC); McCaslin, Todd; Pedersen, John; Intoccia, Al
Subject: FW: Uro Polypropylene Resin HGX-03-01
Importance: High

Scott,

I know you are aware of the Marlex shortage issue but I want to impress upon you the business revenue impact which is \$120M+. Please stay very close to Todd on this last time buy scenario and let us know what else can be done. The Division resources are at your disposal if that helps. Thx.

Mike Kelly

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