Friends-of-the-Firm Briefing

Ailing CEO Ties His Life to His Product

The following article appeared in the Wall Street Journal issue of May 4, 1997. Written by Bill Richards, Wall Street Journal staff writer

A Moving Story of One Business Leader's Extraordinary Sense of Urgency to Accelerate the New Product Introduction Process

With Forward by:
Alan G. Dunn, President, GDI Consulting & Training Company

GDI Consulting & Training Company provides practical solutions to complex business and managerial problems. Focusing mainly on the manufacturing and distribution industries, GDI has developed a reputation as one of the most innovative and hardest working professional services firms in these industries.

GDI Consulting & Training Company
P.O. Box 205 ● Temecula ● California ● USA ● 92593
Telephone 951-587-2003 ● www.gdiconsult.com ● agdunn@gdiconsult.com

Forward by Alan G. Dunn

Dear Friends-of-the-Firm,

Many of our clients have expressed concerns about their company's new product introduction processes. These concerns are often expressions of frustration at the difficulty of inventing a sense of urgency in those involved in product introduction activities. Missed milestones without anyone seeming to be concerned, overrun budgets with little accounting attention and poor project management are phrases we often hear from the mouths of our manufacturing clients. And there seems to be no privileged class… large and small companies alike seem to experience the same frustrations.

GDI Consulting & Training Company is providing you with this Friends-of-the-Firm Briefing because we believe the message in this article, written by Bill Richards, a Wall Street Journal staff writer, presents an extraordinary commentary on the human spirit… and an equally extraordinary commentary on a single Leader's critical need to drive a sense of urgency into his company. I think there is a wonderful business lesson that we can all learn by reading this article.

This Briefing represents a departure from our normal approach. Friends-of-the-Firm Briefings are usually written by GDI Consulting & Training Company staff members. This Briefing, written by an insightful newspaper staff writer, tells a story that we believe should not be altered by even one word. The message cannot be presented any better.

I think you will agree with me that the leader depicted in this Briefing is an extraordinary individual, both in spirit and leadership skill. I hope the message is as clear to you as it was to me when I first read this article. Perhaps this article will move you and stimulate your thinking about sense of urgency issues as it did mine.

Enjoy your reading.

Alan G. Dunn
President
GDI Consulting & Training Company

Ailing CEO Ties His Life to His Product

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MEDICINE: A man's survival, and his company's, hinge on a new treatment for a deadly cancer

Rick Murdock is betting his life on an unproved product made by his biotech company. It's possible neither the man nor the company will survive.

A year ago, Murdock chief executive officer of CellPro, Inc., discovered he had advanced mantle cell lymphoma, a rare form of cancer that oncologists regard as a near-certain death sentence. "There is no cure we know of," said Oliver Press, a lymphoma specialist at the University of Washington Medical Center in Seattle and one of Murdock's doctors. The life expectancy of someone diagnosed with the disease is about 30 months.

The unusual aspect of Murdock's case was the happenstance that CellPro was working on a radical new approach to treating certain cancers, including lymphomas. The procedure involves purging cancer cells from patients' blood, then reinfusing healthy stem cells - the basic blood-making cells in human bone marrow - into the patients after blasting them with radiation and chemotherapy.

The problem: CellPro's therapy was months, if not years, away from human trials. But with time running out and few options, Murdock chose to become his company's human guinea pig.

Today, Murdock, 50, is believed to be cancer-free. While a long-term prognosis is premature, his condition has become Exhibit No. 1 in the fight for his company's survival. The stem cell part of the procedure used to treat him, cleared in December by the Food and Drug Administration, is central to a patent-infringement lawsuit brought against CellPro by Baxter International, Inc. in federal district court in Delaware in 1995.

CellPro, appealing a jury verdict last month awarding Baxter damages of $2.3 million, says a ruling that it must stop selling the procedure would put it out of business.

The procedure hadn't been tested outside the laboratory in CellPro's Bothell, Wash., headquarters when Murdock broke the news of his illness to Joseph Tarnowski, CellPro's chief technical officer, and told him he wanted to try it himself. "Rick," Tarnowski said, "we're not ready."

CellPro did have a cell-separation process on the European market, but the company's researchers hadn't had much success using it to purge tumor cells. "Some days it worked, some days it didn't." Tarnowski recalls. Murdock said he understood, but there was no time. "Do what you can," he said.

"Rick needs a favor," Tarnowski told Nicole Provost, the head of CellPro's tumor-purging research team. "How soon," Tarnowski asked, "could they have a lymphoma purge ready to try?"

"Nine months," Provost estimated.

Murdock's cancer was too advanced to wait that long. "We need it in eight weeks," Tarnowski said.

Suddenly, CellPro's research became "the Rick Project." Each afternoon, when the day's fresh blood supply arrived, Provost's lab got first choice for experiments. Her three researchers stayed late into the night, monitoring the eight-hour test purges.

But the purges weren't working. Test runs produced plenty of healthy stem cells, but tumor cells remained. Provost and Tarnowski held off telling Murdock.

Early in May, Provost gathered her team in the tiny coffee room across the hall from the purging lab. "Guys," she pleaded, "give me input." The little group huddled around a table for two hours, throwing out ideas. They finally decided to try reversing the process, stripping the tumor cells first, then gathering the stem cells - in effect, starting over.

Provost's team broke through in late May. Some of the lymphoma purges showed almost no detectable levels of tumor cells. At the urging of Murdock's doctors, the FDA granted a "compassionate use of exemption" for CellPro to test its purge on its CEO.

The Treatment

In, early June, Provost sent two of her technicians to Seattle's Fred Hutchinson Cancer Research Center, a pioneer in bone-marrow transplants. Scott Rowley, the center's transplant chief, apologized for the mess - his lab was in the midst of moving - but he didn't want to wait.

On June 17, with a special drug in his system to boost his stem cell production, Murdock entered the cancer center's fifth floor outpatient transplant room. A technician hooked him up to an aspheresis machine (aspheresis means "take away" in Greek). In three hours, the machine processes 12 liters of blood, distilling out a rich pink broth of plasma and concentrated cells. The process was run three times, producing three small pouches of the broth. Each pouch contained billions of stem cells and more billions of lymphoma tumor cells; they were sent to Rowley's lab downstairs for cell separation. Murdock would live or die, depending on which of the cells made it back into his body.

Rowley's team ran the first bag through CellPro's separation machine. The pink plasma drained slowly down a tall, clear, plastic column filled with tiny beads that looked like BBs. The tumor cells, invisible, were genetically programmed to stick to the beads, like Velcro. The purged plasma then went through a second column in which the stem cells were separated in similar fashion.

A second pouch would be used if the first was unsuitable, but the third pouch was frozen, unpurged, as a backup; Rowley needed some cells - even contaminated cells - to put back into Murdock after the radiation and chemotherapy or he would have no immune system and quickly die.

As it turned out, batch one was still contaminated. Some tumor cells had made it past the first column, and the chemical reagent that was supposed to block them from going any further hadn't been strong enough.

Provost, waiting nearby with three CellPro researchers, got the bad news by phone. "What do we do now?" she asked her crew. They debated, then reached a consensus: boost the concentration of the reagent fivefold.

Early the next morning, the second pouch began dripping into the cell-separation machine in Rowley's lab. The technicians stared at the reddish liquid filtering down

the first column. It took about 40 minutes for the plasma to flow through both columns. A laser printer whirred out the analysis. Rowley looked at the readout and picked up the phone. "The pouch is swarming with healthy stem cells," he told Press. There was no evidence of any tumor cells.

Good News for the Patient

Murdock was elated. He had cleared the first hurdle. And the company's purging procedure had worked, at least in a one-patient test. But there was still a big obstacle to be cleared - the radiation and chemotherapy treatments. Nearly 5 percent of bone-marrow transplant patients die during this stage, mostly from infection when their immune systems are immobilized.

On August 2, Murdock entered room 6318 at the University of Washington Medical Center. A technician wheeled in "Big Bertha," a radioactive isotope lined with six inches of lead. Because his mantle cell lymphoma was so treatment-resistant, Murdock was getting an extra-heavy radiation dose.

After 12 days of radiation, Murdock began a regimen of chemotherapy designed to kill any tumor cells left in his bone marrow. The treatments were brutal. The patient's mucous glands, ravaged by the drugs, stopped functioning and his mouth became an open sore. Full of morphine, he barely noticed as the doctors pumped the little bag of stem cells into the catheter in his chest.

Twice his nose started to bleed. More ominous, a fever began building. With no immune system to fight back, that could be lethal. His doctors experimented with one antibiotic after another, desperately trying to slow down the fever until the infused stem cells took hold.

On the morning of day 10, Press checked Murdock's white cell count and spotted a flicker of activity. The stem cells had begun growing; his immune system was kicking in. Almost immediately, the fever dropped and Murdock's white-cell count started to climb.

By day 12, the fever was gone. Murdock hadn't eaten in more than three weeks, and his weight had fallen from 170 pounds to 158 pounds. But the sores in his mouth were healing, and he wanted to go home. Press, amazed at the speed of his rebound, offered a deal: If Murdock could hold down 1,000 calories, he could leave. Murdock forced down some applesauce and a pair of high-calorie drinks; the next day, he went home.

His recovery remains startling. By last Christmas, he could do 50 pushups and was working a full schedule. Last month, on the eve of his 50th birthday, Murdock and his wife, Patricia, sat in their living room. Press had just finished testing his blood and found no sign of tumor cells. "People dread turning 50 and getting old," Murdock said.

"I don't. I'm going to be 50 and all I can think is, I made it."

Sooner or later just about everyone who hears about Rick Murdock's cancer uses the same word - irony. "You got a guy who's head of a company working in that field, and lo and behold he contracts a disease that requires and desires that technology," says Richard Miller, a Stanford University oncologist and another of Murdock's doctors. "It doesn't get any more ironic than that."

Murdock is lobbying federal officials in Washington, asking them to use a long

ignored law that permits the government to "march in" and grant CellPro a license for its process on the ground it is required "to alleviate health or safety needs." To date, the company says, about 5,000 people have been treated with its procedure.

Murdock's recovery won't be deemed permanent by his doctors for at least three years. Rowley, the Hutchinson transplant chief, calls Murdock's case "a work in progress." Murdock concurs. His personal story, while riveting, is not the crux of his company's case, he says. "In this equation," he adds, "my survival only equals one."

About the Author

Alan G. Dunn is currently President of GDI Consulting & Training Company and founder of the Manufacturing Executive Institute (MEI). He is also the creator and lead-instructor of the 18-month Next Generation Global Supply Chain Leadership Development Program at the California Institute of Technology's (Caltech) Center for Technology & Management Education (CTME), where he has taught since 1984. Mr. Dunn also serves on the University of California at Riverside's (UCR) Advisory Board for Transformative Leadership in Disruptive Times.

Mr. Dunn specializes in supply chain management, strategic planning, manufacturing management, operations management, leadership development, cost management and business finance.

Previously, Mr. Dunn was a Vice President at Gemini Management Consulting and a Partner at Coopers & Lybrand. In both positions, he led large technical manufacturing teams through innovative productivity enhancement projects. Mr. Dunn has participated in >188 significant manufacturing and distribution projects inside >118 companies. He has worked in 24 countries and across most manufacturing sectors.

Over his 40-year career in global supply chain consulting, Mr. Dunn has served on the Boards of Directors of numerous public, private and non-profit companies. He is the recipient of the National Association of Corporate Directors (NACD) prestigious *"Director of the Year"* award in 2007.

Alan is a career Association of Supply Chain Management (ASCM) volunteer, having served as the President of the Orange County Chapter in 1984 and Chairman of ASCM in 2015. He was inducted into the *"ASCM New England Supply Chain Conference Hall of Fame"* in 2022.

Mr. Dunn has a degree in business management from California State University, Fullerton.

Contact Information

Alan Dunn, President
GDI Consulting & Training Company
P.O. Box 205
Temecula, California 92593 USA
951-587-2003
agdunn@gdiconsult.com
www.gdiconsult.com