



This updated was published on [www.baxter.com](http://www.baxter.com) on 2024-10-17. For more up-to-date information, please go to [Hurricane Helene Updates | Baxter](#).

Baxter's North Cove manufacturing site was significantly impacted by the rain and storm surge from Hurricane Helene, which was unprecedented in Western North Carolina and resulted in water flooding the facility.

**Supporting our employees in the impacted communities, bringing the North Cove facility back online and helping to ensure ongoing supply to patients are our top priorities.**

"The pace of recovery at Baxter's North Cove facility has been very encouraging. Our local team has been tenacious in the face of daunting challenges, as we have advanced from site flooding and inaccessibility to deep cleaning and preparing equipment for restart- all in less than three weeks. In parallel, we have transported more than 450 truckloads of undamaged finished products off site and to customers and have activated our global manufacturing network in support of our life-sustaining Mission. We will build on this strong progress as we prepare to begin restarting North Cove production in the coming weeks.

We salute our North Cove team, 2,500+ strong, who are fueling our recovery, and we continue to support them through a range of initiatives as they navigate the personal and local toll of Hurricane Helene. We also recognize the countless dedicated colleagues worldwide who mobilized almost instantly to support their colleagues and help address supply continuity. The entire Baxter team thanks our customers for their continuing understanding and patience. And we are grateful for the collaborative support of multiple federal, state and local agencies, all of which fully recognize the vital role of our North Cove site in U.S. healthcare. Baxter remains steadfast in its commitment to minimize the impact of this disruption and to resuming normal production in North Cove as soon as possible."

-- José (Joe) E. Almeida, chair, president and chief executive officer

Below are the latest updates in each area:

#### **Employees:**

- **NEW:** Baxter's more than 2,500 North Cove employees are now returning to work at levels nearing pre-hurricane staffing across multiple round-the-clock shifts.
  - The team is focused on ongoing site remediation efforts and equipment assessment and management, working alongside an additional 1,000 remediation contractors that have been engaged for site cleanup and recovery.
- **NEW:** Our local colleagues are simultaneously continuing to navigate the storm's devastating personal impact, including significant property damage; injury and loss of life across the broader community; and disruption of essential services. The Baxter team mobilized immediately following the storm as we worked to ensure that all colleagues were safe and accounted for; and activated a range of initiatives to offer critical employee assistance.
  - An employee support center established near the North Cove site is providing basic supplies, such as food, water, and toiletries, as well as access to portable generators, showers, laundry machines, credit union services, and laptop workstations with internet access.
  - Given changing seasonal conditions, the most recent five truckloads of goods delivered included items to help address cold weather.
  - Employees have also been able to pursue financial assistance through multiple programs funded through Baxter, the Baxter International Foundation and the generosity



of Baxter employees globally in support of colleagues facing personal property damage and emergency expenses in the aftermath of this natural disaster.

**Facilities and Infrastructure:** We continue to make meaningful progress on site cleanup and remediation.

- **NEW:** Our progress in restoring the physical facilities has exceeded our expectations in many respects. We achieved a critical milestone in our recovery efforts this week, with full restoration of utilities, including electric capability, water and wastewater treatment. IT infrastructure is also now fully operational.
- **NEW:** Outside engineers confirmed that the site is structurally sound and didn't sustain any structural damage from the hurricane.
- **NEW:** Current priorities are finalizing deep cleaning of the facility as well as completing the assessment of all equipment and beginning phased testing of priority equipment that will, in coordination with FDA, support resumption of line operations in phases.
- We continue to make progress on the second temporary bridge being installed at the site, thanks to the support of ASPR, North Carolina Department of Transportation and our local team. This will enable additional truck and equipment traffic to enter and leave the site. In the interim, our first temporary bridge has already transported more than **450 truckloads** of finished product off site to begin shipments to customers.
- **Our goal is to begin restarting North Cove production as soon as possible and in phases by the end of this year.** We do not yet have a timeline for when we expect production to be fully restored to pre-hurricane levels.

**Supply Continuity:** In close coordination with FDA, we continue to scale and ramp up production across our global manufacturing network to help support patients and customers. In parallel with these efforts and as product begins to make its way into the U.S., **conservation efforts for IV and PD solutions remain essential.** Our Medical Affairs team is offering support and resources for product management and conservation strategies and has launched a [webpage](#) dedicated to hosting this information.

- **Activating Baxter's Global Manufacturing Network:** To date, we have activated seven plants across our global network to help increase available inventory, with initial shipments beginning to make their way into the U.S.:
  - Shipments to the U.S. from two Baxter sites (Mexico and Spain) that previously had FDA-approved products began last week and more shipments are on the way.
  - Last week, FDA announced that it has authorized temporary importation for five Baxter manufacturing facilities in Canada, China (two sites), Ireland and the UK. **Product from these sites has been contemplated in the current allocation levels previously communicated by Baxter.** We continue to work closely with FDA to authorize temporary importation for additional Baxter manufacturing sites and products.
  - **NEW:** The first product shipments that FDA authorized for temporary importation are arriving in the U.S. this weekend. And, with the coordination and assistance of ASPR, by the end of the year, we project that collectively approximately 200 747 airplanes full of product will be delivered to the U.S., which represents nearly 18,000 tons of product from Europe and Asia. There is a range of time over the coming weeks when providers may begin receiving this product. Additional details will be provided to customers in the coming days and as appropriate.
  - **NEW:** We are also pursuing other avenues to support product availability, such as expiration date extension requests. We will provide updates as available.
- **IV Solutions Allocations:** Allocation levels remain as previously communicated by Baxter on Oct. 9th, including a 60% allocation for our highest demand IV fluids for both direct customers and



distributors. Customers should note that there is typically a 1 to 2-week lag time for product to flow through the network.

- Based on 1) the current status of our remediation efforts, 2) our expectations regarding our ability to reallocate capacity from other Baxter facilities, and 3) initiation of temporary importation on certain products, **our goal remains to return to 90% to 100% allocation of certain IV solution product codes by the end of 2024.**
- **PD Solutions Allocations:** We are closely partnering with the kidney care community to promote conservation of peritoneal dialysis (PD) solutions supplies. We continue to actively deliver supplies to current PD patients, in close coordination with dialysis care teams to help meet patients' therapeutic needs. We are striving to align their existing prescriptions with the current limitations. The allocations for PD solutions remain as communicated with patients and clinicians on Oct. 3rd. We continue to work with our partners to closely monitor supply levels, identify alternate sources of supply and optimize utilization of PD supplies. We are partnering with healthcare professionals to limit new PD patient starts to pediatric patients (those under 18 years old). Other medically necessary patient exceptions may be considered. While our priority is to ensure our existing patients and customers get the supplies they need, we are looking for every opportunity to expand our support to address new patients as we progress toward recovery. We expect to provide an update in the coming days regarding our plans for expanding the allocation to new patient starts.

We are appreciative of the ongoing support and patience of our customers and partners as we continue to work diligently and with urgency to fulfill our Mission to Save and Sustain Lives for our employees, patients and communities.

#### **Resources for Healthcare Professionals and Customers**

- Please reach out to your Baxter representative or distributor for questions regarding supply. For customers who need additional assistance beyond their existing Baxter communications channels, please contact [HurricaneHeleneSupport@baxter.com](mailto:HurricaneHeleneSupport@baxter.com).
- [Conservation and Medical Information Resources](#)
- [October 1 Medical Information Letter for Home Dialysis Customers](#)
- [September 30 Medical Information Letter for Healthcare Facilities](#)