



ACHIEVEMENTS:

Quality

- 54% reduction in process errors per lot since 2006
- 98% reduction in in-process bioburden since 2001
- First Baxter Bioscience Plant to achieve ISO 9001:2000 certification
- 88% Reduction in Key Regulatory Audit observations since 2000
- 92% reduction in quality observations from external audits since 2003

Financial

- 63% reduction of discarded product (normalized to volume) from 2003 to 2008.
- 8% increase in key product yields since 2005
- 24% improvement in inventory turns since 2004

Customer

- 48%, 31% and 25% total reduction in top three key product cycle times since 2004.

Other

- 30% reduction in employee turnover since 2004
- Recognized as core talent base for the Bioscience Division – providing other Baxter sites with leaders
- ISO 14001 certified
- Over a 75% increase in QLP (Operational Excellence) assessment score from 2006 to 2008; we hold the highest score in the Baxter BioScience Division.
- August 2009, Los Angeles & Van Nuys Warehouse reached 2 million Man hours with out a Lost Time Injury
- 13.1% reduction in energy usage (normalized to account for production volume) from 2007 to 2008
- Reduced Recordable Injury Rate from 3.7 in 2005 to 1.1 in 2009
- 77% Reduction in over all waste from 2001 to 2008

AWARDS AND RECOGNITION

- 2009 Glendale Healthy Kids Plant of the Year
- 2008 1st place for Baxter's EHS Excellence Award for Quality and Regulatory Compliance
- 2008 1st place for Baxter's Best EHS Team
- 2008 Diamond award for our Ride share program presented by LA Metro
- 2008 one winner and one finalist for the Baxter Project Management Awards
- 2008 Runner up for the Baxter Bioscience QLP Project of the Year Award

- 2007 California Team Excellence Bronze Award
- 2007 California Team Excellence Honorable Mention Awards
- 2006 American Red Cross Platinum Award for Community Volunteer Blood Program
- 2006 "Rivies" Award from Friends of Los Angeles River
- 2005 Baxter Bioscience QLP Project of the year Award
- 2005 Water Conservation Award
- 2004 WRAP award from state of California for recycling of Non hazardous waste
- 2004 Global HR Best Investment Award for Continuous Improvement Initiative
- 2003 Karen Hoffman Award for Team Excellence

PEOPLE

The workforce at Baxter Los Angeles is currently comprised of approximately 1150 full-time personnel, who work on five shifts that cover 24 hours per day, 7 days a week, year round. Our approach to creating a workforce of multiple ethnicities is reflected in our plant diversity:

American Indian/Alaskan Native:	2
Asian:	399
Black/African American:	69
Hispanic/Latino:	313
Native Hawaiian/Oth Pac Islander:	8
Two or more races:	11
White:	298

As a plant, we are highly committed to the values of Leadership, Succession Planning, and Employee Investment. As the largest North American BioScience facility, Los Angeles has a history of attracting, developing, and generating leaders for Baxter.

Baxter Los Angeles has a proactive process in place to identify organizational and people-related needs. This enhances Baxter's overall performance, productivity and profitability. Guided by its Quality Leadership Process (QLP) foundations, Baxter Los Angeles has developed a strong culture towards continuous improvement based on teamwork participation, constant learning, open communication and non-stop innovation.

PROCESS

Baxter Los Angeles constantly evaluates its operational excellence through a Plant Strategic Objectives Scorecard. Deployment of the strategic plan is



*Riding the Wave
Towards Best-In-Class*



established around six key areas: Customer, Finance, Quality / Regulatory, Operational Excellence, People / Team, and Innovation. The objectives of this balanced scorecard are cascaded through robust management control systems that touch all organizational levels and reach to the floor level at shift meetings. Individual personal management objectives (goals) are developed to be applicable at all levels based on the scorecard and plant strategic initiatives.

Performance improvement and innovation are driven by the systematic analysis and update of the plant's value stream map (VSM) and corresponding key processes. Teams are in place via the QLP Organization and Continuous Improvement experts embedded into each Business Unit to lead the implementation of all VSM initiatives, as well as for process control and problem solving purposes. Supporting functions contribute to this process through the implementation of projects derived from the Business Alignment performed as part of the strategic planning process, and the application of Lean / Six Sigma operational management techniques.

This industry is highly regulated by various health agencies across the world such as the Federal Drug Administration (FDA) and European Medicines Agency. Robust quality systems have been put into place to meet the standards of each of these agencies. These systems also drive continuous improvements through mistake proofing and standard work.

PRODUCT

Baxter Los Angeles fractionates approximately 3.4 million liters of plasma per year from which it creates plasma-derived therapies. In all, plasma derived products account for over 20% of Baxter's Revenue.

The plasma fractions recovered and used by the Baxter Los Angeles plant include serum albumin, immunoglobulins (IgG), and antihemophilic factor VIII. Serum albumin is used in cases of circulatory volume replacement trauma, hypovolemia, surgery burns, respiratory distress, intra-abdominal infection, liver failure, and nephrotic syndrome. It is either packaged in glass here at the Los Angeles Plant, or shipped to Illinois to be filled as Flexbumin™, which is the product name for recent innovation of filling Albumin into a more user friendly, flexible plastic bag.

The antihemophilic factor we produce is used to treat hemophilia A, a disorder resulting from clotting Factor VIII deficiency. Harvested immunoglobulins (IgG) are

used to create the product Gammagard Liquid and S/D™ to help patients with Primary Immune Deficiency patients. Regular doses of this therapy enable patients who would otherwise have to live in isolation behind plastic to fight off infection normally.

PLANT

The Los Angeles plant is the world's first, largest, and most advanced provider of high quality plasma-derived therapies that save patients and allow families to live normal lives. As the preferred partner in biopharmaceutical manufacturing, we passionately serve the needs of our patients, relentlessly drive continuous improvement through total employee involvement, and create the best and most rewarding place to work and grow.

Baxter Los Angeles is consists of two major campuses. The main facility is the Manufacturing Plant, which covers 269,000 square feet and employs the bulk of our personnel. The transportation hub for the plant is the Van Nuys Warehouse, a slightly smaller facility of 117,000 square feet and completely dedicated to the logistical support involved in releasing and shipping raw materials to the manufacturing facilities and shipping our products around the globe.

Our latest addition to the main facility is Building 5, also known as the Los Angeles Fractionation Complex (LAFC). This 92,000 square foot multi-floor building was inaugurated in mid 2007. The layout and equipment used in this new, \$270 million facility allows us to process product with even higher levels of automation and quality control.

CORPORATION

Baxter International Inc. is a global diversified healthcare company that develops products and therapies for hemophilia, kidney disease, immune disorders and other chronic and acute conditions. The company is organized into three segments: Renal, Bioscience and Medication Delivery. The Los Angeles plant is under the BioScience division of Baxter.

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