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C.R. Bard Inc. Q3 2008 Earnings Conference Call Transcript

Question-and-Answer Session

And ladies and gentlemen we will now begin the question-and-answer session. [Operator Instructions] Our first question from the line of Joanne Wuensch, with BMO capital markets. Please go ahead.

Shagun Singh - BMO Capital Markets

Hi thank you for taking the question this is Shagun Singh for Joanne Wuensch. Could you provide some comments on the adoption of Agento I.C in terms of new accounts? I know you're commented that the sales cycle is lengthy, but when do we actually start seeing the adoption and conversion?

John H. Weiland - President and Chief Operating Officer

This is John Weiland answering that the Agento I.C conversion, it is a one hospital at a time conversion plan. It really takes our entire sales force, which is focused on this and all of them had targets in their specific territory initial targets that they're approaching on it. I would say since we have seen the publication in the American Medical Journal on the Agento I.C study, we have seen a significant impact in terms of the targets accessibility towards this device. Now it's early to tell, because each one of these accounts takes approximately nine months to convert. Not much different than the sales process that we had with our I.C infection control catheter line and as you know, since we have gone step product over 12 years ago, the last six or seven years in terms of the conversion rates it is a very steady ramp process, that's what we expect to have with the Agento I.C as well.

Shagun Singh - BMO Capital Markets

So you're looking for it to pick up in the first quarter of '09, second quarter at that time frame?

John H. Weiland - President and Chief Operating Officer

I think it will be slow and steady ramp throughout 2009.

Shagun Singh - BMO Capital Markets

Okay my next question is regarding R&D. So it looks like R&D is back at the 5.7% level. Could you comment a little bit about a couple of more initiatives there?

John H. Weiland - President and Chief Operating Officer

About what?

Shagun Singh - BMO Capital Markets

About on the R&D pipeline.

Timothy M. Ring - Chairman and Chief Executive Officer

Let me take that. This is Tim Ring. We don't manage R&D on a corporate average. It adds up we manage it by business, each business requires a different set of investment than the other and it just adds up to be the corporate average. So we do not have an R&D percentage of sales goals as a corporation. We manage each of the businesses individually.

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