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Abiomed, Inc. Q3 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from the line of Greg Simpson - Stifel Nicolaus.

Greg Simpson - Stifel Nicolaus & Company, Inc.

Mike, I would like to start with the commercial side of the Impella ramp. My understanding what you are saying correctly is that I understand the need to have support people in the centers especially in the early going. Are you basically thinking you guys are stretched thin? Is that a result of the number of centers that are interested here? How does that dynamic kind of play out here over the next few quarters? I mean we are all going to be trying to gauge and reset our Impella ramp. I am trying to figure out how this plays in as you expand the number of people.

Michael R. Minogue

So Greg as I explained sequentially the general revenue in the US for Impella went up 8% inspite of the fact that we opened half of the number of accounts we opened in Q2. The difference is that the trial revenue is declining. We did relabel some trial catheters also into for commercial use and what we found is that our centers want the Impella person there as they do their first essentially five patients beyond just the training. When they get to that comfort level, that is the one physician in the support staff, we also have the ability then to get other interventional cardiologists trained at the same center and there are positive trends, as once we get them using, they use it more and they expand to other applications.

Greg Simpson - Stifel Nicolaus & Company, Inc.

Okay. And on the relabeling Bob can you maybe quantify that a little bit, maybe give us a little better feel for how that affects, we are just looking very short term here on the revenue ramps, we try to get our hands around this. Can you maybe just explain that in terms of the number of units or something along those lines?

Bob Bowen

Over the last two quarters it was 94 units and the units average ASP is \$20,000 to \$25,000. So you can think of that as a movement from trial catheters into general use that gave the hospitals incremental inventory levels in general use for utilization needs that otherwise might have been satisfied with new orders.

Michael R. Minogue

We also disclose Greg that 70% of those relabels happened in Q2.

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