To:

<u>Please distribute this to your people!</u>		
Rich Borror	Tony Fleming	Robert Ronk
Terry Martin	Lance Perry	Craig Blaschke
Ken Beres	John Susaraba	Jeff King
Dan Hann	Bill Kolter	Kevin Stone
Rex White	Sam Stutzman	Greg Vandewater
Greg Dwyer	Mark Vandewalle	Karen Hummel
Kirby Lawson	Terry Armstrong	Tom Allen
Jim Babcock	Dave Montgomery	Greg Sasso

From: Troy Hershberger Date: 7-11-00

Subject: Project Priorities

It has always been a "Biomet tradition" to develop more products than our competition and in recent years we have held true to this philosophy. One goal of development is to maximize our return on our investment of time and resources. In other words, we want to get the "biggest bang for our development buck". This would mean that we should prioritize our work and develop the products that will make the most money for Biomet <u>first</u>.

In an effort to maximize our return on investment, I would like to provide you with a clear, concise list of the top hip and knee development projects. These priorities were set by a group consisting or manufacturing, marketing, and engineering directors and VPs.

You will notice the #1 project for each group is called the group "Super Project" for lack of a better name. This is the project that each group should rally around and push to completion as soon as possible. It will have the biggest impact on Biomet's bottom line. When a piece of this project comes into your possession, (drafting, prototypes, regulatory, tooling, production planning, rollout schedule, etc.) do not accept delays but instead focus your work on the Super Project and move it along. Make it *your* #1 priority. In fact, try to look up stream and anticipate your part of the Super Project.

When the current Super Project is complete, the management group will designate a new one. The priority lists will be updated as often as necessary. Priorities may change due to the fact that our market changes and we have to be able to take advantage of opportunities. That's what makes us Biomet!

We hope that this new focus on project priority might simplify your life a little bit and speed up our time to market for the Biomet "money" projects.

While this program is intended to communicate the development priorities throughout the entire company, we will still remain responsive to our customers by taking on the "make a few, sell a few" projects as we have in the past.

Development Priorities

(As of 7-11-00)

HipsEngineer1. Large Diameter Metal on Metal
"Hip Super Project"Ryan Lakin2. 3-Piece Modular Hip or Lateralized Revision
Hip Linc ExtensionPhil Gibbs3. Alliance Instrument Re-designJason Slone4. Constrained Cup IIJason Slone5. M2A RingLoc Metal on MetalRyan Lakin

<u>Knees</u>

- 1. SCK Super Constrained KneeJacy Hoeppnerwith Offset Tibial Tray"Knee Super Project"
- 2. Roto-Bob Knee
- 3. "Convertible" Box Femurs
- 4. "Pop Top" Tibials
- 5. Ascent P/S Box Cut Guide

Extremities

1. Graham Hastings ElbowBernie Berelsman2. ShoulderNick Cordaro
(Bernie Berelsman)3. Palmer WristJason Shultz4. Bi-Polar IIJason Shultz5. Copeland ResurfacingBernie Berelsman6. Wolf ResurfacingNick Cordaro

Engineer

Bob Metzger Jacy Hoeppner Bob Metzger Jim McKale