

International Orders Fuel **STRONG** Second Quarter

Welch Allyn reported a strong second quarter on the international front fueled by several large orders from places near and far. While sales in the United States and Canada are tracking ahead of last year's figures for the same period, our success overseas is an important step in achieving one of the three planks of Welch Allyn's overall strategic direction—expand globally. More specifically, it speaks to the commitment and hard work of those focused on achieving the 2008 International objective of driving international growth by increasing our global reach and developing and delivering customer-focused solutions for targeted markets outside of the United States.

Here are some of the highlights from a very successful second quarter:

APAC: China

The Chinese government expects to spend \$2 billion over the next three years on community clinics in an effort to direct patients to nearby clinics for a primary diagnosis rather than to overburdened hospitals. Welch Allyn won a Beijing Ministry of Health Community Clinic project tender for 640 units of the 767 Integrated Diagnostic System—one of the largest customer orders ever for this product internationally.

“This represents a major breakthrough for Welch Allyn to be able to sell its frontline diagnostic products into this traditional non-GP market,” according to Larry He, China country manager. “More importantly, it represents the company's commitment to focusing on the international market and tailoring products to meet local requirements. China requires BP measurements to be taken in kilopascals, not mmHg, and with this addition to our wall aneroids, we were able to meet the customers' needs.”

One of Internationals' 2008 Strategic Objectives includes expanding aggressively into China by the end of 2008. “This order represents a first step for Welch Allyn's efforts to extend our success to similar projects in the future and build a growing business in China long-term,” said Con Hickey, senior vice president, Japan Asia-Pacific.

Questions? Comments? Story Ideas?

If you have any feedback or a story idea that you think is appropriate for the next issue of Frontline, please send an email to frontlinenews@welchallyn.com or leave a voicemail at 315.685.2692. We'd love to hear your feedback.

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RETHINK RECYCLING

Welch Allyn's commitment to build a LEED-Certified Global Headquarters has given the company reason to look at all aspects of our environmental impact—beginning with our recycling initiatives.*

Jon Soderberg, VP Strategic Sourcing, Alliances & Logistics, says LEED certification takes total participation in environmental efforts. “Our family has always had a strong commitment to environmentalism, and the new renovation is certainly a wonderful example of our support. However, the important thing for me as we approach any environmental initiative is that it has to be comprehensive. In other words, we can have the best green building in the world, but if our company culture doesn't support a commitment to doing the little things right, like recycling and other initiatives that take individual responsibility, then we will not be as successful in protecting the environment as we should be. I am convinced that the Welch Allyn culture will embrace these new initiatives and we will lead the way for other local companies.”

The “Rethink Recycling” campaign will be launched in early August to help employees reconsider how we manage waste in our work space each day. Dave Fox, corporate facilities manager, reports that crews are already using an effective collection system for sorting office waste. “Employees who are diligent about sorting contribute to our efficiency,” says Fox, “but not everyone is using the office bins to sort trash and recyclables. Small efforts add up to making a big difference when everyone participates.”

Robert Hill, indirect strategic sourcing analyst in Skaneateles, works with our waste management vendors and sees how recycling efficiencies impact our bottom line. “Better sorting in the work space could reduce our landfill waste and improve recyclable returns by up to 15% each this year,” says Hill. That is equivalent of 8.7 school buses less trash going to the landfill and an additional \$19,500 returned from recyclables!



For questions or suggestions on recycling in your area, contact Robert Hill at hillr@welchallyn.com or 315.685.3646.

*LEED is the U.S. Green Building Council's comprehensive program of “Leadership in Energy and Environmental Design,” which looks at sustainable site location, water and energy efficiency, atmosphere, materials and resources utilized, indoor environmental quality, innovation and design process.



conversation starter,” she said. “Co-workers would ask me questions about our involvement with NMSS before or after meetings, and then began to ask how they could help.” Several Beaverton employees supported their team in 2007.

This year, when Brie learned about the new company Matching Gifts Program, she made it a point to let other employees know that their contributions to defeat MS could be matched by the company. “People were even more generous when they learned that their gifts would be matched,” said Stoianoff. She made it easy for others to participate by providing the forms and collecting them along with the donations to turn into the local NMSS office. It worked. So far, employees have donated \$925 and the Welch Allyn Matching Gifts Program matched it with \$925, raising \$1850 toward their \$15,000 goal.

“Welch Allyn is a terrific company to work for,” said Brie. “The people care. The company cares. They have been there to support me from the beginning, and that makes a big difference.” You can learn more about Brie and Kevin's bike MS 2008 ride in Oregon and their passion for finding a cure for MS on their website at www.bricandkevin.com, and about the Matching Gifts Program on WAHOO.

Matching Gifts Program Helps Employee Reach Fundraising Goal

Brie Stoianoff and her husband Kevin Byrne have participated in the National Multiple Sclerosis Society's MS150 Bike Ride for the past five years. Together they have raised more than \$40,000 to support MS research. This year the Welch Allyn Matching Gifts program is making their goal of raising \$15,000 a much easier task.

Brie joined Welch Allyn as a quality systems engineer in Beaverton last June. In her cubicle, she hung posters for her upcoming “Bike to the Bay Ride” and past events. “It was a great