

# **H&P Industries, Inc., and Triad Group, Inc. Announce Signing of Consent Decree Covering Manufacturing Facility in Hartland, WI**

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HARTLAND, Wis., June 13, 2011 /PRNewswire/ -- H&P Industries, Inc. and Triad Group, Inc. announced today they have finalized the terms of a Consent Decree of Permanent Injunction (Consent Decree) with the U.S. Food and Drug Administration (FDA) for H&P's manufacturing facility in Hartland, WI. H&P manufactures pharmaceutical products and medical devices for distribution by Triad Group, Inc. and other companies. The Consent Decree is subject to approval by the United States District Court in the Eastern District of Wisconsin.

In January 2011, H&P submitted to the FDA a Comprehensive Action Plan (CAP) to improve quality systems at its manufacturing facility. H&P believes that the terms of the Consent Decree recognize the progress made in its efforts to date and are consistent with the commitments the Company has made as part of the CAP. The Consent Decree allows H&P to continue the work initiated under the CAP and identifies procedures that will help provide additional assurance of product quality to the FDA.

"This is the all-important first step in resuming our manufacturing operations," said Eric Haertle, president, H&P Industries. "We are fully committed to addressing FDA's concerns and rebuilding the confidence of the customers we have served for so many years."

Under the terms of the Consent Decree, H&P will continue to operate its manufacturing facility in Hartland, WI. The Company has enlisted an independent expert who will inspect the facility and issue recommendations for further enhancements. The Company will develop a work plan to address these recommendations. Upon FDA approval of the plan, H&P will be able to resume manufacturing.

The Company and the FDA also have agreed the independent expert will review all manufacturing records related to current production to ensure that products released from the facility continue to meet quality standards. The Company anticipates the Consent Decree will govern the H&P's operation of the facility for a period of at least five years following the completion of the work plan.

The terms of the Consent Decree also allow H&P to submit a reconditioning plan for the products seized on April 4, 2011. The Company will work with the independent expert to determine which products may be reconditioned and the necessary steps to do so. Once this plan is FDA approved, a team of experts will thoroughly review all documentation associated with products eligible for reconditioning under plan and submit those to the Agency.

Throughout the 30-year history of H&P Industries, patient and consumer safety has been the company's primary concern. As FDA has shared its concerns, the Company has taken aggressive

and responsible action to resolve the issues, including issuing voluntary recalls, halting many production lines, responding to all observations noted by the FDA during inspections, and providing the Agency with a detailed corrective action plan. H&P continues to be in regular communication with FDA and looks forward to achieving the goals outlined in the Consent Decree.