

COUNTY OF NEVADA

STATE OF CALIFORNIA

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July 19, 2016

Ms. Gail J. McGovern
President and CEO
American Red Cross
National Headquarters
430 17th Street
Washington, DC 20006

Dear Ms. McGovern:

The Nevada County Economic Resource Council on which Nevada County has a board seat recently made us aware of a unique strategic partnership between Dignity, the largest hospital chain in California, and Applied Science, Inc. ("ASI") a leading vendor of devices and services to the global blood banking community. In addition, as a result of these conversations we were informed of a recent request for proposals by the American Red Cross Biomedical division ("ARC") for the purchase of blood collection scales and services.

We are writing in support of a potential proposal by ASI to manufacture up to 8,000 units of its whole blood monitor and mixer device for the American Red Cross ("ARC").

ASI, headquartered in Grass Valley, a small town in California's Nevada County, is the only United States-based company competing for this contract that designs, manufactures and services their device in the United States. Moreover, 90% of the content in ASI's device, on a dollar basis, not including labor, is sourced in the United States. The other companies vying for the contract design and manufacture their competitive devices outside the United States.

Nevada County is becoming recognized nationally as one of the most economically competitive rural counties in the U.S. This is due in part to companies like Grass Valley Group, Telestream, ASI and others, which have brought world renown to our region as a center for digital media and innovative, entrepreneurial technology companies. ASI provides high wage/high skills jobs – which will further grow should the ARC project be awarded. In a small, rural community such as ours, these types of jobs are especially important.

The ARC is a significant American institution, and has a very large and impactful presence in California. ASI is also committed to contributing to the economy of our State and our region. Awarding the contract to ASI would keep capital in California and promote the growth of California small businesses, California innovation, California manufacturing and California jobs.

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As development partners, ASI and Dignity are building a next generation patient charting process automation application. The ARC contract for the automated collection devices will enable significant growth of these activities. The solution has significant commercial applicability for global healthcare, including transfusion medicine, and therefore, the ARC. Given the potential growth opportunities for this emerging business it is likely that Grass Valley and Nevada County would experience a significant economic impact and as a result may become a hub for healthcare information technology innovation.

Finally, California, Nevada County and the ARC have worked closely over the last two years serving the needs of families affected by wildfires. This work continues today. This is in addition to the ARC serving the hematology needs of American families, American hospital institutions and their patients. The Nevada County donor pool, which provides its life saving blood to the ARC, is made up of Americans and those who live here in our county. They give this scarce and valuable resource to the ARC for free. Given this devotion to the ARC, we ask the ARC to make this same commitment to the growth of jobs and industry in Nevada County.

Thank you for your consideration of this request.

Sincerely,



Dan Miller
Chairman, Board of Supervisors

Copied to: Governor Jerry Brown
Congressman Doug LaMalfa
Congressman Tom McClintock
Senator Ted Gaines
Assemblyman Brian Dahle
Board of Supervisors
Rick Haffey, County Executive Officer
Gary Strong, Chief Executive Officer,
Gold Country Region of the American Red Cross
Chris Hrouda, Executive Vice President, Biomedical Services,
the American Red Cross
Jon Gregory, Executive Director, Economic Resource Council