

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Furnish this exhibit for EACH foreign principal listed in an initial statement and for EACH additional foreign principal acquired subsequently.

1. Name and address of registrant RUDER FINN, INC. 301 E. 57 th STREET, NY, NY, 10022	2. Registration No. 1481
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3. Name of foreign principal NOVARTIS A.G.	4. Principal address of foreign principal LICHTSTRASSE 35 CH-4002 BASEL, SWITZERLAND
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5. Indicate whether your foreign principal is one of the following:

Foreign government

Foreign political party

Foreign or domestic organization: If either, check one of the following:

Partnership Committee

Corporation Voluntary group

Association Other (specify) _____

Individual-State nationality _____

013995

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6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state:

a) Principal address.

b) Name and title of official with whom registrant deals.

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

PHARMACEUTICAL COMPANY

b) Is this foreign principal

Supervised by a foreign government, foreign political party, or other foreign principal

Yes No

Owned by a foreign government, foreign political party, or other foreign principal

Yes No

Directed by a foreign government, foreign political party, or other foreign principal

Yes No

Controlled by a foreign government, foreign political party, or other foreign principal

Yes No

Financed by a foreign government, foreign political party, or other foreign principal

Yes No

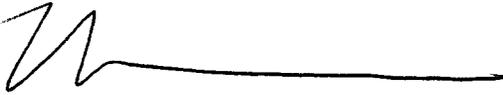
Subsidized in part by a foreign government, foreign political party, or other foreign principal

Yes No

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page must be used.)

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

this foreign principal is owned and controlled by NOVARTIS A.G.

Date of Exhibit A 4/14/97	Name and Title MICHAEL SCHUBERT CREATIVE DIRECTOR	Signature 
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INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. One original and two legible photocopies of this form shall be filed for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant RUDER FINN, INC.	2. Registration No. 1401	013998
3. Name of Foreign Principal NOVARTIS A.G.		

Check Appropriate Boxes:

4. The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
5. There is no formal written contract between the registrant and the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
6. The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.

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7. Describe fully the nature and method of performance of the above indicated agreement or understanding.

GLOBAL LAUNCH OF NEW COMPANY INCLUDING

- GLOBAL ADVERTISING
- DIRECT MAIL
- INTERNET/INTRANET
- INTERNAL COMMUNICATIONS
- PUBLIC RELATIONS

8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

- GLOBAL ADVERTISING
- DIRECT MAIL
- INTERNET/INTRANET
- INTERNAL COMMUNICATIONS
- PUBLIC RELATIONS

- Provide Counsel regarding media relations strategy for announcement of US SEC approval of merger of CIBA GEIGY & SANDOZ to form NOVARTIS
- Provide Counsel regarding employee communication throughout the integration process.

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Date of Exhibit B 4/14/97	Name and Title MICHAEL SCHUBERT CREATIVE DIRECTOR	Signature 
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Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political interests, policies, or relations of a government of a foreign country or a foreign political party.

Ciba-Geigy Ltd.
CH-4002 Basel
SWITZERLAND

100410

Attention: Prof. Walter P. von Wartburg
Head Ciba Communications

Dear Walter,

This letter of agreement sets forth the terms and conditions under which Ruder-Finn ("Agency") agrees to serve as the advertising and communications agent of Novartis ("Client") for the campaign to achieve sustainable name recognition for the new company "Novartis" among enabling publics and important stakeholders as outlined in the Ruder-Finn proposal (Appendix "D").

7 MAR 24 11 59 AM
CIBA-GEIGY LTD.
CH-4002 BASEL

1. BASIC SERVICES

Agency shall provide Client with the following advertising services:

- A. Develop an advertising program designed to meet Client's needs within a budget authorized by Client.
- B. In the execution of any plans, when approved by Client, Agency will do the following:
 - (1) Write, design, illustrate or otherwise prepare Client's advertisements, including programs to be broadcast and other methods to communicate Client's message.
 - (2) Audit all advertising placed, including verification of insertions, examination of quality of reproduction and of position of printed advertisements, and ensure that the television and radio affidavits correspond to the approved schedule.

- C. Purchase, as Client's agent, all materials and services required for the production of finished advertisements and commercials.
- D. Verify and pay appropriately invoiced and undisputed charges incurred on Client's behalf.

2. SPECIAL SERVICES

In addition to the Basic Services, Agency is prepared to provide through a series of subcontractors, a variety of special services to Client. Compensation and other material terms and conditions for these special services will be agreed upon in advance. Such services may include:

- A. Direct marketing services, including the creation and production of direct mail and direct response advertising, and the placement, insertion or distribution of those materials.
- B. Interactive marketing and new media services, including consulting on, planning and execution of interactive communications and internet materials and creation of an interactive internet and intranet site.
- C. Order the space, time or other media for Client's advertising using reasonable efforts to secure the most advantageous rates available.
- D. Forward advertising material with proper instructions to the media, using best efforts, for fulfillment of the order.

3. COMPENSATION

Compensation to be paid by Client to Agency for the services outlined in paragraph 1 and 2 above as set forth in Appendix "A".

4. BILLING

- A. Media will be billed in such a method as to guarantee that Client's payment will be received prior to the release of funds to broadcast stations and print publications. The original billing will be based on the ordered dollars and will be adjusted to actual amounts once the station/publication invoices have been received and processed.

- B. It is essential that Agency receive Client's payment in time for Agency to meet its obligations to the media and other third party vendors. Where possible, discounts are to be obtained in cash, not in kind, so as to free sufficient funds for PR activities in addition to more advertisements.

5. ACCESS

Client, at its expense and through its authorized employees or its independent certified public accountants, shall have the right during normal business hours to examine Agency's records of expenditure on Client's business. This does not include access to individual payroll and personnel records. Client shall notify Agency sufficiently in advance (but not less than 30 days) to insure that such records are made available to Client's authorized representative at Agency's premises. This recommended time limit may vary based on the scope of the review.

6. INSURANCE

Agency agrees throughout the term of this Agreement to maintain in full force and effect at its own expense an advertising agency liability insurance policy protecting Agency in amount not less than \$5,000,000.00.

7. INDEMNIFICATION

- A. Client shall be responsible for the accuracy, completeness and propriety of information concerning its organization, products, competitors' products and services which Client furnishes to Agency in connection with the performance of this Agreement. Accordingly, Client shall defend, indemnify and hold Agency harmless from and against any loss, damage, liability, claim, demand, suit and expense (including reasonable attorneys' fees and costs) ("Loss") which may be incurred by Agency as the result of any claim, suit or proceeding brought or threatened against Agency if the loss is caused by Client's breach of an obligation in accordance with this agreement.

Client shall also defend, indemnify and hold Agency harmless in respect of any Loss which Agency may sustain resulting from any claim, demand, suit or proceeding made or brought against it arising out of the nature or use of any of Client's products or services, as well as claims of infringement arising out of Agency's adherence to Client's instructions or directions which do not involve items of Agency's origin, design or selection.

Agency shall indemnify and hold Client and its employees and agents harmless from and against any claim, loss, liability or expense, including, but not limited to, reasonable attorneys' fees and disbursements and court costs incurred in enforcing this indemnity or loss arising out of or resulting from any claim, action or proceeding brought against Client based upon libel, slander, defamation, infringement of copyright or invasion of privacy committed in any materials arising out of Agency's services under this agreement, except to the extent such claim, action or proceeding arises out of or results from information or materials provided by or through Client, in which case Client indemnifies and holds Agency harmless. Client shall be responsible for the accuracy, completeness and propriety of information provided to Ruder-Finn.

B. DUTIES ON THIRD PARTY CONTRACTS IN THE UNITED STATES

Agency's agreements with the Screen Actors Guild ("SAG") and the American Federation of Television and Radio Artists ("AFTRA") provide for Agency to be ultimately liable to performers for payments that may become due. Therefore, Client will defend, indemnify and hold Agency harmless against any Loss Agency may sustain resulting from any claim, suit or proceeding made or brought against Agency for use of any Agency produced commercials by Client, Client's employees, dealers, authorized agents or by anyone else, who obtained the materials from Client when such claim, suit or proceeding arises out of Agency's obligations under the applicable SAG and AFTRA union codes or contracts relating to the production of commercials.

C. Upon the assertion of any claim or the commencement of any suit or proceeding against an indemnitee by any third party that may give rise to liability of an indemnitor hereunder, the indemnitee shall promptly notify the indemnitor of the existence of such claim and shall give the indemnitor a reasonable opportunity to defend and/or settle the claim at its own expense and with counsel of its own selection. The indemnitee shall make available to the indemnitor all books and records relating to the claim and the parties agree to render to each other such assistance as may reasonably be requested in order to ensure a proper and adequate defense. An indemnitee shall not make any settlement of any claims which might give rise to liability of an indemnitor hereunder without the prior written consent of the indemnitor.

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D. This paragraph, insofar as it applies to work undertaken while this Agreement is in effect, shall survive the termination of this Agreement.

8. RIGHTS AND DUTIES

Agency shall not place any advertising without first obtaining the approval of Client nor shall it incur any expenditure for which Client shall be billed without first obtaining the approval of Client for the estimated cost thereof. Approvals of estimates will constitute approval of the costs and charges included therein.

9. OWNERSHIP

As between Agency and Client, Client shall be the exclusive owner of all rights to all advertising materials proposed, prepared, developed or produced by Agency and accepted by Client. Agency shall obtain from any third parties retained to perform services any and all assignments and releases necessary to assure Client ownership and use of all such material without restriction. If Agency cannot obtain exclusive ownership and usage rights, Agency will notify and request direction from Client.

Any advertising materials prepared or proposed by Agency but which have been rejected or not approved by Client shall remain the property of Agency which shall have the right to use same as it sees fit, including use for any other clients, provided such use shall not involve the release of any confidential information regarding Client's business or methods of operation.

10. CONFIDENTIALITY

Agency shall ensure that proprietary information supplied by Client is not disclosed to any person, firm or corporation. Agency may disclose proprietary information already known to Agency prior to disclosure by Client or information that is in the public domain. In the course of performing the services required of Agency under this Agreement Agency may disclose proprietary information as Client shall have approved for disclosure. Agency shall inform Client of all requests for such information by third parties.

11. NOTICE

All notices which either party is required or may desire to give the other party hereunder shall be sufficiently given if delivered in person or sent by facsimile transmission, or registered or certified mail, postage prepaid, or reputable prepaid overnight courier, addressed as follows:

- A. To Client at: Ciba-Geigy Ltd.
CH-4002 Basel
SWITZERLAND
Attention: Prof. Walter P. von Wartburg
Head Ciba Communications
Fax Number: 41 61 696 6583
- B. To Agency at: Ruder-Finn, Inc.
301 E. 57th Street
New York, NY 10022
Attention: David Finn
Fax Number: 212 593-5800

or such other address or facsimile number as shall be furnished in writing and in the manner set forth above by any such party and such notice or communication shall be deemed to have been given three (3) days after the date so mailed or sent.

12. TERM AND TERMINATION

- A. This Agreement will become effective as of July 1, 1996 and will continue in full force and effect from that date until terminated by forty-five (45) days' prior written notice given by either party to the other (the "Notice Period"). The 45 days notice period is to be paid at the monthly average of previous fees. That is, if the fee paid was \$3 million for six months, the average monthly fee would be \$500,000. The 45 day fee, therefore, would be \$750,000.
- B. The rights, duties and responsibilities of Agency and Client shall continue in full force and effect during the Notice Period, including the placing of advertisements in any print media whose closing dates fall within the Notice Period, and in any broadcast media whose date of broadcast falls within the Notice Period. Agency will receive normal fees based on actual time spent as outlined in Appendix "A" during the Notice Period.

- C. Any non-cancellable contract or commitment made with Client's authorization, and still existing at the expiration of this Agreement, may be carried to completion by Agency, upon Agency's election, and paid for by Client unless mutually agreed in writing to the contrary, in accordance with the provisions of this Agreement. Any materials or services Agency has committed to purchase for Client (or any uncompleted work previously approved by Client either specifically or as part of a plan), shall be paid for by Client and Agency shall receive applicable compensation as outlined in Appendix "A".
- D. Upon the termination of this Agreement, provided that there is no overdue indebtedness then owing by Client to Agency, Agency shall transfer, assign and make available to Client or Client's representative, all property and materials in Agency's possession or control belonging to and paid for by Client. Agency will also give Client all reasonable cooperation toward transferring with approval of third parties in interest all reservations, contract and arrangements with advertising media, or others, of advertising space, broadcast time or materials yet to be used and all rights and claims thereto and therein, upon being duly released from the obligation thereof.

13. PROTECTION OF CLIENT'S PROPERTY

Agency shall safeguard Client's property entrusted to Agency's custody or control, but in the absence of gross negligence on its part, Agency will not be responsible for its loss, damage, destruction or unauthorized use by others.

14. RIGHT TO MODIFY PLANS

Client reserves the right to modify, reject, cancel or stop any and all plans, schedules or work in process. In such event, Agency will immediately take proper steps to carry out Client's instructions. In turn, Client agrees to assume Agency's liability for all authorized commitments; to reimburse Agency for all expenses incurred relating thereto; to pay Agency any related service charges in accordance with the provisions of this Agreement relating thereto; and to indemnify Agency for all claims and actions by third parties for damages and expenses that result from carrying out Client's instructions.

15. AGENCY'S RIGHT OF REFUSAL

Nothing herein contained shall be deemed to require that Agency undertake any campaign, prepare any advertising material or publicity or cause publication of any advertisement or article which, in Agency's judgment, would be misleading, indecent, libelous, unlawful or otherwise prejudicial to Client's and/or Agency's interests. Nothing in this Agreement shall be construed as requiring that Agency violate any lawful contractual commitments to third parties.

16. FAILURE OF MEDIA AND SUPPLIERS

Agency has included in Appendix "D" the named subcontractors (e.g., CIA, MIT, PharMa in Japan, Tumble, CI) and Agency and Client agree that Agency will receive no profit or mark-up on subcontractor fees. Agency shall endeavor to guard against any loss to Client as a result of the failure of subcontractors to properly execute their commitments, but Agency will not be responsible for their failure.

17. SERVICE TO CLIENT'S DESIGNEES

Should Client request Agency to make purchases for or render services to third parties (such as dealers, distributors or franchisees), Client and third party shall be jointly and severally liable to Agency even though Agency may render invoices to, for, or in the name of, the third party.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement with respect to the subject matter hereof, and may only be modified or amended in a writing signed by the party to be charged with such modification or amendment.

19. WAIVER

No waiver of any provision or of any breach of this Agreement shall constitute a waiver of any other provisions or any other or further breach, and no such waiver shall be effective unless made in writing and signed by an authorized representative of such party.

20. CONSTRUCTION

This Agreement shall be deemed made under and shall be governed by the substantive laws of Switzerland. Each of the parties hereby irrevocably submits to the exclusive jurisdiction of the courts within the Canton of Basle.

Please indicate Client's acceptance, approval of and agreement with the foregoing by signing in the space provided below.

Very truly yours,

AGENCY

By: David Finn
David Finn
Chief Executive Officer

Date: Oct 10, 1996

ACCEPTED AND AGREED TO:

CLIENT

By: W. P. von Wartburg
Prof. Walter P. von Wartburg
Head Ciba Communications

Date: _____

ACCEPTED AND AGREED TO:

CLIENT

By: Sandoz International
Sandoz International LLC.

Date: _____

APPENDIX "A"
AGENCY COMPENSATION

A. For the basic services and all expenses incurred in connection therewith, Client shall pay Agency as follows:

1. MEDIA

- a. Agency will always bill Client at the net rate with the addition of the media placement agency's standard mark-up estimated at 3% of media purchases.
- b. If in a medium having a schedule of graduated rates, Client uses less space or time than contracted, Client agrees to pay Agency the difference, if any, between the rate originally billed and the rate actually earned, in accordance with such "short rate" payments as Agency may be obligated to make. If Client shall use more space or time than contracted, Agency will refund to Client any excess funds Client may have paid Agency in accordance with such refunds made to Agency by media.

Agency should not receive any commissions from media placements.

In all cases, the determination of applicable commissions will be made before cash discount, if any.

2. PRODUCTION

- a. There is no charge for the out-of-pocket costs related to the preparation of copy, rough layouts or semi-comprehensive layouts up to and including the Agency's new business presentation June 21. However, comprehensive layouts completed prior to concept approval, will be billable in accordance with paragraph 2b below.
- b. Once Client has approved the advertising concept and the campaign moves to the execution phase, Agency will complete an estimate of production costs for Client's approval.

- (1) For outside suppliers, Agency will bill Client at the net cost to Agency.

- (2) For similar production work completed by Agency internally, Client will be billed based on the applicable Agency rate card (Appendix "C").

3. RESEARCH

- a. Projects (pre-authorized by Client) which entail execution, field-work, tabulation, analysis and/or report writing, and which are completed by outside research organizations under Agency's general supervision will be billed at net cost .
- b. Projects (pre-authorized by Client) for which detailed planning, analysis and report writing are completed by Agency employees will be billed based on the applicable Agency rate card (Appendix "C").

4. TRAVEL

All travel in conjunction with Client production, trade shows, focus groups, store visits or special Client requested travel will be billed at net out-of-pocket expense.

5. PRINTS, TAPES AND SHIPPING EXPENSES

For outside or affiliated suppliers, Agency will bill Client at net cost for all expenditures incurred and all materials used.

6. MISCELLANEOUS OUT-OF-POCKET EXPENSES

There are a number of miscellaneous out-of-pocket expenses which will be billed to Client. These expenses include, without limitation:

- a. Postage, express mail, freight and other transportation charges.
- b. Telephone (long distance), facsimile, teletype and telegraph charges.
- c. Messenger and courier charges.
- d. Duplicating expenses.

B. AGENCY FEE

Based on Agency cost estimates of staff and production time, Client will compensate Agency fee:

\$600,000 per month for July, August, September; \$400,000 per month for October, November, December, if FTC approval is not forthcoming in time to allow advertising program to start early October.

Fee for January to July 1997 to be negotiated at the end of November.

If production costs have been significantly higher in October and November due to Client's demands or other reasons not falling within the responsibility of the Agency, then an upward adjustment can be negotiated also at the end of November.

C. BUDGET

Outlined in Appendix "B" is the estimated budget for the period July 1, 1996 to December 31, 1996. The parties agree to develop the budget for 1997 30 days prior to the end of the first six month period.

CLIENT

AGENCY

Initial: _____

Initial: _____

APPENDIX "B"
NOVARTIS LAUNCH PROGRAM NINE MONTH BUDGET - U.S.

I. PRINT MEDIA SPEND (based on 2/3 spend on first three months of launch and 1/3 spend remaining six months)

A. Local Print

1. USA	5.4	million	
2. Germany	2.0	million	
3. France	1.5	million	
4. Italy	1.5	million	
5. UK	1.0	million	
6. Spain	1.0	million	
7. Switzerland	0.65	million	
8. Japan	5.3	million	
	Total Local Print	18.35	million

B. Global Print

7.0 million

TOTAL PRINT MEDIA SPEND 25.35 million

C. Additional Media Spends

1. China	0.6	million	
2. Canada	0.5	million	
3. Brazil	0.3	million	
	Total	1.4	million

ALTERNATE TOTAL PRINT MEDIA SPEND 26.75 million

II. NON PRINT MEDIA

A. Global TV

2.5 million

B. Airport Posters

1.4 million

C. Inflight Video

0.6 million

Total 4.5 million

TOTAL OF ALL MEDIA 31.25 million

III. LAUNCH COSTS

A. Ruder-Finn

4.8 million

B. Tumble

0.7 million

C. CIA Commissions

0.7 million

D. Production Costs

3.75 million

E. Direct Mail

0.35 million

F. Miscellaneous (Conferences, T/E)

0.5 million

Total 10.8 million

IV. SIGNATURE EVENTS/CO-FINANCING

3.0 million

TOTAL OF ALL COSTS 45.05 million

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RUDER FINN RATE CARD

Visual Technology Group Rate Sheet

<u>Off-line Edit</u>	— \$125 per hour
<u>On-line Edit</u>	— \$195 per hour
<u>DVE</u>	— \$195 per hour
<u>Shoot</u>	— \$195 per hour
<u>Narrate</u>	— \$100 per hour
<u>Chvron</u>	— \$50 per hour
<u>Write</u>	— \$200 per hour
<u>Producer</u>	— \$150 per hour
<u>Dubbing</u>	— \$25 per hour
<u>Expenses</u>	
Beta Tape	—\$25 each
3/4" Tape	—\$15 each
VHS Tape	—\$5 each

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Cost BreakdownCollating/Fulfillment

- \$40 per hour
- \$60 per hour overtime

Photographic Prints

- 8 1/2" x 11" — \$8 each
- 11" x 14" — \$10 each
- 11" x 17" — \$14 each

Xerox Copies

- \$.25 per copy

Binding

- \$2 per book

Offset print jobs are estimated according to:

- Quantity printed
- Paper stock
- If photo is used, separate screen is made at an additional cost
- Any collating or fulfillment needed is estimated with the print job

Typesetting/Computer Layout Production

- \$75 per hour

Digital Photo/Illustration Manipulation

- \$120 per hour

Fiery/Color Prints (see attached list)Slides/Overheads (see attached list)Video Expenses (to come)

RICOH COLOR COPIER PRICE LIST

COPIES FROM FLAT ART

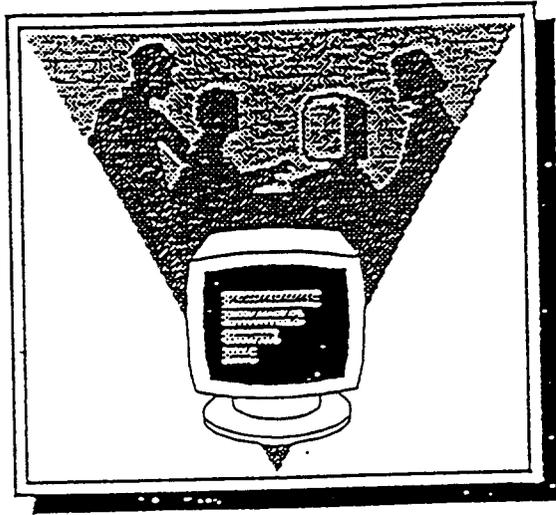
	1st Print	2-9	10-25	26-50	51-99+
8.5 X 11	\$2.00	\$1.50	\$1.25	\$1.00	\$1.00
11 X 17	\$3.00	\$2.50	\$2.25	\$2.00	\$2.00
8.5 X 11 Transparency	\$3.50	\$3.00	\$2.75	\$2.50	\$2.50

OUTPUT FROM DIGITAL FILES

	1st Print	2-9	10-25	26-50	51-99+
8.5 x 11	\$10.00	\$5.00	\$4.00	\$1.50	\$1.25
11 x 17	\$15.00	\$6.00	\$5.00	\$2.50	\$2.00
8.5 x 11 Transparency	\$11.50	\$6.50	\$5.50	\$3.00	\$2.75

Copies involving enlargements, reductions or other special handling will be charged a time-based handling fee at the rate of \$75.00 /hr in addition to the copy cost.

Copies or outputs needed after hours must be scheduled in advance. A time-based overtime charge will be assessed.



PRESENTATION SLIDES

PRICE LIST

Custom Background	\$250
Text Slides (each)	\$45
Graphic Slides (including charts, graphs, scans)	\$100

There is a \$150 minimum for any jobs that require imaging

TURNAROUND

2 full business days for text only slides

3-4 business days for graphics

One extra day is required for presentations of more than 35 slides

RUSH

\$20 per slide extra will be applied if files are imaged outside

AA's

Prices include one edit

Additional author's alterations will be billed at \$125/hr.

APPENDIX "D"
RUDER-FINN PROPOSAL

TO: The NOVARTIS Communications Team

Attached is the latest Executive Summary of the communications program designed to launch the NOVARTIS name and to do so in a bold and imaginative manner.

As you know the creative process is an ever-evolving process. It is dynamic and not static. Numerous creative approaches have been considered and evaluated during the last several weeks.

And much research has been conducted in several countries designed to help us - NOVARTIS the client and Ruder-Finn the agency - in the process of sculpting the creative approach.

We have made numerous changes in the creative work and we will continue to adapt and make changes as we progress and learn.

The changes we have made to date are the result of feedback from three very important sources. These were feedback mechanisms we set in place to insure that we were moving in the right direction.

These three mechanisms are:

1. The most important feedback came from the various internal communications we have received from NOVARTIS people around the world, most notably those coordinated by Björn Edlund and Nerys Wadham. These have been constructive and helpful comments and we have striven to reflect the suggestions in the revised copy.

Just one example was the issue of appearing to be too boastful or "over the top." We listened and are making the appropriate changes to eliminate that concern. And we are accommodating other issues as well.

2. A second source of feedback has been the results of the qualitative research conducted in one-on-one interviews in various countries - the U.K., Germany, France, Italy and the U.S.

We have been extremely encouraged by the research. To quote the report, "The advertising is successful in portraying NOVARTIS as a global giant with a strong commitment to humanity and to research."

Also, the results of the research are remarkably consistent among respondents and across countries.

3. We also requested a linguistic analysis of the advertising from YAR Communications, the premier foreign language translation company. Again their analysis and commentary was extremely optimistic and encouraging.

We have incorporated this feedback and the many comments into the new copy. The result is that it now conveys the corporate heritage of NOVARTIS, it avoids negative connotations of genetic engineering, it tones down what was viewed as boastful copy, etc., etc.

* * * *

We have prepared a summary of the issues identified by the three sources and have indicated the actions taken as a result. These are summarized in the attached report.

Executive Summary

NOVARTIS - A Bold Move

As we have said, the creation of NOVARTIS is the result of a bold, imaginative and almost unprecedented decision by management to replace two well known corporate names with a new identity. The future of NOVARTIS will depend to a large degree on how well the new name and new identity is communicated to all relevant stakeholders.

With a new name, NOVARTIS can establish a distinct mission, preserving the values of its great heritage, but looking to the future, to making even greater contributions in the development of "New Skills in the Science of Life."

Ruder Finn - NOVARTIS' Communications Partner

To develop the comprehensive communications program necessary to make the most of this bold new name, Ruder Finn has assembled an outstanding team of experts. David Finn, CEO of Ruder Finn and Bill Phillips, former CEO of Oglivy & Mather, will provide their many years of experience and close association to develop the strategic leadership for the program. Kathy Bloomgarden, President of Ruder Finn, brings to the team a profound commitment to and an in-depth understanding of the management philosophy and goals of NOVARTIS. Michael Schubert, Creative Director, will be responsible for implementation of the core creative concept and all phases of the campaign. John Blaney, Global Management Supervisor, will be responsible for coordinating the account. An association with CIA Medianetwork International,

as well as with some of the most advanced Internet and direct data based communications specialists, has also been formed. MIT (Marketing Information Technologies) is our partner in preparing the Direct Mail program. We will work with PharMa in Japan within the context of our agreement in Appendix A.

The goal is to provide NOVARTIS with the best possible talent for every phase of the program, and to establish an overall strategic plan that will realize the full potential of achieving NOVARTIS' communications objectives.

The program includes the following elements, all carefully coordinated in what will be a thoroughly integrated campaign to establish awareness of NOVARTIS and what it stands for among all key audiences.

Unity of Core Concept

The program is based on two fundamental principles.

First, there must be the right active CORE CONCEPT that will convey the essential message of NOVARTIS.

Secondly, there must be a UNITY to all of the messages developed through all channels of communication and phases of the campaign.

The CORE CONCEPT is to be based on the theme of "New Skills in the Science of Life." This puts the focus on the people whose lives will be served by the company's achievements rather than on the company itself.

NOVARTIS will own the concept of new skills, with all its explicit and implicit meanings, by conveying this CORE CONCEPT through a variety of powerful communications tools.

The UNITY of messages can be achieved by using a variation of the Socratic Method. Socrates said the best way to communicate to others is to ask a question. The basic communication technique to announce NOVARTIS will thus be to target relevant audiences and to sustain an interest in the meaning of NOVARTIS by developing communications vehicles which will follow a basic pattern -- ask a question; pause to give time to think; provide a compelling answer that makes a powerful impact. Our research indicates that the Socratic technique is a powerful and quickly understood device to communicate our strategy.

This strategy for the communications program is a series of carefully planned steps that mount in intensity and magnitude, finally reaching a climax with the broad public announcement through selected media advertising.

The five steps of the communications program will be:

1. Internal communications
2. Direct stakeholder communications
3. Institutional advertising

4. The use of new media
5. Opinion leader communications

Internal Communications

The most critical first step in the communications program will be to initiate a continuing process through which the 130,000 employees of NOVARTIS will come to identify both personally and professionally with the new skills concept.

The messages we want to communicate are:

We are one company.

We are a company with a clear-cut philosophy.

We are a future-oriented company.

We are a company dedicated to enhancing human capacities.

We are a company dedicated to serving human needs.

We are a company that is a global leader in life sciences.

A number of carriers will be used, such as a detailed and wide-ranging Intranet, personal letters to employees and management, and newsletters.

Direct Stakeholders Communications

Immediately following the initial communication to management and employees, personal letters will be sent from a NOVARTIS top executive to leaders in health care, agriculture and nutrition. These letters will set forth the philosophy and commitment of NOVARTIS.

Advertising

Once effective communication has been initiated with company people and leaders of target audiences, the NOVARTIS print and electronic advertising component of the program will take the NOVARTIS story to a larger public. A worldwide media plan, based on a detailed analysis of relevant target audiences, will utilize both broad-gauged media reaching large elements of all key audiences.

There will also be targeted media addressed directly to special enabling audiences. The media plan calls initially for three-page advertisements in both magazines and newspapers, as well as a highly innovative approach to television commercials. A constant measurement of results will be built into the process.

The Socratic approach will have the greatest impact in the creative concept of the advertising campaign. Here, the company will be asking questions such as:

Who makes the drugs that make organ transplants possible?

NOVARTIS.

Who protects more crops than any other company?

NOVARTIS.

Who is taking the lead in infant and medical nutrition?

NOVARTIS.

There will be heavy targeted media exposure at the launch of the campaign – most likely starting in January 1997, that will be followed later in 1997 with a sustaining campaign. This campaign is meant to bring the new skills of NOVARTIS down to a personal level – to depict the people who are the beneficiaries of our new or novel skills and tell the real-life stories of how NOVARTIS is helping them.

There will be visual images of the faces of individuals whose lives have been changed by products. These will be followed by the meanings of the images, demonstrating how NOVARTIS uses new techniques to enhance the quality of life.

In all of the ads, the working tag line is "NOVARTIS – New Skills in the Science of Life," with three icons, one for Healthcare, one for Agribusiness and one for Nutrition. The Internet address is also given.

The newspaper campaign will be a three one-half page variation of the magazine campaign. On the bottom half of the first page a question will be asked. On the bottom half of page 2 and 3 will be a spread with the answer – the name NOVARTIS – along with the tagline, the icons, and the Internet address.

Another aspect is an airport billboard campaign which will be planned for major hubs. Four separate billboards will be placed along the walkways to and from the gates. The first three billboards will have simple questions:

Who makes the drugs that make organ transplants possible?

Who protects more crops than any other company?

Who is taking the lead in infant and medical nutrition?

The final statement will be a double-sized billboard which will repeat the questions and have the words NOVARTIS – New Skills in the Science of Life, running across the entire bottom half.

For television, we are developing 30 second and 15 second commercials which will also follow the Socratic method. A combination of questions will be posed, the final answer being NOVARTIS. There will also be inflight videos. These television spots will emotionally and elegantly reinforce the impact of the print ads.

The media strategy will be focused on target audiences of stakeholders or "enablers" who will help make NOVARTIS successful in the future. This includes the key influencers in the financial centers, shareholders, health care delivery, agriculture, nutrition and life sciences, government, and the upper educated professional segment of the world today, as well as all employees. While many customers would be reached, broad consumer impact would be a secondary objective.

CIA London was selected as the worldwide media planning and buying specialist partner of Ruder Finn. CIA has led in the changing media scene in Europe where specialized media planning and buying groups have replaced the conventional agency control of this part of advertising investment. Some of their multinational clients include Shell, Unilever, Deutsche Telekom, etc. The best ways of treating individual regions of the world will be further explored.

The recommended media for the campaign include:

- Print advertising
- Television
- Electronic media
- Internet campaign
- Airport display posters and in-flight video
- Direct response
- Printed literature

Publications are evaluated based on their ability to provide high quality, synergistic editorial environments, prominent positioning, high target audience composition and coverage, competitive cost per thousand, and value-added opportunities.

In addition to these media, there will be individual exposure in local media on a country to country basis.

The total campaign would produce 77-84% coverage of the target population, with a frequency of between 7.4 and 14.5 times for each target audience.

New Media

A highly creative Internet and Intranet program will provide a rapidly expanding information resource about new skills at NOVARTIS as well as new skills developed by its people. This will utilize on-line media to reach leaders and decision-makers who use technology driven information sources.

The objectives of the new media campaign will be to provide a constant, worldwide stream of up-to-date information for all enabling audiences.

It will establish NOVARTIS through a world wide web center as the global leader in life sciences and the global "source" for "new skills" information.

It will position NOVARTIS as a global leader in "new skills" by creating a premier, cutting edge worldwide web site using unprecedented new Internet technologies

It will establish a strong "intranet" so there can be a direct line of communications between top management and internal associates.

It will use the intranet to provide a resource for employees to help advance their new skills both within the company and within their own lives.

We intend to achieve these objectives through two strategies: on-line promotions and the development of "www.novartis.com" – a worldwide resource to "New Skills in the Science of Life" for people around the world.

Opinion Leader Special Events

Finally, as the advertising campaign unfolds there will be a comprehensive program aimed at opinion leaders. This might involve conferences, seminars, speeches, lectures, public television, media interviews, etc. – wherever possible using the question and answer format, and continuing to give substance to the new skills meaning of the NOVARTIS name.

Conclusion

The sum total of these carefully coordinated communications activities will be to achieve for NOVARTIS a highly visible and clearly articulated meaning as a company that is providing a powerful force for the development of new skills in the science of life. The goal will be for people to feel a direct bond to the concept, and to feel proud to be part of the new company. This will also impact on the financial and business communities, and all stakeholders in the medical, agricultural and nutritional fields. Developed with care and sensitivity, it will also be respected and appreciated by employees who leave the company and seek opportunities elsewhere.

The key to the success of the plan will be its UNITY. The same theme, the same method of communicating through all media and all phases of the program, will be used throughout. Thus a cumulative future-oriented impact will be achieved, making it crystal clear what NOVARTIS means and how the overriding company philosophy – bringing new skills to the science of life – will be a motivating force for a great company that is eager to provide great benefits to humankind.

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