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[21066002]

In addition , Delmed , which makes and sells a dialysis solution used in treating kidney diseases , said negotiations about pricing had collapsed between it and a major distributor , National Medical Care Inc .

[21066003]

Delmed said Robert S. Ehrlich resigned as chairman , president and chief executive .

[21066004]

Mr. Ehrlich will continue as a director and a consultant .

[21066006]

Mr. Ehrlich was succeeded as chairman by Gerd Krick , a director of Fresenius , a West German pharmaceutical concern .

[21066007]

Ben Lipps , president of Fresenius USA , was named president , chief executive and chief operating officer .

[21066008]

None of the officials was available for comment .

[21066009]

In trading on the American Stock Exchange , Delmed closed at 50 cents , down 6.25 cents .

[21066010]

Fresenius owns about 42 % of Delmed 's fully diluted common stock .

[21066011]

The two companies have been discussing a transaction under which Fresenius would buy Delmed stock for cash to bring its beneficial ownership to between 70 % and 80 % of Delmed 's fully diluted common stock .

[21066012]

The transaction also would combine Fresenius USA and Delmed .

[21066013]

Under the proposal , Delmed would issue about 123.5 million additional Delmed common shares to Fresenius at an average price of about 65 cents a share , though under no circumstances more than 75 cents a share .

[21066014]

Yesterday , Delmed said it " continues to explore the possibility of a combination with Fresenius USA . "

[21066015]

It added that it is apparent that any terms of a combination " would be substantially less favorable than those previously announced . "

[21066016]

While the discussions between Delmed and National Medical Care have been discontinued , Delmed will continue to supply dialysis products through National Medical after their exclusive agreement ends in March 1990 . Delmed said

[21066017]

