

# Proof for the regulators: Mike Hirshorn and Dianne Mecklenburg

Paul Trainor always insisted that if commercialisation of the cochlear implant were to proceed, a separate subsidiary would be established to produce and market the implant. This was consistent with the Nucleus philosophy and structure implied by the company's name. The reasoning behind a separate company structure, Trainor argued, 'was that it gives the independence required for rapid, unencumbered growth but also allows the subsidiary to benefit from the expertise and resources of the parent, Nucleus'. The structure also potentially enabled the attraction of additional shareholders. Nexus Biomedical (soon renamed Cochlear Pty Ltd) was set up as a wholly owned subsidiary company of Nucleus in 1983.

Michael Hirshorn was recruited by Trainor to the Nucleus Group in 1978, initially to Telectronics and then to Cochlear from 1981. Having successfully completed the market study with Maria Yetton in 1979, he stood in the Nucleus boardroom in 1983 struggling with what he had just heard. 'Take this cheque for \$10 000 and establish Cochlear Corporation in the US,' Trainor told him. 'Where shall I establish it?' asked Hirshorn. 'Oh, wherever you can be successful' was the short answer. 'But I have a girlfriend,' lamented Hirshorn. 'I am sure you will handle it' was the unsympathetic reply. This was not going to be simple. The Telectronics office was in Denver and that would be Hirshorn's base, but the international networks that had been established over the years for devices such as pacemakers and ultrasound did not extend to ear, nose and throat (ENT) surgeons. This was crucial, because Hirshorn's first task was setting up the subsidiary to gain FDA approval and market the implant in the USA, then Europe and the Middle East.