SMITH & NEPHEW PLC
Form 6-K
December 19, 2006

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                          FORM 6-K

               SECURITIES AND EXCHANGE COMMISSION
                   WASHINGTON, D.C. 20549

               Report of Foreign Private Issuer

               Pursuant to Rule 13a-16 or 15d-16
               of the Securities Exchange Act of
                            1934


                     December 18, 2006

              Commission File Number 001-14978


                    SMITH & NEPHEW plc
                    (Registrant's name)


                     15 Adam Street
                 London, England WC2N 6LA
         (Address of registrant's principal executive offices)
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    [Indicate by check mark whether the registrant files or will file annual
reports under cover Form 20-F or Form 40-F.]

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          Form 20-F  X                  Form 40-F
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    [Indicate by check mark if the registrant is submitting the Form 6-K in
paper as permitted by Regulation S-T Rule 101(b)(1).]

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          Yes                      No  X
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    [Indicate by check mark if the registrant is submitting the Form 6-K in
paper as permitted by Regulation S-T Rule 101(b)(7).]

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          Yes                      No  X
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    [Indicate by check mark whether by furnishing the information contained
in this Form, the registrant is also thereby furnishing information to the
Commission pursuant to Rule 12g3-2 (b) under the Securities Exchange Act of
1934.]

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          Yes ___                  No  X
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    If "Yes" is marked, indicate below the file number assigned to the
registrant in connection with Rule 12g3-2 (b) : 82- n/a.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Smith & Nephew plc
(Registrant)

Date: December 18, 2006

By: /s/ Paul Chambers

Paul Chambers
Company Secretary

Smith & Nephew plc terminates discussions with Biomet

18 December 2006

As announced on 2nd November 2006, Smith & Nephew plc (LSE: SN, NYSE: SNN) has been in discussions with the Board of Biomet Inc. with a view to combining the two businesses. Smith & Nephew announces that these discussions have now been terminated.

Enquiries

Investors/Media

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Forward-Looking Statements

This press release contains certain "forward-looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995. In particular, statements regarding expected revenue growth and trading margins discussed under "Outlook" are forward-looking statements as are discussions of our product pipeline. These statements, as well as the phrases "aim", "plan", "intend", "anticipate", "well-placed", "believe", "estimate", "expect", "target", "consider" and similar expressions, are generally intended to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors (including, but not limited to, the outcome of litigation, claims and regulatory approvals) that could cause the actual results, performance or achievements of Smith & Nephew, or industry results, to differ materially from any future results, performance

or achievements expressed or implied by such forward-looking statements. Please refer to the documents that Smith & Nephew has filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended, including Smith & Nephew's most recent annual report on Form 20F, for a discussion of certain of these factors.

All forward-looking statements in this press release are based on information available to Smith & Nephew as of the date hereof. All written or oral forward-looking statements attributable to Smith & Nephew or any person acting on behalf of Smith & Nephew are expressly qualified in their entirety by the foregoing. Smith & Nephew does not undertake any obligation to update or revise any forward-looking statement contained herein to reflect any change in Smith & Nephew's expectation with regard thereto or any change in events, conditions or circumstances on which any such statement is based.