

**The original documents are located in Box 3, folder “Antitrust - Mail from Businessmen: Edward Schmults File (1)” of the John Marsh Files at the Gerald R. Ford Presidential Library.**

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**CLAIROL**  
345 PARK AVENUE  
NEW YORK, N. Y. 10022

**GARTH F. DIMON**  
VICE PRESIDENT  
INDUSTRIAL RELATIONS

August 5, 1976

The President  
The White House  
Washington, D. C. 20500

Mr. President:

As an executive of a major consumer-goods company, and an active member of the business community, I urge you to reject the *parens patriae* concept, even as limited and modified in pending Congressional proposals (S. 1284, H.R. 8532, et al).

The concept, in any of its versions, is essentially unrelated to protection of consumer rights, either in terms of prevention of abuse or reparations for losses, but it might have a chilling effect on competition, to the detriment of consumers.

It would have no value as a deterrent since the actions proscribed are typically subject only to *ex post facto* judgments in which courts frequently split narrowly. The judgments at issue are not ones having to do with sharp practices, deceit or intent to circumvene either the spirit or the letter of the law, but are solely concerned with remote, problematical and minimal effects. The only way companies can conduct themselves so as to reasonably assure that they will not be sanctioned under *parens patriae* is to withdraw significantly from the kinds of initiatives which foster competition and the interests of consumers.

It would also have no significant value as a means of compensating consumers since, as the provisions regarding prior notification tacitly acknowledge, it would be practically impossible to identify the vast majority of consumers presumed to have been injured. The result would be that the damages would revert to the State, and financial awards which are justified in the act as being necessary to "make whole" injured parties would, in fact, be converted to penalties where the nature of the proscribed activity was not such as to warrant penalties.



Clearly, then, the concept is lacking in equity. From the consumer standpoint it is a fraud, which appears to serve the consumer but in reality can only work against the best interests of most consumers. It's principal effect would be to license state attorneys general to engage in grandstand harassment of legitimate businessmen.

Sincerely yours,

*Garth F. Dimon*  
Garth F. Dimon

GFD/m



August 11

THE WHITE HOUSE  
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSHALL, JR. *John O. Marshall, Jr.*

           For Direct Reply

           For Draft Response

XX For Your Information

           Please Advise



THE WHITE HOUSE  
WASHINGTON

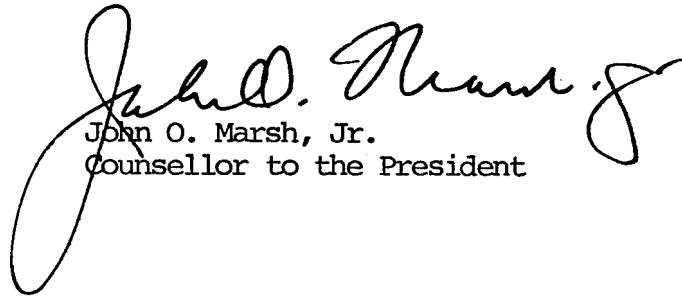
August 11, 1976

Dear Mr. Dimon:

Many thanks for sending me a copy of your recent letter to the President concerning the parens patriae legislation.

I found your letter most interesting and have taken the liberty of sharing it with those individuals here at the White House working on this matter. We appreciate your bringing this to our attention.

Sincerely,



John O. Marsh, Jr.  
Counsellor to the President

Mr. Garth F. Dimon  
Vice President  
Industrial Relations  
Clairol  
345 Park Avenue  
New York, New York 10022



CLAIROL  
345 PARK AVENUE  
NEW YORK, N. Y. 10022

GARTH F. DIMON  
VICE PRESIDENT  
INDUSTRIAL RELATIONS

August 5, 1976

The President  
The White House  
Washington, D. C. 20500

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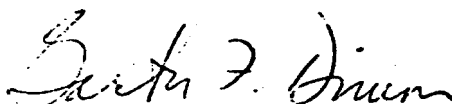
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Sincerely yours,

  
Garth F. Dimon

GFD/m



 **Kraftco Corporation**

*Handwritten notes:*  
FCS  
E  
G

John M. Richman  
Senior Vice President-Administration  
General Counsel

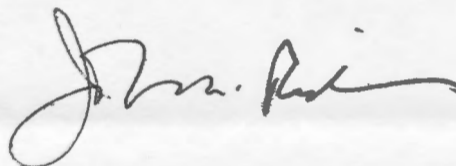
August 13, 1976

Hon. Philip W. Buchen, Esq.  
Executive Office of the President  
The White House  
Washington, D. C. 20500

Dear Mr. Buchen:

Recent amendments to S.1284 and H.R.8532, the so-called *parens patriae* antitrust bills, were largely cosmetic, and these bills continue to be serious threats to companies such as ours. Authorization to state attorneys general to bring antitrust damage suits in huge amounts would not be useful as a deterrent to unlawful activity and would result in damage awards totally out of proportion to the minimal benefit which might be derived by the public. Strong effort should be made to prevent the enactment of this unwise legislation.

Very truly yours,



cc: Hon. Hugh Scott  
United States Senate  
Washington, D. C. 20510

Hon. John Rhodes  
House of Representatives  
Washington, D. C. 20515





AMERICAN CYANAMID COMPANY

1625 EYE STREET, N. W.

WASHINGTON, D. C. 20006

202 737-4800

DON A. GOODALL  
WASHINGTON CORPORATE  
REPRESENTATIVE

August 16, 1976

Mr. Edward C. Schmults  
Deputy Counsel to the President  
The White House  
Washington, D. C. 20500

Dear Mr. Schmults:

It is my understanding that you are the White House staff person responsible for tracking antitrust legislation. If that is correct you will probably have already received the original of the enclosed copy of a letter to the President from our Chief Executive Officer, Dr. James G. Affleck.

In any event, I wanted to make sure it came to your personal attention. We are very concerned about this legislation, for the reasons outlined in Dr. Affleck's letter. If further elaboration of our views would be useful, please call me and I will arrange for representatives of our legal staff to discuss this with you, either in person or by telephone, as you prefer.

We hope that you will be advising the President that this legislation is not what it appears to be.

Sincerely,



Don A. Goodall

DAG:pau  
enclosure



AMERICAN CYANAMID COMPANY  
WAYNE, NEW JERSEY 07470

JAMES G. AFFLECK  
CHAIRMAN AND PRESIDENT

August 12, 1976

The Honorable Gerald R. Ford  
The President  
The White House  
Washington, D. C. 20500

Re: H.R. 8532, H.R. 13489 and H.R. 14580

Dear Mr. President:

The antitrust bills about which I wrote to you on May 27 have been passed by the House and Senate and will soon be considered by a Conference Committee.

Some proponents of the legislation may urge that amendments in the bills have made the legislation less objectionable. The fact is that even the amended versions would become an instrument for serious and unjustified damage to American industry.

For example, the proposed allowance of trebled awards only in price fixing and patent fraud cases is claimed to be justified because such violations are always intentional. However, I am sure your antitrust advisors will tell you that even in the areas of price fixing and patent fraud the broad and general language of the Sherman Act permits findings of antitrust violations regardless of the honest motives of the defendant. The problem is particularly serious in the patent field where the recent development is to declare unlawful under present standards, conduct and activities which were regarded as entirely proper and lawful when they occurred many years ago.

Moreover, the attempt to justify the allowance of confiscatory awards on the grounds that the violations are intentional is, in effect, an admission that the purpose of the Parens Patriae legislation is punitive and not compensatory. Yet there has been no showing that the legislation you signed late last year, authorizing prison terms of 3 years and fines of \$1,000,000, is inadequate for that purpose. If additional penalties are deemed necessary, they should not be enacted in the guise of treble damages and placed at the disposal of private damage lawyers and 50 state attorneys general.



AMERICAN CYANAMID COMPANY

The Honorable Gerald R. Ford  
Page Two  
August 12, 1976

The pending legislation would also give the Department of Justice new powers with regard to investigations and mergers. Basically, it would allow government lawyers to compel testimony from innocent third persons and to block mergers without having to justify to a court that there is a reasonable probability of involvement in a violation. Such arbitrary power, which may be exercised without prior judicial approval, is unnecessary and is offensive to our concepts of due process.

I sincerely hope that your administration will continue to oppose the enactment of this legislation.

Very truly yours,



JGA:rb



P. W. B.  
E. S.

AMERICAN CYANAMID COMPANY  
1625 EYE STREET, N. W.  
WASHINGTON, D. C. 20006  
202 737-4800

DON A. GOODALL  
WASHINGTON CORPORATE  
REPRESENTATIVE

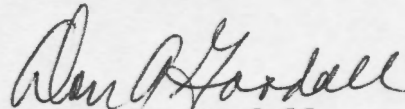
August 16, 1976

Mr. Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D. C. 20500

Dear Mr. Buchen:

In the event that the attached letter does not come to your attention, we are sending you a copy so that you may be fully informed about the concern of our Chief Executive Officer, Dr. James G. Affleck, regarding pending antitrust legislation.

Sincerely,

  
Don A. Goodall

DAG:dns  
Enclosure



AMERICAN CYANAMID COMPANY  
WAYNE, NEW JERSEY 07470

JAMES G. AFFLECK  
CHAIRMAN AND PRESIDENT

August 12, 1976

The Honorable Gerald R. Ford  
The President  
The White House  
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AMERICAN CYANAMID COMPANY

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I sincerely hope that your administration will continue to oppose the enactment of this legislation.

Very truly yours,



JGA:rb



# Peavey

**Peavey Company**  
Peavey Building  
730 Second Avenue South  
Minneapolis, Minnesota 55402

E. S.

**Fredric H. Corrigan**  
Chairman of the Board  
Chief Executive Officer

August 16, 1976

The President  
The White House  
Washington, D.C. 20500

Dear President Ford:

It has come to my attention that new antitrust legislation now ready for Executive action contains provisions for parens patriae authority which, in my opinion, is extremely dangerous. I respectfully urge your veto of this legislation.

I am not taking issue, although I could, with this entire piece of legislation, but I fear the rash of suits and forced settlements that might result from the parens patriae section.

Sincerely,

  
Fredric H. Corrigan

dh

cc: Philip W. Buchen, Counsel to the President  
John O. Marsh, Jr., Counsellor to the President  
John J. Rhodes, Minority Leader, U.S. House of Representatives  
Hugh Scott, Minority Leader, U.S. Senate



**SAVANNAH FOODS & INDUSTRIES, INC.**

SAVANNAH, GEORGIA

WILLIAM W. SPRAGUE, JR.  
PRESIDENT

August 17, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

Permit me to join other business colleagues in expressing my opposition to the comprehensive antitrust bill which is now in conference in the Congress. One of its most dangerous titles, parens patriae, would authorize every State Attorney General to bring treble damage suits against a company on behalf of all state residents for alleged antitrust violations. This bill would further allow the State Attorneys General to hire private lawyers to bring such suits.

Based on my experience as President of a Fortune 500 company and in dealing with antitrust matters in the past, it is my opinion that the two above provisions will encourage a flood of "blackmail" suits against business firms that will benefit primarily the lawyers hired to bring suits while causing higher prices for consumers, business failures and further clogging the already congested Federal court system. Since a parens patriae suit could be brought whenever there is a price change in a company's product and a similar price change in that of one of the company's competitors, then such action could result in the allegation by money-hungry plaintiffs and plaintiffs' attorneys that there was price fixing. Thus, this provides a basis for such "blackmail" suits.

Therefore, speaking on behalf of the management and employees of our company, I respectfully urge you to veto this bill, S. 1284, when it comes to your desk for signature.

With best wishes, I am

Sincerely,

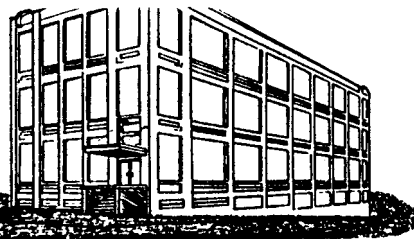
*W W Sprague*

cc: The Honorable Philip W. Buchen ✓  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott  
Mr. George W. Koch





# ENZO JEL COMPANY



*Manufacturers of*

QUALITY DESSERT PRODUCTS AND CONTRACT  
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502 SOUTH 9TH STREET • PHONE 457-7761 • SHEBOYGAN, WISCONSIN 53081

August 17, 1976

President Ford  
The White House  
Washington, D.C. 20500

Dear President Ford:

I am writing you to ask you to please VETO any bill that comes to your desk that has a PARENS PATRIAE section in it. I ask you this as a concerned businessman, but more important than that, as a concerned consumer, and with a family of eight I think I qualify as a large consumer.

This type of bill will probably never directly effect me as a small businessman, but it will effect the larger concerns I depend on for my existence, and thereby indirectly effect me. It has been my experience that big business does an outstanding job in giving the best possible price to people like me and, therefore, we can compete in our economy. PARENS PATRIAE legislation could take the sharp edge of competition and destroy it to a point where the small company could no longer enjoy a piece of the action.

Our courts will become overrun with cases instigated by unscrupulous and misinformed attorneys and 99% of these cases will be settled out of court, which will amount to nothing more than a payoff.

In time, and history will back this up, the Government will have to step in and create a bureau to control prices, which will result in more taxes. The added cost to business in settlements and legal fees will be added to the cost of products and ultimately the consumer pays the whole bill.

This is why I ask for your veto as a consumer first, and a businessman second.

Thank you for your time, Mr. President.

Sincerely,

ENZO JEL COMPANY

A handwritten signature in cursive script, appearing to read "Gerald Hoerres".

President

Gerald Hoerres:cb



8-5

PETER PAUL, INC.

NAUGATUCK, CONNECTICUT

Lloyd W. Elston  
President

August 17, 1976

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

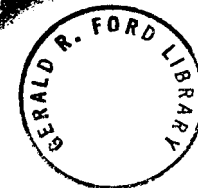
I write this letter to express my grave concern over the parens patriae section of new antitrust legislation coming to you for signature.

I followed the progress of this legislation through the Congress and am appalled as well as surprised that it has progressed this far.

In my opinion, this legislation has terrible faults with the possibility for great injustice, increased costs, and an invasion of areas in which new anti-trust legislation is not needed.

As I understand the legislation, it would permit State Attorneys General to hire private attorneys to file antitrust claims on behalf of all state residents. The payment of these lawyers would certainly add to the attraction to file these suits, and would undoubtedly add to the cost of any settlement. Based on the experience in our country now with out-sized awards for insurance claims, I am certain that the corporation faced with a suit of this sort, would rather settle, in a sense react to blackmail, than undergo the cost to fight the suit in court.

Undoubtedly in the case of a nationally distributed product such as ours, if one Attorney General files a suit, we can be fairly certain that 49 other suits would be filed in the remaining states.



The President


August 17, 1976 - Page 2.

The ultimate cost of legislation will be borne by the taxpayer on the one side and the consumer on the other. I think that no one will be served by this but the legal fraternity.

I hope that you will use your power to veto because this is a bad bill.

Thank you.

Very respectfully yours,

  
Lloyd W. Elston  
President

LWE/cr

cc: The Honorable ✓  
Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

The Honorable  
John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500

The Honorable  
John J. Rhodes  
Minority Leader  
U.S. House of  
Representatives  
Washington, D.C. 20515

The Honorable  
Hugh Scott  
Minority Leader  
U. S. Senate  
Washington, D.C. 20510



8-5.



TV TIME FOODS, INC.

P. O. BOX 7306 • CHICAGO, ILLINOIS 60680

EXECUTIVE OFFICES / 2277 HOWARD STREET • CHICAGO, ILLINOIS 60645 / TEL. 312/743-8600

August 17, 1976

The President of the United States  
The Honorable Gerald Ford  
The White House  
Washington, D. C. 20500

Dear Mr. President:

I am taking this opportunity to advise you of my feelings regarding pending legislation in the Congress. I understand that a parens patriae clause has received approval in the legislature for inclusion in a current piece of legislation. As I know you are aware, parens patriae is designed to establish the machinery for allowing individual State Attorney Generals the authority to file suit against a company on behalf of the constituents of the state for alleged anti trust violations. This bill would also allow the State Attorney Generals to hire private lawyers to bring the suits.

I must voice my strongest opposition to this bill. It is my opinion that the cure will be much more damaging than the cause.

Let me try an analogy. In the last few years the number of consumer suits in the product liability field have increased markedly. In most instances settlements have been awarded out of court for insurance companies who are unwilling to risk a suit being awarded for the plaintiff and having to suffer the consequences for tremendous penalty payments, so this form of settlement has increased the cost of product liability insurance dramatically. The end result being the consumer pays more for her goods. I see a similar trend with this type of legislation. With the ability of a State Attorney General to delegate a private attorney to file suit, I fear the tendency would be for a substantial number of unwarranted law suits to be brought against industry. Rather than allowing the case to come to trial, many "blackmail" settlements would be arrived at. It would make the current climate for business almost impossible.

I might add that Attorney General Levi in a statement made on June 16th has a similar opinion. In addition, he foresees this as a basis for the eventual development of a governmental pricing agency to authenticate the reasonableness of prices that are charged by industry.

Having survived Phases 1, 2, 3 and 4 and having the ability now of hindsight to evaluate the serious complications that arrived from the imposition of price controls, I feel we don't need this additional imposition of government regulations.



August 17, 1976


Page Two

I know you have expressed yourself on many occasions of your objective to decontrol the government's grip on business to allow for more freedom in the market place. Industry is well aware of the consumer movement and I feel that many changes have already been instigated on the basis of market needs and I also feel that this trend will continue. Surely the consumer is in a better position today than she was just a few years ago.

I truly hope that you will see fit to support my opinion and veto any legislation that would be presented to you with a parens patriae inclusion.

Sincerely yours,

TV TIME FOODS, INC.



John P. Bishop  
President

JPB:ns



LAND O LAKES



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LAND O LAKES®

Land O'Lakes, Inc., GENERAL OFFICES  
614 MCKINLEY PLACE • MINNEAPOLIS, MINN. 55413 • PHONE (612) 331-6330  
MAILING ADDRESS, P.O. BOX 116, MINNEAPOLIS, MINN. 55440

LAND O LAKES



FELCO®

AGRICULTURAL SERVICES

August 18, 1976

The President  
The White House  
Washington, D. C. 20500

Dear President Ford:

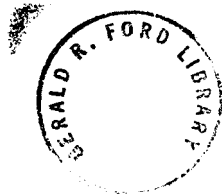
Land O'Lakes, Inc. and its farmer members urge you to veto any anti-trust bill which contains a parens patriae section in it.

We do not think such a bill is in the interest of farmers, consumers or the public.

Very truly yours,

Richard H. Magnuson  
Vice President  
General Counsel

br



83

THE COCA-COLA BOTTLING COMPANY  
OF NEW YORK, INC.

CHARLES E. F. MILLARD  
PRESIDENT

CONTINENTAL PLAZA NORTH  
411 HACKENSACK AVENUE  
HACKENSACK, N. J. 07601  
(201) 487-8650

August 18, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

The purpose of this letter is to respectfully request that you veto any legislation which comes to your desk with a *parens patriae* section in it.

Essentially, our position is similar to that of Attorney General Levi as expressed by him on June 16th.

We view this as a totally inappropriate section of any proposed anti-trust or other legislation, and one which is contrary to your expressed position regarding over-regulation.

Thank you for your consideration of this request.

Very truly yours,

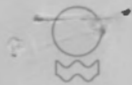
*Charles E. F. Millard*

CEFM/ff

cc:

The Honorable Philip W. Buchen  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott  
Mr. William Barody, Jr.





CASTLE & COOKE, INC.

August 18, 1976

The President  
The White House  
Washington, D.C. 20500

Dear President Ford:

I urge you to do everything in your power to keep the Parens Patriae legislation as it may be enacted from becoming effective. Giving the 50 State Attorneys General and the private legal counsel they may engage the right to proceed with purely curious witch hunts would be a disaster. Wrongs obviously must be corrected, but to give a legal counsel a hunting license based on contingency fees and no financial liability to the hunter would soon become costly indeed.

I thank you for considering these views.

Sincerely,

ORIGINAL SIGNED BY  
MALCOLM MacNAUGHTON

cc: ~~The~~ Honorable Philip W. Buchen  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott

bcc: Mr. George W. Koch (GMA)



COPY





CASTLE & COOKE, INC.

DRAWER 2990, HONOLULU, HAWAII 96802



The Honorable Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

8-5-

# Thomas J. Lipton, Inc.

800 SYLVAN AVENUE • ENGLEWOOD CLIFFS, N.J. 07632

L. E. HICKS  
ASSOCIATE GENERAL COUNSEL

August 19, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

Recently enacted parens patriae legislation has been sent to you for signature. I strongly urge that this potentially disastrous legislation receive your veto.

Giving the fifty State Attorneys General the right to file multi-million dollar antitrust claims for alleged price fixing overcharges, on behalf of all state residents, is shocking. But that is what the House and Senate have done. Even more appalling, the legislation would permit state-retained private "plantiffs" lawyers to bring such suits.

There is no question that this authority in the hands of State Attorneys General and private "plantiffs" lawyers will foment multi-million antitrust suits against companies such as ours for the purpose of gaining "blackmail" settlements. The potential danger was best expressed by Attorney General Levi when he recently said concerning this parens patriae authority:

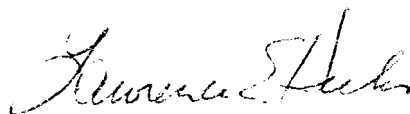
. . . the possible amount of damages can be so terrific that for a large company the threat of that kind of case is likely to be met with a settlement.



The President  
August 19, 1976  
Page 2

Only your veto can prevent this legislation from being enacted. Your consideration of the many sound reasons supporting a veto is sincerely appreciated.

Very truly yours,



Lawrence E. Hicks  
Associate General Counsel

bcc The Honorable  
Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

The Honorable  
John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500

The Honorable  
John J. Rhodes  
Minority Leader  
U. S. House of Representatives  
Washington, D.C. 20515

The Honorable  
Hugh Scott  
Minority Leader  
U. S. Senate  
Washington, D.C. 20510



THOMAS GEORGE EWING

7 RUE DEAUVILLE, NEWPORT BEACH, CALIFORNIA 92660 714-640-1841

August 19, 1976

The President  
White House  
Washington, D. C. 20500

Dear Mr. President:

This is to strongly urge your veto of any parens patriae legislation which may be sent over from the Congress. Legislation of this sort would amount to extortion on the part of private attorneys of large companies such as the one which I represent. We would, I'm afraid, be subject to blackmail-type settlements, or face the prospect of long drawn out suits for potentially enormous damage claims, which could be brought by private plaintive lawyers appointed by State Attorney General to bring parens patriae suits.

This is to strongly urge against any legislation of this sort, and to seek your veto of any bill containing a parens patriae clause.

Sincerely,

  
THOMAS G. EWING

TGE/jt

cc: The Honorable Philip W. Buchen Counsel to the Pres. The White House Washington, D. C. 20500	The Honorable John O. Marsh, Jr. Counsellor to the Pres. The White House Washington, D. C. 20500
The Honorable John J. Rhodes Minority Leader U. S. House of Rep. Washington, D. C. 20515	The Honorable Hugh Scott Minority Leader U. S. Senate Washington, D. C. 20510
Mr. George W. Koch, President Grocery Manufacturers of Am.Inc. 1425 K Street, N.W. Washington, D.C. 20005	Mr. Tom Costello NPFC/NCC



August 19, 1976

The Honorable Gerald R. Ford  
The President  
The White House  
Washington, D. C. 20501

Dear Mr. President:

Please permit me to **take this means of respectfully urging** that you **carry out your stated intention of vetoing the new antitrust legislation if Congress submits it to you in its present form.** The so-called "Parens Patriae" provision represents a dangerous and **unwarranted interference in American business and could, as stated by Attorney General Edward Levi, force companies into "blackmail" settlements and even lead to government price controls.**

**If these possibilities do materialize, it will be the consumer who ultimately foots the huge bill that will come in the form of higher prices, while the lawyers fomenting such litigation will reap huge legal fees. In view of this, any bill that reaches your desk containing such objectionable provisions as Parens Patriae should certainly not be signed into law.**

Thank you **very much** for your understanding and your support of American business and your stated intention of defending it against this type of repressive regulation.

Sincerely,

**Andrall E. Pearson**

bcc: The Honorable Philip W. Buchen ✓  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott



PUREX CORPORATION

CARSON, CALIFORNIA 90745

EXECUTIVE OFFICES

August 19, 1976

The President  
The White House  
Washington, D. C. 20500

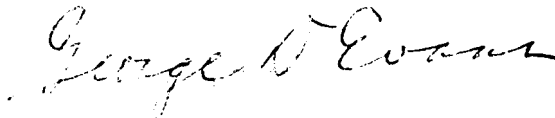
My dear Mr. President:

I am greatly dismayed by the recent legislation passed by Congress granting parens patriae authority. My concern is the negative impact of this legislation on the free enterprise system. Operating costs will undoubtedly rise, as well as consumer prices, as unscrupulous lawyers take unjustified advantage of this legislation.

I believe that our political freedoms are closely allied with our economic system. Any legislation that seriously erodes the basis of our free enterprise system ultimately erodes our personal liberties.

Your veto of this parens patriae legislation is the last hope for maintenance of moderation in this important matter.

Very respectfully yours,



George D. Evans  
Vice President & General Manager  
Grocery Products Group

GDE:lmq



Copy to:

✓ The Honorable  
Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D. C. 20500

The Honorable  
John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D. C. 20500

The Honorable  
John J. Rhodes  
Minority Leader  
U. S. House of Representatives  
Washington, D. C. 20515

The Honorable  
Hugh Scott  
Minority Leader  
U. S. Senate  
Washington, D. C. 20510



**HILLS**  
**BROS**  
**COFFEE, INC.**

P. O. BOX 3149, SAN FRANCISCO, CALIFORNIA 94119 • AREA CODE 415 546-4600  
WRITERS DIRECT DIAL NUMBER 415-546-4660

August 19, 1976

The President  
The White House  
Washington, D. C. 20500

Mr. President:

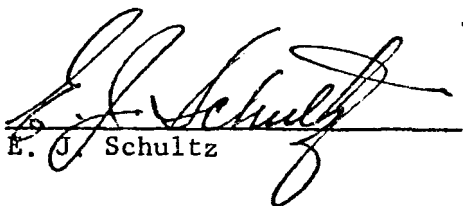
As a concerned member of the American Food Industry we urgently solicit your opposition to and veto of any parens patriae legislation sent to you by Congress.

The far-reaching effects of parens patriae provisions could result in economic chaos for every manufacturing company in the United States. It would be an open invitation for opportunists - both lay and legal - to force business firms into sizeable "blackmail" settlements. The consumer would ultimately foot the bill in the form of higher prices while lawyers inciting such litigation would reap large legal fees and further clog the already congested court system.

It behooves you, in the interest of your constituents, to resist all unnecessary and detrimental legislation by precedent use of your veto privilege.

Sincerely,

HILLS BROS. COFFEE, INC.

  
E. J. Schultz

EJS/ref

cc: Philip W. Buchen ✓  
John G. Marsh, Jr.  
John J. Rhodes  
Hugh Scott







# TASTY BAKING COMPANY

2801 HUNTING PARK AVENUE, PHILADELPHIA, PENNSYLVANIA 19129

AREA CODE 215-228-4200

CHAIRMAN OF THE BOARD

August 20, 1976

The President  
The White House  
Washington D. C. 20500

Dear Mr. President:

Any legislation containing a parens patriae provision allowing the fifty State Attorneys General to file class action antitrust claims would subject this company - and all American business - to all sorts of nuisance suits which our insurance could not possibly cover.

This, of course, could be very damaging to American business.

May I respectfully urge you that veto any bill which comes to you with a parens patriae section in it?

Sincerely,

Paul R. Kaiser

PRK/ks



#### CONSUMER PRODUCTS GROUP

TASTYKAKE, INC.—Cakes, Pies & Cookies  
BUCKEYE BISCUIT CO.—Biscuits & Cookies  
LARAMI CORP.—Toys & Novelties

#### PRINTING SUPPLIES GROUP

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DIXIEPLATE, INC.—Atlanta, Jacksonville, Orlando, Miami, Nashville,  
New Orleans, Jackson, Birmingham  
B & T GRINDING & SUPPLY CO.—Dallas, Fort Worth, Waco

Del Monte Corporation, One Market Plaza, Box 3575, San Francisco, CA 94119

Richard G. Landis  
President

August 20, 1976

The Honorable Gerald R. Ford  
The White House  
Washington, D.C. 20500

Dear President Ford:

Pending anti-trust legislation containing provisions which will enable private plaintiff lawyers to bring parens patriae suits poses a serious threat to U.S. business. I respectfully urge you to veto any legislation which contains the parens patriae proposal.

Such legislation, if enacted, would unleash massive litigation attacks on business enterprises. Management of business firms -- both large and small -- would have their major attention diverted from expanding business to defending against harassment. Access to capital, currently a major problem for growth-minded business, would be made more difficult when financial ratings become impaired by a proliferation of contingent liabilities arising from parens patriae suits.

Small size enterprises -- especially if they are made co-defendants in industry-wide suits, brought by 50 state attorneys and/or a multitude of private plaintiff attorneys filing class actions on a contingency fee basis -- will have their existence imperiled trying to finance costly legal defenses.

I am deeply concerned, and thus my urging that any legislation with a parens patriae provision be vetoed.

Sincerely,

  
R. G. Landis

RGL:mls

cc: ~~L~~Hon. Philip W. Buchen, Counsel to the President  
Hon. John O. Marsh, Jr., Counsellor to the President  
Hon. John J. Rhodes, Minority Leader, U.S. House of Rep.  
Hon. Hugh Scott, Minority Leader, U.S. Senate



A. ZEREGA'S SONS, INC.  
20-01 BROADWAY  
FAIR LAWN, N. J. 07410

August 20, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

We are very much concerned with the implications of parens patriae legislation which we understand is to come before you for your consideration. We would like to go on record as being strongly opposed to legislation of this type as it may appear in any bill that may reach you. It is our feeling that if legislation of this type is not vetoed by you, we will have a repetition of the abuses noted in the past in connection with automobile liability claims and malpractice suits directed at the medical profession. After their success in mining these two areas for lucrative fees, private attorneys would surely recognize another golden opportunity for personal enrichment. We believe that many corporations would tend to "settle", giving into pressure far in advance of a legal decision. While in a single instance this could be a wise business decision, the long range result, we feel, would be to only encourage the proliferation of suits of this nature.

As always, it is the consumer who ultimately foots the bill and we fear that the impact on the continuing inflationary spiral would be significant.

We ask that you veto any legislation that may come for your consideration carrying with it a parens patriae provision.

Yours very truly,

PAVermylen:sb



August 20, 1976

The Honorable Gerald R. Ford  
President of the United States  
The White House  
Washington, D.C. 20500

Dear Mr. President:

The "parens patriae" legislation recently passed by the Senate, and which I expect will reach your desk, contains provisions which have such dangerous implications as to justify your veto.

We concur in Attorney General Levi's warning of June 16 against this legislation.

The provision for employment of private attorneys to pursue suits against business on the grounds of alleged antitrust violation adds a new and particularly objectionable facet to this legislation. The antitrust area should not become a happy hunting ground for fee-seeking attorneys.

Sincerely,

Henry Schacht  
Vice President and Corporate Secretary

HS:ct

cc: The Honorable Philip W. Buchen  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott



CALIFORNIA CANNERS and GROWERS



3100 Ferry Building, San Francisco, California 94106

*If it wasn't in cans*



*You'd swear it was fresh fruit*



**VIA AIR MAIL**

The Honorable Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500



1251 AVENUE OF THE AMERICAS, NEW YORK, N. Y. 10020 • (212) 489-9000

ROBERT T. QUITTMEYER  
President

August 20, 1976

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

The Senate and House have recently passed bills giving the fifty State Attorneys General the right to file parens patriae suits for alleged price fixing overcharges and permitting the state to retain private plaintiffs' lawyers to bring such suits on behalf of the Attorney General. I respectfully urge you to veto any bill which comes to you from Congress with a parens patriae provision.

I fully support the objectives of our federal antitrust laws, and I subscribe to their vigorous enforcement with effective and suitable sanctions. Present federal law provides for severe and multiple sanctions for violations of the antitrust laws, including fines, prison terms and injunctions in actions brought by the government, and treble damages in private actions which can now be massive when brought on behalf of many members of a class.

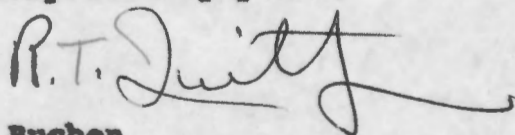
The potential mischief of the parens patriae authority is great and arises from the real likelihood that the right to bring the lawsuits will be abused by the lawyers who presently specialize in filing multi-million dollar class actions for the purpose of gaining in terrorem settlements from defendant companies. There are many examples of abuses under the existing law, where the lawyer bringing the suit is typically the largest



single beneficiary of any settlement, receiving enormous fees, while each individual "client" receives very little.

If such a parens patriae bill becomes law, the filing of suits alleging massive damages against business firms must necessarily result in those firms raising their prices to cover the enormous expense of defending the suits or disposing of them by settlement. Your veto of any parens patriae bill is necessary to avoid the abuses that will surely arise from such unfair legislation.

Respectfully yours,



cc: The Honorable Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

The Honorable John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500

The Honorable John J. Rhodes  
Minority Leader  
U. S. House of Representatives  
Washington, D.C. 20515

The Honorable Hugh Scott  
Minority Leader  
U. S. Senate  
Washington, D.C. 20510



August 23

THE WHITE HOUSE  
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSH, JR. *John O. Marsh, Jr.*

\_\_\_\_\_ For Direct Reply

\_\_\_\_\_ For Draft Response

XX \_\_\_\_\_ For Your Information

\_\_\_\_\_ Please Advise





THE WHITE HOUSE  
WASHINGTON

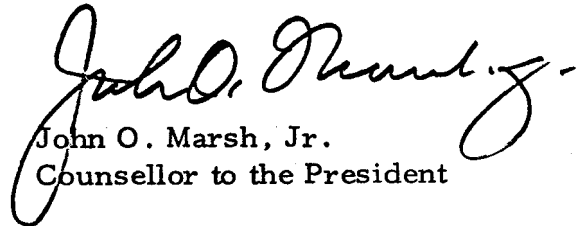
August 23, 1976

Dear Mr. Quittmeyer:

Just a short note to thank you for sending me a copy of your recent letter to the President concerning the antitrust legislation.

I have taken the liberty of sharing this letter with those here at the White House working on this issue.

Sincerely,

  
John O. Marsh, Jr.  
Counsellor to the President

Mr. Robert T. Quittmeyer  
President  
Amstar Corporation  
1251 Avenue of the Americas  
New York, New York 10020





1251 AVENUE OF THE AMERICAS, NEW YORK, N. Y. 10020 • (212) 489-9000

ROBERT T. QUITMEYER  
President

August 20, 1976

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

The Senate and House have recently passed bills giving the fifty State Attorneys General the right to file parens patriae suits for alleged price fixing overcharges and permitting the state to retain private plaintiffs' lawyers to bring such suits on behalf of the Attorney General. I respectfully urge you to veto any bill which comes to you from Congress with a parens patriae provision.

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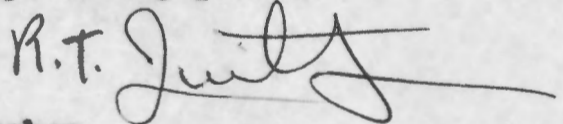
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single beneficiary of any settlement, receiving enormous fees, while each individual "client" receives very little.

If such a parens patriae bill becomes law, the filing of suits alleging massive damages against business firms must necessarily result in those firms raising their prices to cover the enormous expense of defending the suits or disposing of them by settlement. Your veto of any parens patriae bill is necessary to avoid the abuses that will surely arise from such unfair legislation.

Respectfully yours,



cc: The Honorable Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

The Honorable John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500

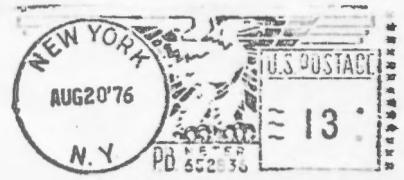
The Honorable John J. Rhodes  
Minority Leader  
U. S. House of Representatives  
Washington, D.C. 20515

The Honorable Hugh Scott  
Minority Leader  
U. S. Senate  
Washington, D.C. 20510





1251 AVENUE OF THE AMERICAS, NEW YORK, N.Y. 10020



The Honorable John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500



A. E. STALEY MANUFACTURING COMPANY 2200 ELDORADO STREET DECATUR, ILLINOIS 62525 TELEPHONE 217/423-4411

August 23, 1976

The President  
The White House  
Washington, D. C. 20500

Mr. President:

We strongly urge the veto of any bill coming before the President which contains a parens patriae section authorizing the parens patriae treble damage suits.

We definitely believe this legislation will work against the best interest of the consumer public. This authority in the hand of every State Attorney General and private lawyer of the plaintiffs will promote millions of antitrust suits.

In the long run, the public does not benefit since cost of settlement under this legislation must be figured into the cost of doing business, which is eventually passed onto the consumer. Certainly the experience in the state of California for the increased cost of insurance due to the growth of malpractice suits has not provided either better or less costly medical care.

This legislation deprives the business community of the right to cross-examine those who claim to have been injured, thus providing the basis for "blackmail" suits.

Attorney General Levi has warned this bill will bring suits into an already clogged and overloaded court system all over the country where, in fact, it will be extremely difficult to determine there is any damage.

The largest single group to benefit from this bill will be the private lawyer--not the public.

Respectfully yours,

*L. L. Redshaw*

L. L. Redshaw, Director  
Government Relations

LLR:lm

cc: The Honorable Philip W. Buchen ✓  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott



copy for: The Honorable Philip W. Buchen

LEVER BROTHERS COMPANY

(INCORPORATED)

390 PARK AVENUE, NEW YORK, NEW YORK 10022

THOMAS S. CARROLL  
PRESIDENT

August 23, 1976

President Gerald R. Ford  
The White House  
Washington, D. C. 20500

RE: Parens Patriae Antitrust Legislation

Dear Mr. President:

This is to urge your veto of any antitrust legislation enacted by the Congress which would authorize state attorney generals to institute treble damage lawsuits against a company on behalf of state residents for alleged antitrust violations.

Although in principle such parens patriae legislation may sound laudable and is the product of well-intentioned legislators, I am deeply fearful of its practical application, so much so that I am reminded of Justice Brandeis' oft-quoted remark:

"The greatest dangers.....lurk in insidious encroachment by men of zeal, well-meaning but without understanding."

The proposed parens patriae legislation would authorize the utilization of state funds to hire lawyers in the private sector to "vindicate" the interests of the state's




citizens. Given the potential windfall to all parties involved in bringing these actions, such a statute gives rise to the very real possibility that enormous "damage" claims will be filed on the flimsiest of grounds, the potential magnitude of which, however, could easily result in the extraction of "blackmail" settlements from a company that cannot afford to run a risk of placing its fate in the hands of a fickle jury.

Moreover, at a time when the government should be deemphasizing its role in the affairs of corporations and private citizens, I question whether federal legislation in this area is the proper approach. Each individual state has the ability after all to amend its own antitrust laws to authorize parens patriae suits in its own courts. If a state legislature, acting for its own citizens, is not convinced such legislation is a sound concept, why should the federal government by-pass the state legislative process and provide state attorney generals with access to the federal courts?

In March of this year, you announced your opposition to this form of legislation. Mr. President, your judgment at that time was, and still is, correct. I urge you to have the courage of your convictions on this issue and to veto any parens patriae legislation.

Sincerely,



Thomas S. Carroll

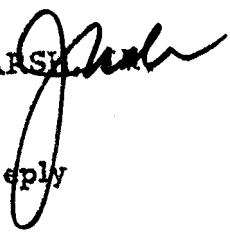
TSC:RL



August 23

THE WHITE HOUSE  
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSH 

           For Direct Reply

           For Draft Response

  XX   For Your Information

           Please Advise





August 23, 1976

Dear Mr. MacNaughton:

Just a short note to thank you for sending me a copy of your recent letter to the President concerning the antitrust legislation.

I have taken the liberty of sharing this letter with those here at the White House working on this issue.

Sincerely,

John O. Marsh, Jr.  
Counsellor to the President

Mr. Malcolm MacNaughton  
Castle and Cooke, Inc.  
Drawer 2990  
Honolulu, Hawaii 96802

cc: Ed Schults

d1





AUG 23 1976

August 18, 1976

The President  
The White House  
Washington, D.C. 20500

Dear President Ford:

I urge you to do everything in your power to keep the Parens Patriae legislation as it may be enacted from becoming effective. Giving the 50 State Attorneys General and the private legal counsel they may engage the right to proceed with purely curious witch hunts would be a disaster. Wrongs obviously must be corrected, but to give a legal counsel a hunting license based on contingency fees and no financial liability to the hunter would soon become costly indeed.

I thank you for considering these views.

Sincerely,

ORIGINAL SIGNED BY  
MALCOLM MacNAUGHTON

cc: The Honorable Philip W. Buchen  
~~The Honorable John O. Marsh, Jr.~~  
The Honorable John J. Rhodes  
The Honorable Hugh Scott

bcc: Mr. George W. Koch (GMA)



C  
O  
P  
Y



CASTLE & COOKE, INC.

DRAWER 2990, HONOLULU, HAWAII 96802



The Honorable John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500



Keeps Growing Bigger to Serve You Better

# PUREX CORPORATION

CARSON • CALIFORNIA 90749

August 23, 1976

The President  
The White House  
Washington, D.C. 20500

My dear Mr. President:

I am greatly dismayed by the recent legislation passed by Congress granting parens patriae authority. My concern is the negative impact of this legislation on the free enterprise system. Operating costs will undoubtedly rise, as well as consumer prices, as unscrupulous lawyers take unjustified advantage of this legislation.

I believe that our political freedoms are closely allied with our economic system. Any legislation that seriously erodes the basis of our free enterprise system ultimately erodes our personal liberties.

Your veto of this parens patriae legislation is the last hope for maintenance of moderation in this important matter.

Very respectfully yours,

PUREX CORPORATION

Lynn R. Ranney  
Vice President and Assistant General Manager,  
GPG - Manufacturing and Private Label



LRR:cab

Copy to:

The Honorable  
Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

The Honorable John O. March, Jr.  
Counsellor to the President  
The White House  
Washington, D.C. 20500

The Honorable  
John J. Rhodes  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable  
Hugh Scott  
Minority Leader  
U.S. Senate  
Washington, D.C. 20510



**Liggett Group Inc.**

4100 Roxboro Road, Durham, N. C. 27702

Dan Provost  
Director of Corporate Communications

August 23, 1976

The President  
The White House  
Washington, D. C. 20500

Mr. President:

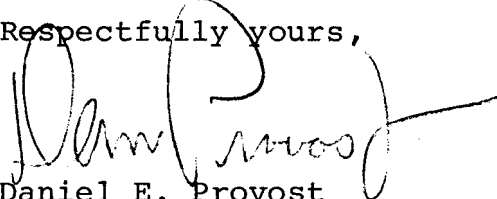
Your past record in vetoing inflationary, unproductive, and/or inequitable legislative bills has been outstanding.

I urge you strongly to veto any bills containing parens patriae features. Such legislation would be very counter-productive and destructive -- another big rip-off for special interest groups not entitled to special privileges.

Parens patriae is best characterized as immoral since it would result in large "blackmail" litigation settlements which could be severely damaging to important companies, and very unfair to their shareowners.

Thank you for your consideration.

Respectfully yours,

  
Daniel E. Provost

DP/lr

cc: The Honorable Philip Buchen ←  
The Honorable John Marsh, Jr.  
The Honorable John Rhodes  
The Honorable Hugh Scott

WILLIAM K. HOSKINS

5020 SPRING GROVE AVE.  
CINCINNATI, OHIO 45232

August 23, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

The parens patriae bill appears to be winding its way to your desk. I strongly urge you to stand by your earlier promise of vetoing the bill.

On June 16 Attorney General Levi stated as follows:

"The possible amount of damages can be so terrific that for a large company the threat of that kind of a case is likely to be inevitably met with a settlement.

"One of my concerns is that you might have to save antitrust from its friends. Now what I had in mind is that if we start, and I hope we don't, a mechanism which is going to bring into being those kinds of cases all over the country with enormous damage awards where it is exceedingly hard to know whether there was in fact that damage, then I would assume that the next step would be to have some sort of a government agency authenticate the reasonableness of the prices that are charged.

"That is the kind of history which the anti-trust laws have always verged on getting into and in my book it is the particular special virtue of the kind of antitrust law that we have that we haven't gotten into it. I don't want to push the antitrust laws so far in that direction that the reaction will be 'Well, just to protect everyone wouldn't it be better if there was some kind of a price-fixing governmental board?'"

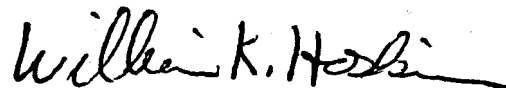


The President

Page 2  
August 23, 1976

I believe that your experience with history in Michigan would indicate that the Attorney General's office of the State has historically been the most political of offices. The delivery of an extremely strong blackmail club to the most political office in a state makes no sense whatsoever.

Very truly yours,



William K. Hoskins

WKH:bjl

The Honorable ✓  
Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D. C. 20500

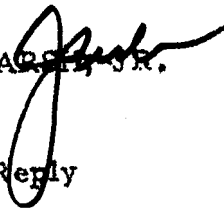




August 23  
THE WHITE HOUSE  
WASHINGTON



TO: ED SCHULTS  
FROM: JOHN O. MARRAS, SR.



\_\_\_\_\_ For Direct Reply

\_\_\_\_\_ For Draft Response

XX \_\_\_\_\_ For Your Information

\_\_\_\_\_ Please Advise



THE WHITE HOUSE

WASHINGTON

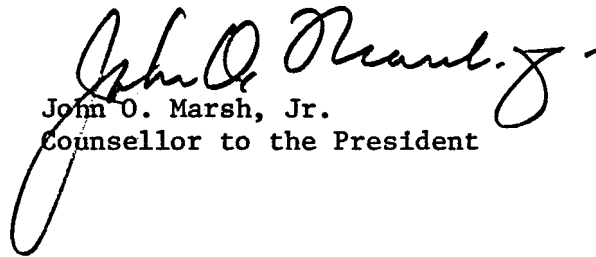
August 23, 1976

Dear Mr. Schultz:

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I have taken the liberty of sharing this letter with those here at the White House working on this issue.

Sincerely,

  
John O. Marsh, Jr.  
Counsellor to the President

Mr. E. J. Schultz  
Hills Bros. Coffee, Inc.  
Post Office Box 3149  
San Francisco, California 94119



**HILLS**  
**BROS**  
**COFFEE, INC.**

P. O. BOX 3149, SAN FRANCISCO, CALIFORNIA 94119 • AREA CODE 415 546-4600  
WRITERS DIRECT DIAL NUMBER 415-546-4660

August 19, 1976

The President  
The White House  
Washington, D. C. 20500

Mr. President:

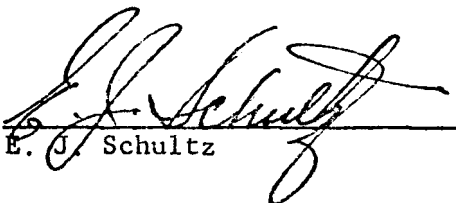
As a concerned member of the American Food Industry we urgently solicit your opposition to and veto of any parens patriae legislation sent to you by Congress.

The far-reaching effects of parens patriae provisions could result in economic chaos for every manufacturing company in the United States. It would be an open invitation for opportunists - both lay and legal - to force business firms into sizeable "blackmail" settlements. The consumer would ultimately foot the bill in the form of higher prices while lawyers inciting such litigation would reap large legal fees and further clog the already congested court system.

It behooves you, in the interest of your constituents, to resist all unnecessary and detrimental legislation by precedent use of your veto privilege.

Sincerely,

HILLS BROS. COFFEE, INC.

  
E. J. Schultz

EJS/ref

cc: Philip W. Buchen  
John O. Marsh, Jr. ✓  
John J. Rhodes  
Hugh Scott



**HILLS**  
**BROS**  
**COFFEE, INC.**



The Honorable  
John O. Marsh, Jr.  
Counsellor to the President  
The White House  
Washington, D. C. 20500

August 23

THE WHITE HOUSE  
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSHALL, JR.

\_\_\_\_\_ For Direct Reply

\_\_\_\_\_ For Draft Response

XX \_\_\_\_\_ For Your Information

\_\_\_\_\_ Please Advise



THE WHITE HOUSE

WASHINGTON

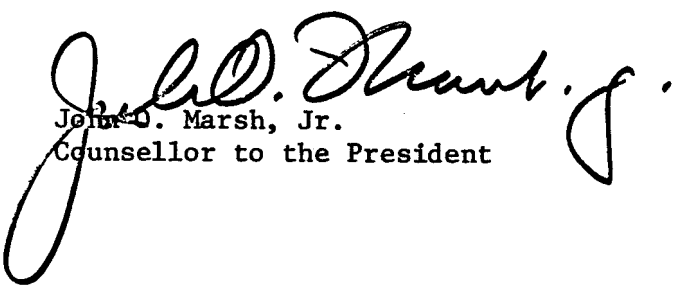
August 24, 1976

Dear Mr. Millard:

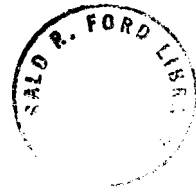
Just a short note to thank you for sending me a copy of your recent letter to the President concerning the antitrust legislation.

I have taken the liberty of sharing this letter with those here at the White House working on this issue.

Sincerely,

  
John D. Marsh, Jr.  
Counsellor to the President

Mr. Charles E. F. Millard  
President  
The Coca-Cola Bottling Company  
Continental Plaza North  
411 Hackensack Avenue  
Hackensack, New Jersey 07601



THE COCA-COLA BOTTLING COMPANY  
OF NEW YORK, INC.

CHARLES E. F. MILLARD  
PRESIDENT

CONTINENTAL PLAZA NORTH  
411 HACKENSACK AVENUE  
HACKENSACK, N.J. 07601  
(201) 487-8650

August 18, 1976

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

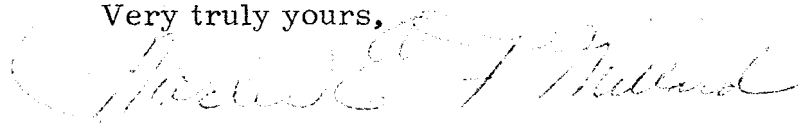
The purpose of this letter is to respectfully request that you veto any legislation which comes to your desk with a *parens patriae* section in it.

Essentially, our position is similar to that of Attorney General Levi as expressed by him on June 16th.

We view this as a totally inappropriate section of any proposed anti-trust or other legislation, and one which is contrary to your expressed position regarding over-regulation.

Thank you for your consideration of this request.

Very truly yours,



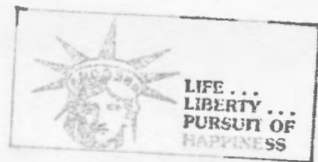
CEFM/ff

cc:

The Honorable Philip W. Buchen  
The Honorable John O. Marsh, Jr.  
The Honorable John J. Rhodes  
The Honorable Hugh Scott  
Mr. William Baroody, Jr.



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Counsellor to the President  
The White House  
Washington, D. C. 20500