

The original documents are located in Box 3, folder “Antitrust - Mail from Businessmen: Edward Schmults File (2)” of the John Marsh Files at the Gerald R. Ford Presidential Library.

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August 23

THE WHITE HOUSE
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSH *John*

 For Direct Reply

 For Draft Response

 XX For Your Information

 Please Advise



THE WHITE HOUSE

WASHINGTON

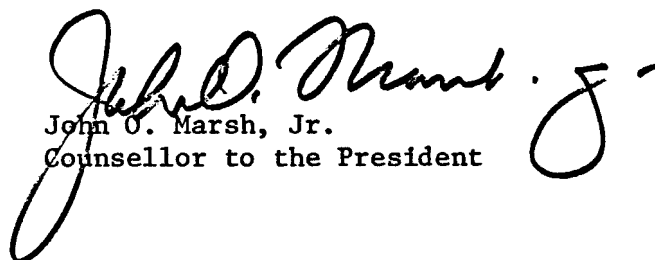
August 24, 1976

Dear Mr. Evans:

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. George D. Evans
Vice President and General
Manager
Grocery Products Group
Purex Corporation
24600 South Main Street
Post Office Box 6200
Carson, California 90749



PUREX CORPORATION

CARSON, CALIFORNIA 90745

AUG 23 1976

EXECUTIVE OFFICES

August 19, 1976

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

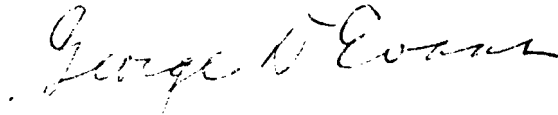
My dear Mr. President:

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:img



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

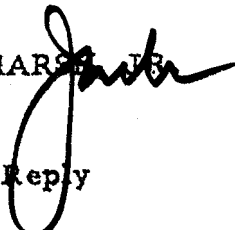


August 23

THE WHITE HOUSE
WASHINGTON

TO: ED SCHULTS

FROM: JOHN O. MARSHALL JR.



_____ For Direct Reply

_____ For Draft Response

XX _____ For Your Information

_____ Please Advise



THE WHITE HOUSE

WASHINGTON

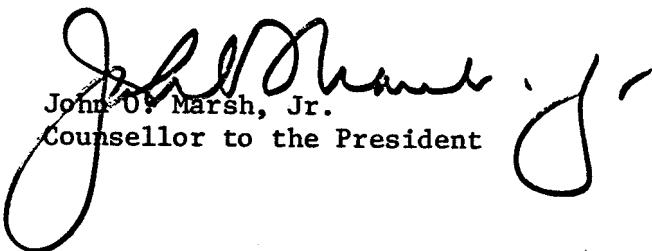
August 24, 1976

Dear Mr. Landis:

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. R. G. Landis
President
Del Monte Corporation
One Market Plaza
Box 3575
San Francisco, California 94119



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: 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





Del Monte Corporation, P. O. Box 3575, San Francisco, CA 94119



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

August 23, 1976

Dear Don:

Many thanks for your August 16 letter with which you enclosed a copy of your letter to the President under date of August 12.

I've discussed the contents of your letter to the President with the appropriate staff and you may be certain they are fully aware of your concerns.

With cordial regard.

Sincerely,

Max
Max L. Friedersdorf
Assistant to the President

Mr. Don A. Goodall
Washington Corporate Representative
American Cyanamid Company
1625 Eye Street, N.W.
Washington, D. C. 20006

MLF:NK:nk

bcc: Ed Schmults w/incoming - FYI



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. Max L. Friedersdorf
Assistant to the President for
Legislative Affairs
The White House
Washington, D. C. 20500

Dear Max:

Chances are you may not see the attached letter and I think it important that you do. If it has not come to your attention, you will want to know that the Washington rep corps is concerned that the President's advisor or advisors on antitrust legislation may not be fully aware of the import of the legislation discussed in the attached letter.

It is our hope that the President will make clear to the Congress his concern about legislation that would, in the guise of one thing, do another as explained in our letter.

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



August 23

THE WHITE HOUSE
WASHINGTON

TO: ED SCHULTS

FROM: JOHN O. MARSH *John O. Marsh*

 For Direct Reply

 For Draft Response

XX For Your Information

 Please Advise



THE WHITE HOUSE

WASHINGTON

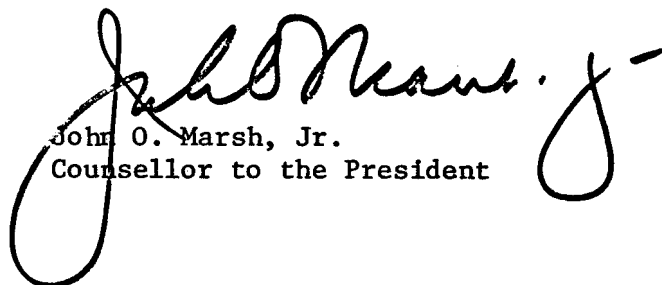
August 24, 1976

Dear Mr. Schacht:

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. Henry Schacht
Vice President and
Corporate Secretary
California Cannery and
Growers
3100 Ferry Building
San Francisco, California 94106



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



August 24, 1976

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

Dear Mr. President:

I respectfully urge you to veto any legislative bill containing a parens patriae provision, that may be sent to you by the U. S. Congress.

I am greatly concerned that the parens patriae title in the recently-passed Senate bill, S. 1284, and the House bill, H. R. 8532, for example, do not provide for the intended more effective or expeditious enforcement of antitrust laws or aid to consumers. Instead, parens patriae would give State Attorneys General and private "plaintiffs" lawyers the authority to file multi-million dollar antitrust claims for alleged price-fixing overcharges against any business company, on behalf of all state residents. Parens patriae thus constructs a vehicle for "plaintiffs lawyers" to extract enormous fees for personal gain, with very little recoveries to the intended beneficiaries, the consumers.

Mr. President, your veto of any parens patriae legislation is essential for the prevention of ruinous damages to food and beverage companies and resultant increased costs of their products to consumers.

Very truly,

Ben H. Wells

BHW:lh

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

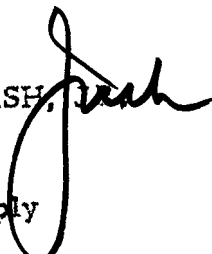


August 24

THE WHITE HOUSE
WASHINGTON

TO: Ed Schmults

FROM: JOHN O. MARSH, JR.



 For Direct Reply

 For Draft Response

 XX For Your Information

 Please Advise



THE WHITE HOUSE

WASHINGTON

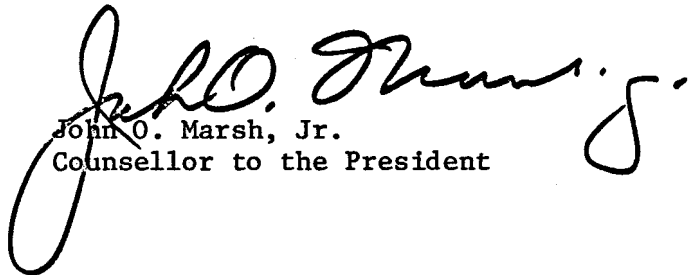
August 24, 1976

Dear Mr. Menkart:

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. John Menkart
157 Shelter Rock Road
Stamford, Connecticut 06903



AUG 20 1976

John Menkart
157 Shelter Rock Road
Stamford, Connecticut 06903

August 17, 1976

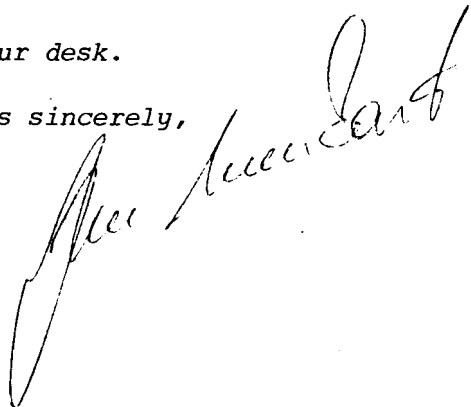
The President
White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to let you know that I continue to be concerned about the possible passage of the Parents Patriae Bill. Even though the form in which it is likely to emerge from the Congress may be weaker than the original concept, its passage would still be a great disservice to the economy of the country. It would provide a hunting license for both individuals and States to go against business on quite trivial grounds.

I urge you to veto the Bill if it reaches your desk.

Yours sincerely,



cc: Mr. John Marsh ✓
Counsellor to the President
The White House
Washington, D.C. 20500





*Mr. John Marsh
Counsellor to the President
The White House
Washington, D.C. 20500*

John Menkart
157 Shelter Rock Road
Stamford, Connecticut 06903

CR
18

August 24

THE WHITE HOUSE
WASHINGTON

②

TO: ED SCHMULTS

FROM: JOHN O. MARSH JR

_____ For Direct Reply

_____ For Draft Response

XX_____ For Your Information

_____ Please Advise



THE WHITE HOUSE

WASHINGTON

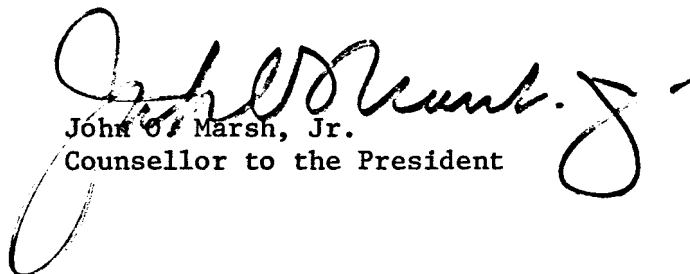
August 24, 1976

Dear Mr. Magnuson:

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. Richard H. Magnuson
Vice President
General Counsel
Land O'Lakes, Inc.
Post Office Box 116
Minneapolis, Minnesota 55440



LAND O LAKES



QUALITY FOODS

AUG 20 1976

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:

1. .

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



August 24

THE WHITE HOUSE
WASHINGTON



TO: ED SCHMULTS
FROM: JOHN O. MARSH, JR.

_____ For Direct Reply

_____ For Draft Response

XX _____ For Your Information

_____ Please Advise



THE WHITE HOUSE

WASHINGTON

August 23, 1976

Dear Don:

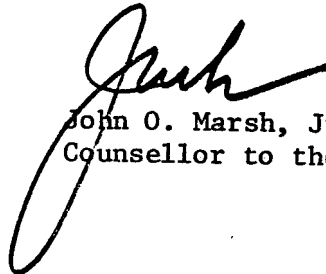
Many thanks for your recent letter concerning the antitrust legislation.

I have taken the liberty of sharing your letter and the copy of the letter to the President with those here at the White House involved with this issue.

We greatly appreciate your bringing this to our attention.

With kindest personal regards, I am

Sincerely,



John O. Marsh, Jr.
Counsellor to the President

Mr. Don A. Goodall
American Cyanamid Company
1625 Eye Street, Northwest
Washington, D. C. 20006



AUG 17 1976

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

Dear John:

There is talk around town that the President's advisors on antitrust legislation may not be fully cognizant of the shortcomings of the legislation referred to in the attached copy of a letter from our Chief Executive Officer to the President.

It is for this reason that I am taking the liberty of sending you a copy. I urge that the President let the Congress know that he is not in favor of these bills as now written for the reasons outlined in the attached letter.

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



AMERICAN CYANAMID COMPANY
1625 EYE STREET, N. W.
WASHINGTON, D. C. 20006



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

WHITE HOUSE MAIL
RECEPTION & SECURITY

AUG 17 1976

Processed by: 2

August 24

THE WHITE HOUSE
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSH, JR.

_____ For Direct Reply

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XX _____ For Your Information

_____ Please Advise



THE WHITE HOUSE

WASHINGTON

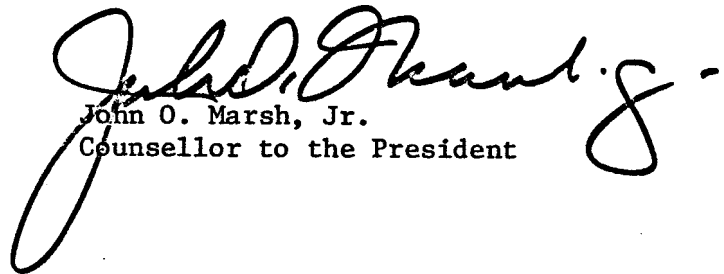
August 24, 1976

Dear Mr. Hicks:

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. L. E. Hicks
Associate General Counsel
Thomas J. Lipton, Inc.
800 Sylan Avenue
Englewood Cliffs, New Jersey 07632



Thomas J. Lipton, Inc.

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

AUG 20 1976

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:

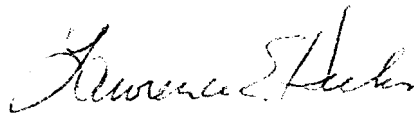
. . . the possible amount of damages can be so terrific that for a large company the threat of that kind of case is likely to be met with a settlement.



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



FIRST CLASS



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

Thomas J. Lipton, Inc.

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

August 24

THE WHITE HOUSE
WASHINGTON

TO: ED SCHMULTS

FROM: JOHN O. MARSH, JR.

 For Direct Reply

 For Draft Response

 XX For Your Information

 Please Advise



THE WHITE HOUSE

WASHINGTON

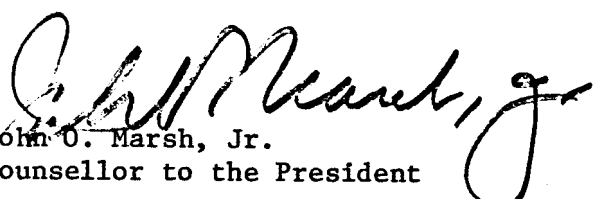
August 24, 1976

Dear Mr. Bishop:

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. John P. Bishop
President
TV Time Foods, Inc.
Post Office Box 7306
Chicago, Illinois 60680





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

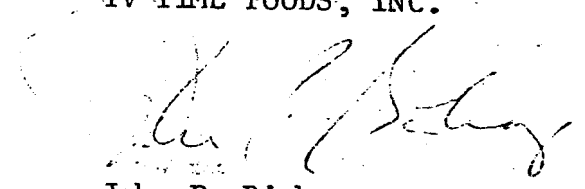
Page Two

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





Quality Foods Since 1883

OSCAR MAYER & CO. · GENERAL OFFICES
P.O. Box 1409 · Madison, Wis. 53701 · (608) 241-3311

August 24, 1976

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

Re: Parens Patriae Legislation

Dear Mr. President:

The Senate recently passed a comprehensive antitrust bill. One of the 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. The bill would further allow the State Attorneys General to hire private lawyers to bring such suits. The Senate bill has recently been cleared to go to conference, with three corresponding House bills, shortly.

By far the most dangerous feature in both the House and Senate bills is the fact that private "plaintiffs" lawyers may be hired with state funds by State Attorneys General to bring parens patriae suits. This feature would enable such lawyers to file enormous "damage" claims so as to extract and share in "blackmail" settlements from the defendant company. The lawyer bringing such a suit is typically the largest single beneficiary, by virtue of the enormous attorneys fees traditionally involved in such settlements and the small stake of each individual "client."

A parens patriae suit could be brought whenever there is a price change in our product and a similar price change in that of one of our competitors. Any such price action could result in an allegation that there was price fixing, thus providing the basis for such "blackmail" suits.

Significantly, we understand that Attorney General Levi warned as recently as June 16 that the parens patriae bill, then passed by both Houses, would not only force business firms into "blackmail" settlements but may lead eventually to government price controls.

Inasmuch as the hiring of private lawyers is permitted under both the House and Senate bill there is no way, under the Conference rules, that this highly objectionable and dangerous feature can be removed from a parens patriae bill coming out of conference and being messaged to the White House. We urge you to veto any bill which comes over to you with parens patriae as a part of it.

Very respectfully yours,

Robert M. Bolz
President



RMB:nb

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

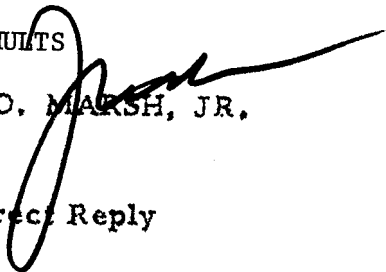
The Honorable Hugh Scott
Minority Leader
U. S. Senate
Washington, D. C. 20510



August 24

THE WHITE HOUSE
WASHINGTON

TO: ED SCHMULTS
FROM: JOHN O. MARSH, JR.



- For Direct Reply
- For Draft Response
- For Your Information
- Please Advise



August 24, 1976

Dear Mr. Sprague:

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. William W. Sprague, Jr.
President
Savannah Foods and
Industries, Inc.
Savannah, Georgia

✓ cc: Ed Schmults

dl



AUG 20 1976

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



PET
INCORPORATED

BOYD F. SCHENK
CHAIRMAN OF THE BOARD AND PRESIDENT

PET PLAZA
400 SOUTH FOURTH STREET
SAINT LOUIS MISSOURI 63166
TEL (314) 621-5400

August 24, 1976

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

Re: Impending Antitrust Legislation

Dear President Ford:

This company has made its views known to Congress concerning antitrust legislation that seems about to be sent to your desk. Our efforts, along with those of many others, have been without effect.

Both the House and the Senate have passed antitrust bills with potentially horrendous consequences to business. We expect the product of the Joint Committee to retain the features. Your office, therefore, is our final appeal. We ask that you veto the impending antitrust bill, if finally passed, and in support we address one of its offensive, but perhaps the most dangerous, features.

The Parens Patriae Provision: The antitrust legislation in both houses contains authority for state attorneys general to bring treble damage lawsuits on behalf of a state's citizenry and allows the attorneys general to engage private attorneys to file and prosecute litigation.

The purpose of the parens patriae provision, of course, is to negate the law as announced by the U. S. Supreme Court, and several Circuits before. If it becomes law, it will take a common law concept developed for the protection of "paupers, lunatics and other incompetents" for whom the state has historically acted as parens patriae, and transform



the concept to a tool for financial and political blackmail in the hands of lawyers and attorneys general. There certainly will be no consumer benefit.

We find such a law objectionable for many reasons, among which are:

1. The provision is an invitation to bring groundless antitrust complaints with virtually no restraints. It gives unscrupulous attorneys and attorneys general the power to bankrupt a business for their financial and political gain.
2. The financial blackmail is made possible because of the provision allowing attorneys general to engage private attorneys to bring and prosecute antitrust parens patriae suits. The abuses which have already arisen under the liberalized class action rules will be further extended.
3. Historically, the right to a lawsuit for antitrust violations has belonged to those injured by the violations. The parens patriae provision will eliminate the essential of proof of injury and damages. Such a provision may well be unconstitutional. Whether or not, it certainly destroys essential safeguards heretofore available for defense against exploitive suits.
4. Contingent liabilities in antitrust actions are potentially so huge that the mere existence of a suit against a business can have an adverse effect on its financing capability. The cost of defending is so great that this consequence is present even in the most confident circumstance that no offense has occurred. Additional laws should not be enacted to further the abilities of people willing unscrupulously to exploit circumstances having the consequence to place business in jeopardy so far as financing abilities are concerned.

Since facilitating of class action litigation by changes in the Federal Rules of Civil Procedure, the filing of class actions has grown explosively. It is no quirk that the



The President
Page 3
August 24, 1976

antitrust and securities fields are the prime arenas. Those intended to be covered by these laws have the resources which make the bringing of suits against them attractive. The recent history is hardly one of consumer indemnification for losses from antitrust infractions. Even in the few "big" actions awards have been consumed in administrative expenses and professional fees. There has been no boon for the little consumer. It is a canard to advance that parens patriae is the salvation for the ripped-off public.

Parens patriae legislation will exacerbate this cancerous situation that already exists in the class action field to extort substantial payments. It, too, will be no boon for the little consumer.

We hold no brief against antitrust, and we favor responsible enforcement from the public and private sectors. If there must be a different way to deal with antitrust problems - and we fail to perceive inadequacies in the presently available antitrust remedies - the way must be better. Means which do not compensate damages, but enrich those who seek to further riches of money and office, whatever the scruples, do not make for respectful laws.

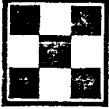
Sincerely yours,

Boyd F. Schenk

BFS/seh

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





Ralston Purina
Company

R. Hal Dean
Chairman of the Board
and Chief Executive Officer

August 25, 1976

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

Dear Mr. President:

Re: "Parens Patriae" Legislation

I am writing to express my concern over the so-called "parens patriae" features of legislation recently passed by the House and Senate as a part of more comprehensive antitrust bills. I strongly urge you to veto any legislation containing such authority.

However viewed, this legislation is utterly wrong. There is no constructive criticism, or variation in approach, which will reformulate its fundamental misapprehension of business into meaningful law. I have yet to see any precise identification of the shortcomings which this proposal will allegedly correct, or any factual support for its apparent assumption that present antitrust procedures and remedies are inadequate. I suspect that any serious effort expended in these directions would reveal how groundless this legislation is.

We as a nation have, of course, before survived radical remedial legislation which produced far worse results than the imaginary problems it was designed to solve. What particularly concerns me about the current proposal is not only that it authorizes elected state officials to enforce federal statutes and thus set federal policy--a notion that by itself is shocking--but also that it permits state-retained private attorneys to act in the officials' behalf. Since the potential rewards of such litigation, in terms of attorneys fees, are enormous, this can only serve to encourage monstrous lawsuits on the most frivolous of grounds. And since the concomitant costs and risks of business defendants will be correspondingly extreme, the

Checkerboard Square
St. Louis, Missouri 63188



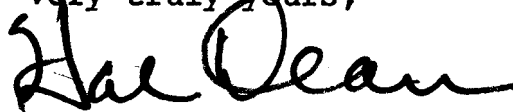
August 25, 1976

potential for "blackmail" settlements and politically motivated abuse is painfully clear.

Mr. President, it is fashionable in some of today's circles to believe that the nation's economic well-being is directly correlative to the presence or absence of massive antitrust litigation. I have heard proponents of measures such as these argue that this legislation will stimulate competition, lower prices to consumers, control inflation, reduce unemployment, and produce a myriad of other benefits too wonderful to describe. At best, however, this legislation will certainly lessen competition, raise consumer prices, create inflationary pressures, and increase employment only for antitrust lawyers. I respectfully request that you give this proposal the outright rejection it deserves.

Thank you for the opportunity to express these views.

Very truly yours,



R. Hal Dean

djb

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

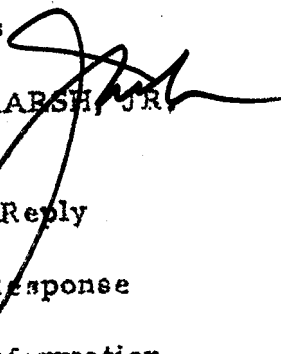
The Honorable Hugh Scott
Minority Leader
U. S. Senate
Washington, D. C. 20510



THE WHITE HOUSE
WASHINGTON

August 26, 1976

TO: Ed Schmults

FROM: JOHN O. MARSH, JR. 

 For Direct Reply

 For Draft Response

 X For Your Information

 Please Advise



August 26, 1976

Dear Mr. Brown:

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. Richard Nicholas Brown
111 East Eighty-eighth Street
New York, New York 10028**

rs

✓ **cc: Ed Schmuls**



AUG 26 1976

RICHARD NICHOLAS BROWN
ATTORNEY AT LAW
111 EAST EIGHTY-EIGHTH STREET
NEW YORK, NEW YORK 10028
TELEPHONE (212) 831-5927

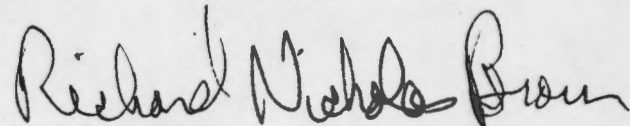
August 23, 1976

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

Dear President Ford:

I am writing to you to express my opinion that you should veto the Parens Patriae Legislation. I feel that this legislation as enacted would serve only to promote litigation which would serve only to harm business and ultimately to harm the consumer interest by adversely affecting the economic health of the country.

Very truly yours,



Richard Nicholas Brown

RNB: da
cc: John Marsh,
Counsellor to the President
The White House
Washington, D. C. 20500





John Marsh, Esq.,
Counsellor to The President
The White House
Washington, D. C. 20500

RICHARD NICHOLAS BROWN
ATTORNEY AT LAW
111 EAST EIGHTY-EIGHTH STREET
NEW YORK, NEW YORK 10028

August 26, 1976

Dear Mr. Ewing:

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. Thomas G. Ewing
7 Rue Deauville
Newport Beach, California 92660**

rs

cc: Ed Schmults



AUG 26 1976

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





6700 Cherry Avenue
Long Beach, Calif. 90805
Mailing Address:
P.O. Box 788
Long Beach, Calif. 90801



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

August 26, 1976

Dear Mr. Wenzel:

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 F. Wenzel
25 South Marvine Avenue
Auburn, New York 13021**

rs

✓ **cc: Ed Schmults**



AUG 26 1976

Robert F. Wenzel
25 South Marvine Avenue
Auburn, N.Y. 13021

August 12, 1976

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

Dear Mr. President:

I am writing to urge you to reject the *parens patriae* concept and veto this legislation (S.1284, H.R. 8532, et al) should it come before you for signature.

The concept, in my opinion, does not protect consumer rights by preventing abuse or reparations for losses; however, it will serve to increase the cost of product for the consumer. In addition, significant court costs will be incurred by industry and government and these costs are certain to be born by all citizens.

I thank you for your consideration of my appeal as a taxpayer.

Sincerely,

Robert F. Wenzel

RFW/njp

cc: Mr. John Marsh
Counselor to the President



Robert F. Wenzel
25 So. Marvine Ave.
Auburn, N.Y. 13021



Mr. John Marsh
Counselor to the President
The White House
Washington, D.C. 20500