## The original documents are located in Box 3, folder "Antitrust - Mail from Businessmen: Edward Schmults File (6)" of the John Marsh Files at the Gerald R. Ford Presidential Library.

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#### WILLIAMS FOODS, INC.

1900 WEST 47TH PLACE . WESTWOOD, KANSAS 66205

CONRAD HOCK, JR. CHAIRMAN OF THE BOARD AND PRESIDENT

September 14, 1976

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

Dear Mr. President:

I strongly suggest that you veto any Bill with Parens Patriae as part of it.

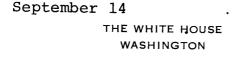
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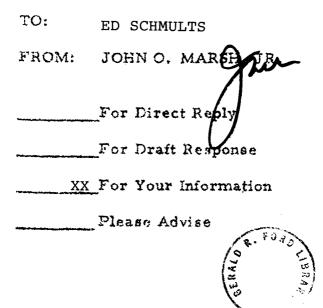
Sincerely, Comeditoch

CH:w

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







#### THE WHITE HOUSE

WASHINGTON

September 14, 1976

Dear Mr. Bartels:

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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 your letter with those here at the White House working on this issue.

Sincerely,

1 And John O. Marsh, Jr.

Counsellor to the President

Mr. John P. Bartels Vice President --Materials Science Products Pfizer Inc. 235 East 42nd Street New York, New York 10017





#### PFIZER INC., 235 EAST 42nd STREET, NEW YORK, N.Y. 10017

JOHN P. BARTELS Vice President Meterials Science Products 212 573-3284

September 3, 1976

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

Dear Mr. President:

Once again it is only your veto which will stand between Congress and disaster for the nation's economy. Congress is about to pass and send to your desk a bill which would permit Attorneys General of the states to blackmail American corporations. I am speaking of the parens patriae provisions of H.R. 8532.

I think that, by and large, businessmen are honest, law abiding people. I try my best to abide by the law and I think that is the rule - not the exception - in most corporations. We are careful to consult our lawyers when any action might violate the Sherman Act. However, as you know, the Sherman Act was written in broad constitutional-like terms in order to permit the courts to develop and to define what the law should be in this area. The Sherman Act has served us well as a broad mandate for our economy and the courts have been able to develop the law in this area, much as the Supreme Court has been able to shape constitutional concepts.

Up until now, we have been able to live with this situation although we have not always known whether present conduct which is believed to be lawful would or would not later be found to be a violation of the Sherman Act. However, under H.R. 8532, this peril would be unacceptable. To guess wrong as to what courts might later decide would mean financial disaster. Corporations would, as a practical matter, be unable to defend in court their position that no violation of the Sherman Act had occurred but would be forced into settlement.



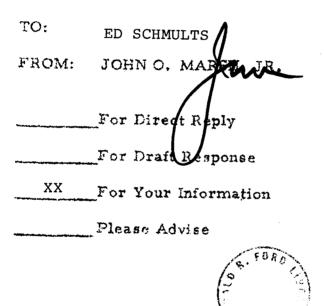
This is not fair. It is not just. It is not within the spirit of our system of antitrust laws. Therefore, I hope, Mr. President, that you will veto H.R. 8532.

Sincerely yours,

John P. Bartels Vice President - Materials Science Products

cc: The Honorable Philip W. Buchen
 The Honorable John O. Marsh, Jr.
 The Honorable Edward Schmults
 The Honorable John J. Rhodes
 The Honorable Hugh Scott
 The Honorable Jerome A. Ambro

THE WHITE HOUSE WASHINGTON



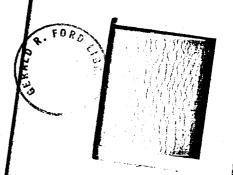
# THE WHITE HOUSE washington

September 16, 1976

Dear Mr. Frank: 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 others here at the White House working on this issue. Sincerely,

4 . Marsh, Jr. sellor to the President

Mr. Kenneth L. Frank Senior Vice President Universal Foods Corporation 433 East Michigan Street Milwaukee, Wisconsin 53201



UNIVERSAL \_foods\_CORPORATION

SENIOR VICE PRESIDENT

September 13, 1976

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

Dear President Ford:

It is our understanding that you will presently be considering a bill enacting <u>parens patriae</u> legislation, and the purpose of this letter is to urge you to veto any bill of that kind because it would place an overwhelming amount of authority in the hands of all State Attorneys General. Putting power into the State Attorneys General to bring treble damage suits against companies on behalf of all state residents provides an open field for the worst kind of law suits. Since it appears that Congress is set on passing such legislation, the country's only hope would be your veto.

Sincerely yours,

th J. Frank

KLF.meg

- cc: The Honorable Philip W. Buchen Counsel to the President The White House
  - VThe Honorable John O. Marsh, Jr. Counsellor to the President The White House

The Honorable John J. Rhodes Minority Leader U.S. House of Representatives

The Honorable Hugh Scott Minority Leader U.S. Senate



# uf

### UNIVERSAL

#### CORPORATION

MILWAUKEE, WISCONSIN 53201



E SEP13'76

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

PWBE

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THE PILLSBURY COMPANY 608 SECOND AVENUE SOUTH MINNEAPOLIS, MINNESOTA 55402

WALTER D. SCOTT SENIOR VICE PRESIDENT

TELEPHONE 612/330-4966

September 16, 1976

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

Dear Phil:

Although you may have already seen it, I am enclosing a copy of Bill Spoor's recent letter to The President stating his strong opposition to H.R. 8532, Parens Patriae, and allied Antitrust Legislation. This spells out some of our major concerns with regard to this legislation.

I have also enclosed a letter from members of the House Judiciary Committee who believe that amendments in the House have not been fairly considered.

I hope you will be supportive of a Presidential veto of this legislation when the time comes. Also, hope to see you in the not too distant future.

Sincerely,

Walter D./ Scott

/skg



## THE PILLSBURY COMPANY

EXECUTIVE OFFICES

MINNEAPOLIS, MINNESOTA 55402

WILLIAM H. SPOOR CHAIRMAN OF THE BOARD

September 7, 1976

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

Dear Mr. President:

Congress has recently passed comprehensive antitrust legislation, including provisions known as "parens patriae." Parens patriae legislation destroys the established safeguards for business in class action suits, and authorizes state attorneys general to bring treble damage suits against a company on behalf of all state residents for alleged antitrust violations.

By erasing the requirement that injury be established in order to obtain damages, parens patriae legislation generates additional caseloads for our already overburdened federal court system by allowing frivolous antitrust lawsuits to be filed.

Pillsbury is very concerned about the devastating effects that parens patriae legislation could have on industry and the economy in general. Although responsible and effective antitrust law is essential to protect consumers and to preserve a healthy climate for business activity, we feel that parens patriae falls pitifully short of the desired goal.

The Pillsbury Company urges you, Mr. President, to veto any parens patriae legislation delivered by congress. Your veto power will halt any enactment of this unnecessary legislation.

Sincerely,

Wellen H. Jeon

WHSpoor:jn

#### NINETY-POURTH CONGRESS

PETER W. BOOING, JR. (N.J.), CHAIRMAN JACK BACOKS, TEX. POBERT W. KASTENMELER, WI DON EDWARDS, CALLE. ILLIAM L. HUNGATE, MO. HA CONVERS, JR., MICH. JOSHUA EILBERG, PA. NALTER FLOWENS, ALA. AMES H. MANN. S.C. IL S. SARBANES, MD. HA F. SEINERLING, OHIO GEONGE E. DANIELSON, CALLE. ROBERT P. DRINAN, MASS. ARARA JORDAN, TEX. TABETH HOLTZMAN, N.Y. EDWARD MELVINSKY, IOWA HERMAN RADILLO, N.Y. HOMANO L. MAZZOLI, KY. EDWARD W. PATTISON, N.Y. CHRISTOPHER J. DOOD, CON WILLIAM J. HUGHES, NJ. SAM B. HALL, JR., TEX.

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Congress of the United States Committee on the Judiciary House of Representatives Mashington, A.C. 20515

September 10, 1976

Telephone: 202-225-3951

GENERAL COUNSEL BARL C. DUOLEY, JR.

STAFF DIRECTORI GARNER J. CLUNK

COURSEL NERSERT FLEMS WILLIAM P. SHATTUCK ALAN A. PANKES MAURICE A. BAREDIA ARTHUR P. ENDRES, JR. THOMAS W. HUTCHISO DANIEL L. CONER FRANKLIN G. POLK THOMAS E. MOOHEY ALEXANDER B. COOK ALAN P. COFFEY, JR. KENNETH N. KLER EXTHERED V. SMIETLETS THOMAS IA. BOTS

#### Dear Colleague:

Very shortly you will be asked to vote on a motion to concur in the Senate substitute amendment on the antitrust bill, H.R. 8532. We vigorously object to this procedure because it deprives the House of the opportunity to amend the Senate amendment to reinstate the House position on two critical issues. Under the present parliamentary situation, further House amendments can only be made in order under a resolution reported from the Rules Committee.

We are more than displeased with the way this bill was handled. Having been denied the conference which the House requested, the House "conferees" were requested by Senate managers to draft a compromise proposal which both Houses could accept. The House conferees prepared such a proposal, but Senate managers changed the proposal over objections of the House conferees and then apparently sold the counterfeit compromise to the Senate as something "the House" had agreed to.

When Mr. McClory and Mr. Railsback protested that no House member, to their knowledge, had agreed to the provisions of the Senate substitute (see Congressional Record, September 2, 1976, pages H9404 and E4825), certain Senators expressed their dismay. Thereupon, the Senate floor manager of the bill assured his colleagues that the substitute contained "the provisions we were advised could be accepted on the House floor without going to conference". Congressional Record. September 7, 1976, page S15320. Apparently, someone winked at the Senate's deletion of two very important safeguards in the House parens patriae title concerning contingency fees and the aggregation of damages. At this critical juncture, we were never consulted.

First, it should be recalled that by a record vote of 217-167, the House, on March 18, 1976, rejected an attempt to water down the absolute ban on contingency fees for private attorneys. The Senate substitute would ban only "percentage" contingency fees but would permit other arrangements. It is obvious that the Senate ban is no ban at all. The fee arrangement could be expressed as "\$100 an hour if plaintiff prevails, \$0 an hour if plaintiff loses", perhaps with a proviso that ALON the total not exceed a certain percentage.

Second, it should be recalled that by a record vote of 220-171, the House agreed to an amendment limiting the aggregation of treble damages to cases of wilful price-fixing and also agreed to provide only single damages where the violation was in good faith. The Senate substitute drops both of these provisions.

We believe that these two issues are the two most significant issues in the entire bill. The motion to concur would contradict the House position on both counts.

We do not believe that the House has changed its mind. We believe that the House should have an opportunity to adhere to its position. In order to do this, it will be necessary to vote in favor of a motion to refer the matter to the Rules Committee for a rule permitting the House to amend the Senate amendment.

Sincerely,

On that vote, we ask your support.

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# Dairymen, Inc.

GENERAL OFFICE . 604 PORTLAND BUILDING 200 WEST BROADWAY LOUISVILLE, KENTUCKY 40202 . 502/584-8123

September 17, 1976

The Honorable Gerald R. Ford President of the United States The White House 1600 Pennsylvania Avenue Washington, D. C.

Dear Mr. President:

As a farmer-owned cooperative that has had more than our share of what we think is unwarranted action by the Justice Department, we have grave concerns about H. R. 8532, the Antitrust legislation that would give broadened powers to the Justice Department and State Attorneys General.

We are particularly concerned with the proposed legislation since it provides for contingency fees paid to private lawyers and treble damages even in cases where there was clearly no willful intent to fix prices.

We believe this legislation will not provide significant protection to consumers, but rather will simply make more wealth for private lawyers at the expense of consumers.

Therefore, in behalf of our 7,400 dairy farmer owners and 3,600 employees in 13 Southeastern states, we respectfully urge you to veto H. R. 8532.

Sincerely,

Vesley & Yross

Wesley E. Gross Director of Public Affairs

WEG:j

WHD030 511P EDT SEP 17 76 WAG194(1446)(2-021707C261)PD 09/17/769 TLX KELLOGG BAC C 1976 SEP 17 PM 5 19 ZCZC 02 BATTLE CREEK MICH 091776 PMS PHILIP V. BUCHEN, COUNSEL TO THE PRESIDENT PLS HAND DELIVER THE WHITE HOUSE WASHINGTON, D.C. 20500 HR 8532 AS PASSED BY THE HOUSE YESTERDAY RETAINS THE "PARENS PATRIAE" TRIPLE DAMAGE CONTINGENCY FEE PROVISION. THIS COULD INSPIRE LAWSUITS BY PRIVATE LAW FIRMS TO COLLECT LARGE FEES CONTINGENT UPON VINNING TO PARENCE OF BREAKING ANTI-THE CASE, REGARDLESS OF GOOD FAITH OR IGNORANCE OF BREAKING ANTI-TRUST LAWS.

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WE ARE CONVINCED THAT THIS IS WRONG. WE ASK YOU TO LEND YOUR SUPPORT IN URGING THE PRESIDENT TO VETO THIS BILL.

V. E. LANOTHE PRESIDENT

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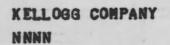
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KELLOGG COMPANY NNNN

## September 17, 1976

Dear Mr. Chaffetz:

Thank you very much for your letter of September 13. I appreciate having your views on the antitrust parens patriae legislation and will see that your views on this subject are brought to the attention of the appropriate people on the President's staff.

Best regards,

Sincerely,

Richard B. Cheney Assistant to the President

Mr. Hammond E. Chaffetz Kirkland and Ellis 200 East Randolph Drive Chicago, Illinois 60601

bcc: w/copy of incoming to Mr. Buchen; Mameste Countil

RBC:MD:mlg



Washington Office

KIRKLAND, ELLIS & ROWE

1776 K Street, N.W.

Washington, D.C. 20006 202 833-8400

200 East Randolph Drive Chicago, Illinois 60601

Chicago Office Area Code 312 861-2000 Telex 25-4361 To Call Writer Direct 312 861- 2250

September 13, 1976

Mr. Richard B. Cheney Assistant to the President The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear Mr. Cheney:

#### re: Antitrust "Parens Patriae"

As you may recall, last March I had the opportunity of personally asking for the President's views on the then pending antitrust <u>parens patriae</u> legislation, in the course of his visit to Chicago, at the Marriott Hotel, where he invited questions from those in attendance.

At the President's invitation, I wrote you a letter on March 16 (copy attached), which detailed my grave concerns over the dangers of the parens patriae provisions, as a vehicle for "blackmail litigation" and "blackmail settlements" for the enrichment of private lawyers.

I understand that the Senate last Wednesday voted its final approval of the overall antitrust legislative package, including a somewhat modified version of the <u>parens patriae</u> provisions. Also, I understand that the House is expected to vote on the combined legislative package very shortly.

If the current legislative package is enacted by both Houses, as is widely expected, the President will face the dilemma of whether to approve or to veto the entire legislation.

All of us realize that the President must make a difficult decision in the midst of a political campaign, where the proponents have exploited the popular sentiment for antitrust as a device for enacting a legislative package containing not only the acceptable Justice Department enforcement components, but also the reprehensible <u>parens patriae</u> provisions which will enrich a few private lawyers at the expense of the public.



Mr. Richard B. Cheney September 13, 1976 page two

I would hope that you and the President's other advisors will recommend that the President should not sacrifice a position of principle against blackmail legislation and blackmail litigation.

I am inclined to believe that the President will really stand to gain, with much of the electorate, if he insists forcefully that he would immediately approve Titles I and II of the legislation, which meet his requests and policies for strong but fair antitrust enforcement, but that he will not be pressured into signing the objectionable parens patriae provisions.

Particularly offensive is the provision which has now been added by the Senate, authorizing contingency fees for retained private lawyers, subject to the meaningless safeguard of approval by the courts. Courts routinely approve huge fees for private lawyers, because these settlements remove large cases from their busy dockets.

Accordingly, such enterprising private lawyers have a great financial incentive to contrive more blackmail-type litigation.

Respectfully yours,

annoud & Choffetzie

Hammond E. Chaffetz

HEC/pt encl.



200 East Randolph Drive Chicago, Illinois 60601

Chicago Office Area Code 312 861-2000 Telex 25-4361 To Call Writer Direct 312 861-2250

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Washington Office KIRKLAND, ELLIS & ROWE 1776 K Street, N.W. Washington, D.C. 20006 202 833-8400

March 16, 1976

Mr. Richard B. Cheney Assistant to the President The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C.

Dear Mr. Cheney:

I am following up, as I said I would, with regard to the so-called <u>parens patriae</u> legislation that Mr. Freeman and I discussed with the President at the Marriott Inn. My Partner, Fred Rowe, in our Washington office, will furnish you with pertinent materials and will be available to provide you with any further information that you may need.

In part because the impression prevails that both the White House and the Department of Justice are supporting the legislation, at least in principal, I am told that enactment may well be imminent. What is proposed has to be anathema to this administration.

We all know that a State's Attorney General is likely to be politically motivated and hankering to run for governor. He could hardly resist the opportunity for publicity involved in bringing a treble damage action on behalf of the citizenry against a large group of corporate defendants. If the defendants are not bludgeoned into a settlement by the mere costs of the litigation, regardless of any question of guilt or innocence, the State's Attorney General could count on having moved on before having to press his charges. And if the charges are clearly unfounded, he can be counted on to keep the litigation going indefinitely rather than admit error.

What I have to say is from personal experience. I am involved in some treble damage actions against the automobile companies that were filed back in 1969. When they were finally dismissed in 1973 (by a trial judge hardly sympathetic to the defendants), after extensive discovery costing the defendants



Mr. Richard B. Cheney Page 2 March 16, 1976

millions of dollars, the State's Attorney General appealed and the appeal is still pending. Not surprisingly, the eminent counsel who were retained on a contingent basis, have withdrawn.

Treble damage class actions under existing laws have been severely criticized because of their blackmail implications. In two major cases in which I am presently retained as counsel, a multitude of small defendants are named who would each be jointly and severally liable for hundreds of millions of dollars of damages if the plaintiffs prevail at trial. The strategy in such cases is to exact settlements from the small defendants who simply cannot afford to defend themselves in a remote forum.

Even before a settlement can be negotiated, a mere filing of a treble damage action against small firms confronts them with immediate reporting problems that are traumatic. Accounting firms are unwilling to certify the accounts of a company that is threatened with financial liability in the many millions. This is not theoretical, but presents a very real problem to the small firm and its counsel.

Of course, even in the case of large corporations, it is not unusual, in view of the litigation costs, quite apart from the merits of the charges, to enter into a settlement that usually benefits the counsel more than the individual class members.

I should mention also the proposal in the pending legislation to permit what is called "fluid recovery" whereby damages could be assessed on the basis of the jury's estimate of total injury without regard to any showing of any injury to any member of the plaintiffs' class.

These law suits will also create a substantial burden on the federal judiciary; the Chief Justice has advised Senator Hruska that the Judicial Conference will consider this legislation, in light of this problem, at its April 7 meeting.

Mr. Richard B. Cheney Page 3 March 16, 1976

This only touches the surface of what is critically wrong with the legislation in question, but is intended to provoke your interest, which I hope will lead to further consideration by the White House and the Department of Justice.

Yours sincerely,

Hammond E. Chaffetz

cc: Edward M. Levi, Attorney General Thomas E. Kauper, Assistant Attorney General



## WASHINGTON September 20, 1976 TO: ED SCHMULTS JOHN O. MARS FROM: For Direct Repl For Draft Res onse For Your Information Х Please Advise

THE WHITE HOUSE



September 20, 1976

Dear Mr. Lamothe:

Many thanks for your telegram of recent date regarding H. R. 8532.

I have taken the liberty of forwarding your telegram to appropriate officials here at the White House.

Thank you for taking the time to give us the benefit of your views on this important legislation.

With every good wish, I remain,

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. W. E. Lamothe President The Kellogg Company 235 Porter Street Battle Creek, Michigan 49916

cb cc: E@bhmults



425P EDT SEP 17 76 WAF199(1447)(2-021707C261002)PD 09/17 W HD 022 TLX KELLOGG BAC C ZCZC 03 BATTLE CREEK MICH 091776 PMS JOHN O. MARSH, JR., COUNSELLOR TO THE PRESIDENT PLS HAND DELV THE WHITE HOUSE WASHINGTON. D.C. 20500 HR 8532 AS PASSED BY THE HOUSE YESTERDAY RETAINS THE "PARENS PATRIAE" TRIPLE DAMAGE CONTINGENCY FEE PROVISION. THIS COULD INSPIRE LAWSUITS BY PRIVATE LAW FIRMS TO COLLECT LARGE FEES CONTINGENT UPON WINNING THE CASE, REGARDLESS OF GOOD FAITH OR IGNORANCE OF BREAKING ANTI-TRUST LAWS. WE ARE CONVINCED THAT THIS IS WRONG. WE ASK YOU TO LEND YOUR SUPPORT IN URGING THE PRESIDENT TO VETO THIS BILL. W. E. LAMOTHE

PRESIDENT

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E.S. W. P.

The White House Washington.

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STATES, THROUGH THEIR ATTORNEYS GENERAL OR PRIVATE COUNSEL, MAY 24 ACT AS "PARENS PATRIAE" IN BRINGING ANTITRUST DAMAGE ACTIONS ON

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24 25 BEHALF OF THEIR RESPECTIVE CITIZENS IS THE OBJECTIONABLE FEATURE WHICH WEIGHS IN FAVOR OF A VETO.

THE MONUMENTAL COSTS INCURRED IN DEFENDING LENGTHY ANTITRUST LITIGATION AND THE POTENTIAL EXPOSURE OF NILLIONS OF DOLLARS IN "VE'RE-AGAINST-BIG-BUSINESS" VERDICTS WILL BE A SIGNIFICANT INDUCEMENT FOR THE BUSINESS COMMUNITY TO SETTLE MANY SUCH CASES WITHOUT REGARD TO THE LEGAL MERITS OF THE CHARGES MADE, ALL OF WHICH COSTS END UP BEING PAID BY CONSUMERS.

THE INSTITUTION OF SUCH LITIGATION IS NADE MORE ATTRACTIVE TO THE STATES BY THE AUTHORITY GRANTED UNDER TITLE III TO THE STATE ATTORNEYS GENERAL TO ENGAGE THE SERVICES OF PRIVATE COUNSEL ON A CONTINGENT FEE BASIS.



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24 25 I SUGGEST TO YOU THAT UNDER THIS PROCEDURE, BOTH PARTIES ARE MOTIVATED TO SEEK A QUICK SETTLEMENT OF THE LITIGATION RATHER THAN A VINDICATION OF THEIR RESPECTIVE LEGAL POSITIONS. PRIVATE COUNSEL WILL SEEK TO OBTAIN THEIR FEES FOR THE LEAST AMOUNT OF EFFORT EXERTED AND THE BUSINESS COMMUNITY WILL NOT INCUR THE SUBSTANTIAL RISK OF A POTENTIALLY LARGER JUDGMENT.

TITLE III WILL NOT BE AN EFFECTIVE WEAPON AGAINST MERITORIOUS ANTITRUST ACTIONS BUT WILL SERVE INSTEAE TO ENRICH A CERTAIN SEGMENT OF THE LEGAL PROFESSION, YOU COULD CALL IT THE LAWYERS ENRICHMENT ACT OF 1976.

CLAUDE S. BRINEGAR, SENIOR VICE PRESIDENT

UNION OIL COMPANY OF CALIFORNIA LOS ANGELES CALIFORNIA NNNN

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THE INSTITUTION OF SUCH LITIGATION IS MADE MORE ATTRACTIVE TO THE STATES BY THE AUTHORITY GRANTED UNDER TITLE III TO THE STATE ATTORNEYS GENERAL TO ENGAGE THE SERVICES OF PRIVATE COUNSEL ON A CONTINGENT FEE BASIS.



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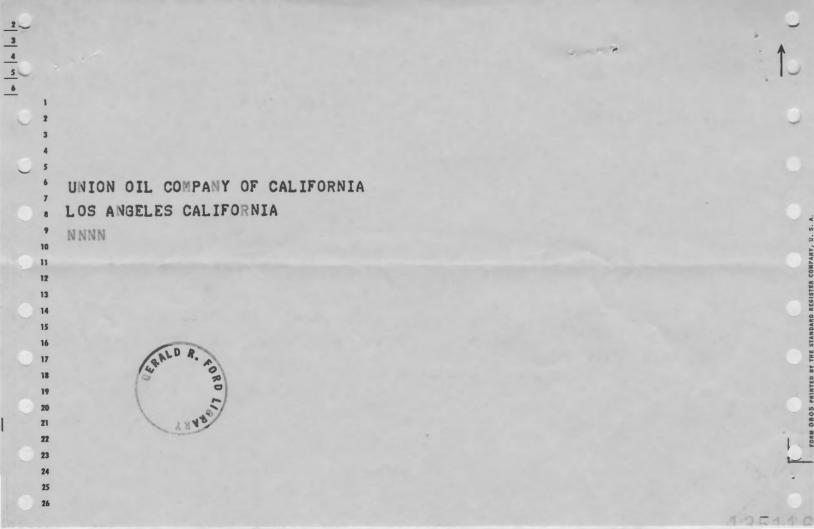
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24 25 I SUGGEST TO YOU THAT UNDER THIS PROCEDURE, BOTH PARTIES ARE MOTIVATED TO SEEK A QUICK SETTLEMENT OF THE LITIGATION RATHER THAN A VINDICATION OF THEIR RESPECTIVE LEGAL POSITIONS. PRIVATE COUNSEL WILL SEEK TO OBTAIN THEIR FEES FOR THE LEAST AMOUNT OF EFFORT EXERTED AND THE BUSINESS COMMUNITY WILL NOT INCUR THE SUBSTANTIAL RISK OF A POTENTIALLY LARGER JUDGMENT.

TITLE III WILL NOT BE AN EFFECTIVE WEAPON AGAINST MERITORIOUS
ANTITRUST ACTIONS BUT WILL SERVE INSTEAE TO ENRICH A CERTAIN
SEGMENT OF THE LEGAL PROFESSION. YOU COULD CALL IT THE LAWYERS
ENRICHMENT ACT OF 1976.

26 CLAUDE S. BRINEGAR, SENIOR VICE PRESIDENT





444P EDT SEP 20 76 VAA254(1540)(1-0246420264005)PD 09/20 W ND 051 DTOS 20 PM 4 49 TLX PVFLRHILLS MPS ZCZC 5518 MPLS MN PHS NR PHILIP V BUCHEN COUNCEL TO THE PRESIDENT THE WHITE HOUSE OFFICE 1600 PENNSYLVANIA AVE NW WASHINGTON DC 20503 WE RESPECTFULLY REQUEST YOUR INHEDIATE APPEAL TO THE PRESIDENT TO VETO HR \$532. RECENTLY PASSED SENATE VERSION OF PARENS PATRIAE ANTITRUST LEGISLATION. THE "PARENS PATRIAL" "CONTINGENT FEE" AND "TREBIL DANAGE" FEATURES OF HR \$532 ARE DETRIMENTAL TO A HEALTHY BUSINESS CLINATE AND DO NOT SERVE THE INTERESTS OF AMERICAN CONSUMERS.

E.S. ~

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W G STOCKS

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PRESIDENT





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WHD 051 444P EDT SEP 20 76 WAA254(1540)(1-024642C264005)PD 09/20 TLX PVFLRMILLS MPS ZCZC 5518 MPLS MN PMS MR PHILIP W BUCHEN COUNCEL TO THE PRESIDENT 12 THE WHITE HOUSE OFFICE 1600 PENNSYLVANIA AVE NW 13 WASHINGTON DC 20503 14 15 WE RESPECTFULLY REQUEST YOUR IMMEDIATE APPEAL TO THE PRESIDENT TO 16 VETO HR 8532. RECENTLY PASSED SENATE VERSION OF PARENS PATRIAE 17 18 ANTITRUST LEGISLATION. THE "PARENS PATRIAE" "CONTINGENT FEE" AND 19 "TREBIL DAMAGE" FEATURES OF HR 8532 ARE DETRIMENTAL TO A HEALTHY 20 BUSINESS CLIMATE AND DO NOT SERVE THE INTERESTS OF AMERICAN COMSUMERS. 21 22 23 24 W G STOCKS

26 PRESIDENT

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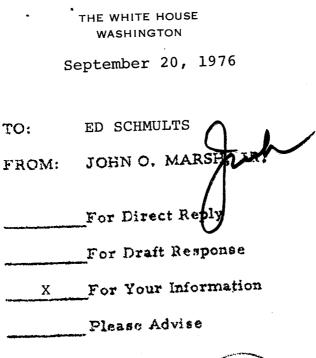
Che Minte House Wington ?!! WH8 834 (1332) (2-829757E2 64)PD 89/28/76 1331 1976 SEP 20 PM 2 36 4 ICS IPMBNGZ CSP 9 1383 12388 TOBN WESTWOOD KS 38 89-28 8131P EST 7 PMS PHILIP W BUCHEN, COUNSEL TO THE PRESIDENT . WHITE HOUSE DC " PLEASE CONTACT THE PRESIDENT AND URGE HIM TO VETO THE PARENS PATRIAE BILL AND ASK CONGRESS TO PASS THE CID AND PRE-MERGER BILLS WHICH ARE 13 PENDING IN THE SENATE SO HE COULD THEN SIGN THEM. 14 CONRAD HOCK, JR. CHAIRMAN AND PRESIDENT WILLIAMS FOODS 15 16 NNNN 18 19 25 WHB 034 (1332) (2-029757E264)PD 09/20/76 1331 1976 SEP 20 PM 2 36 4 ICS IPMBNGZ CSP 9 1383 12300 TOBN WESTWOOD KS 38 09-20 0131P EST 7 PMS PHILIP W BUCHEN, COUNSEL TO THE PRESIDENT WHITE HOUSE DC " PLEASE CONTACT THE PRESIDENT AND URGE HIM TO VETO THE PARENS PATRIAE 11 BILL AND ASK CONGRESS TO PASS THE CID AND PRE-MERGER BILLS WHICH ARE 12 13 PENDING IN THE SENATE SO HE COULD THEN SIGN THEM. 14 CONRAD HOCK, JR, CHAIRMAN AND PRESIDENT WILLIAMS FOODS 15 16 NNNN 17 19 22 24 25

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E. W.B.





September 20, 1976

Dear Wally:

Many thanks for your letter of September 16 regarding H. R. 8532.

I have taken the liberty of forwarding your letter to appropriate officials here at the White House.

Thank you for taking the time to give us the benefit of your views on this important legislation.

With every good wish, I remain,

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Walter D. Scott Senior Vice President The Pillsbury Company 608 Second Avenue South Minneapolis, Minnesota 55402

JOM:RAR:cb cc: ESchmults



## THE PILLSBURY COMPANY 608 SECOND AVENUE SOUTH MINNEAPOLIS, MINNESOTA 55402

WALTER D.SCOTT SENIOR VICE PRESIDENT

TELEPHONE 612/330-4966

September 16, 1976

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

Dear Jack:

Although you may have already seen it, I am enclosing a copy of Bill Spoor's recent letter to The President stating his strong opposition to H.R. 8532, Parens Patriae, and allied Antitrust Legislation. This spells out some of our major concerns with regard to this legislation.

I have also enclosed a letter from members of the House Judiciary Committee who believe that amendments in the House have not been fairly considered.

I hope you will be supportive of a Presidential veto of this legislation when the time comes. Also, hope to see you in the not too distant future.

Sincerely,

Walter D Scott

/skq



# THE PILLSBURY COMPANY

#### EXECUTIVE OFFICES

#### MINNEAPOLIS, MINNESOTA 55402

WILLIAM H. SPOOR CHAIRMAN OF THE BOARD

September 7, 1976

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

Dear Mr. President:

Congress has recently passed comprehensive antitrust legislation, including provisions known as "parens patriae." Parens patriae legislation destroys the established safeguards for business in class action suits, and authorizes state attorneys general to bring treble damage suits against a company on behalf of all state residents for alleged antitrust violations.

By erasing the requirement that injury be established in order to obtain damages, parens patriae legislation generates additional caseloads for our already overburdened federal court system by allowing frivolous antitrust lawsuits to be filed.

Pillsbury is very concerned about the devastating effects that parens patriae legislation could have on industry and the economy in general. Although responsible and effective antitrust law is essential to protect consumers and to preserve a healthy climate for business activity, we feel that parens patriae falls pitifully short of the desired goal.

The Pillsbury Company urges you, Mr. President, to veto any parens patriae legislation delivered by congress. Your veto power will halt any enactment of this unnecessary legislation.

Sincerely.

Millienil & Jeon R. FORD

WHSpoor:jn

#### NINETY-FOURTH CONGNESS

#### PETER W. HOOLHO, JH. (N.J.), CHUMHAN CK BROOKS, TEX. PORENT W. KASTENHELDE, WIS. DON EDWANDS, CALIF. WILLIAM L HUNGATE HO N CONYERS, JR., MICH. MUA ELLBERG, PA. TEN FLOWENS, ALA. INHES H. MANH, S.C. C S. SAHAANES, MD. N P. SEISSAUNG, OHK HAR K. CANIELSON, CALLF. ENT F. DRINAN, MASS. ляялия Ісяран, Тех. Lelasty ностриян, N.Y. ETWARD MEZVINSKY, IQWA HAN SADILLO, N.Y HOHAND L. HATTOLI, KY. EDWARD W. PATTISON, N.Y. CHRISTOPHER J. DOOD, CONN. WILLIAM J. HUGHES, N.J. SAM S. HALL, JR., TEX.

EOWARD HATCHINSON, MICH. NONERT HE CLORY, FL. TOM MAIL SUCCE ILL. DIARLES & WIGGINE, CALLE. HANILTON PISH, JAL N.Y. H. CALOWELL BUTLER, VA. WILLIAM 3. CONEN, MAINS CARLOS J. HOOPHEAD, CALIF. JOHN M. ASHEROOK, DHID HENRY J. HTOX. ILL. THOMAS H. KINDHESS, OHIO

Congress of the United States Committee on the Judiciary House of Representatives Mashington, A.C. 20515 Telephone: 202-225-3951

September 10, 1976

CENTRAL COUNTY EARL C. DUOLEY, 14.

FF DIRECTOR GARNEN J. CLIME

counsili HEREERT FUCHS WILLIAM P. SHATTIN ALAM A. PANKER HAURICE A. EAREDYA ARTHUR P. ENDRES, JR THOMAS W. HUTCHLOOM DANIEL L. CONTE FRANKLING, POLY THOMAS F. HOOHEN ALEXCHORN B. COOK ALAN P. COFFEY, JR. KONSETH N. KLER FORD PAYMONG V. SMIETHER MALS 14, BOYG

#### Dear Colleague:

Very shortly you will be asked to vote on a motion to concur in the Senate substitute amendment on the antitrust bill, H.R. 8532. We vigorously object to this procedure because it deprives the House of the opportunity to amend the Senate amendment to reinstate the House position on two critical issues. Under the present parliamentary situation, further House amendments can only be made in order under a resolution reported from the Rules Committee,

We are more than displeased with the way this bill was handled. Having been denied the conference which the House requested, the House "conferees" were requested by Senate managers to draft a compromise proposal which both Houses could accept. The House conferees prepared such a proposal, but Senate managers changed the proposal over objections of the House conferees and then apparently sold the counterfeit compromise to the Senate as something "the House" had agreed to.

When Mr. McClory and Mr. Railsback protested that no House member. to their knowledge, had agreed to the provisions of the Senate substitute (see Congressional Record, September 2, 1976, pages H9404 and E4825), certain Senators expressed their dismay. Thereupon, the Senate floor manager of the bill assured his colleagues that the substitute contained "the provisions we were advised could be accepted on the House floor without going to conference". Congressional Record. September 7, 1976, page S15320. Apparently, someone winked at the Senate's deletion of two very important safeguards in the House parens patriae title concerning contingency fees and the aggregation of damages. At this critical juncture, we were never consulted.

First, it should be recalled that by a record vote of 217-167, the House, on March 18, 1976, rejected an attempt to water down the absolute ban on contingency fees for private attorneys. The Senate substitute would ban only "percentage" contingency fees but would permit other arrangements. It is obvious that the Senate ban is no ban at all. The fee arrangement could be expressed as "\$100 an hour if plaintiff prevails, \$0 an hour if plaintiff loses", perhaps with a proviso that the total not exceed a certain percentage.

Second, it should be recalled that by a record vote of 220-171, the House agreed to an amendment limiting the aggregation of treble damages to cases of wilful price-fixing and also agreed to provide only single damages where the violation was in good faith. The Senate substitute drops both of these provisions.

We believe that these two issues are the two most significant issues in the entire bill. The motion to concur would contradict the House position on both counts.

We do not believe that the House has changed its mind. We believe that the House should have an opportunity to adhere to its position. In order to do this, it will be necessary to vote in favor of a motion to refer the matter to the Rules Committee for a rule permitting the House to amend the Senate amendment.

On that vote, we ask your support.

Sincerely,

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## FAIRMONT FOODS COMPANY

1111 East Touhy Ave., Des Plaines, Illinois 60018 312-297-0100

Thomas M. Cooney Executive Vice President

September 20, 1976

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

Dear Mr. President:

We urge veto of H.B. 8532, or any other bill which contains the socalled "parens patriae" provision empowering state attorneys general or state-retained private plaintiff's lawyers to institute antitrust litigation on behalf of residents of any state.

The "parens patriae" provision will do nothing to further discourage anticompetitive activity. It will, however, greatly increase opportunities for strike suits and civil litigation for political purposes.

Means already exist whereby persons who are truly injured by anticompetitive activity may seek recompense. This damaging legislation does not fulfill any real need, but simply adds to the onus of already overburdened legitimate business.

Very truly yours,

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TMC:jmn

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





JOHN C. SUERTH · Chairman of the Board – Chief Executive Officer

GERBER PRODUCTS COMPANY • 4 4 5 STATE STREET • FREMONT, MICHIGAN 49412 PHONE: (616) 928-2000

September 21, 1976

Dear Phil:

I have today written President Ford requesting his veto of HR 8532 - Antitrust. Particularly objectionable is the <u>parens patriae</u> section. A copy of my letter to The President is attached.

While we are asking for the veto we, at the same time, are suggesting he urge Congress to enact the Civil Investigative Demand Authority and Pre-Merger Notification.

We would hope you can contact The President and support us in this effort.

Very sincerely,

hn C. Juerth

Mr. Philip W. Buchen Counsel to the President Washington, D.C. 20005

John C. Suerth/jmd

Enclosure





JOHN C. SUERTH - Chairman of the Board - Chief Executive Officer

September 21, 1976

Dear Mr. President:

Gerber Products Company respectively requests that you veto HR8532, the antitrust legislation which contains the controversial parens patriae section.

GERBER PRODUCTS COMPANY + 445 STATE STREET + FREMONT,

As you know, this legislation as passed by Congress would impose upon a "good faith" violator treble damages rather than single damages, thereby eliminating the defense of good faith. We believe this to be undesirable.

Another provision in the bill that we find objectionable is the language permitting contingency fees for attorneys subject to court supervision. It is our opinion that allowing the state government to hire outside counsel on a contingency fee basis turned what was to be a consumer bill into a lawyer's bill, and should not be permitted.

We strongly urge you to veto this undesirable legislation, and at the same time urge Congress to enact the Civil Investigative Demand Authority and Pre-Merger Notification.

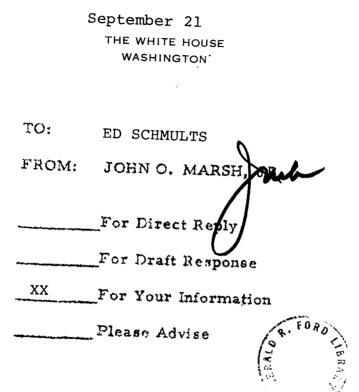
Very sincerely,

The President The White House Washington, DC

John C. Suerth/jmd

MICHIGAN 49412

PHONE: (616) 928-2000



## THE WHITE HOUSE

WASHINGTON

September 21, 1976

Dear Mr. Ross:

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 matter.

Sincerely,

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John O. Marsh, Jr. Counsellor to the President

Mr. Henry L. Ross, Jr. Vice President --Consumer Products Operations Pfizer, Inc. 235 East 42nd Street New York, New York 10017





#### PFIZER INC., 235 EAST 42nd STREET, NEW YORK, N.Y. 10017

HENRY L. ROSS, JR. Vice President Consumer Products Operations

September 7, 1976

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

Dear Mr. President:

It is my understanding that Congress is about to pass and send to you another terrible piece of legislation on the theory that if it passes, and you do not veto it, the full burden will fall on the nation's corporations, and if you do veto it the Democrats will be able to use it to their political advantage. If the legislation were not so bad, I would be tempted to suggest that you not veto it but unfortunately, once again, it is only your veto which stands in the way of catastrophe.

I am speaking of H.R. 8532 and in particular the portion of that legislation which would give to Attorneys General the authority to institute law suits as "parens patriae" for treble damages for Sherman Act violations. The proponents of this legislation know full well that such suits would be brought, not for the purpose of deciding the issues in litigation, but for the purpose of inducing corporations to settle. It is pure and simple blackmail. Class actions which have been brought on behalf of far fewer claimants than those which would be represented in parens patriae litigation are never tried. They are always settled, and the reason is that corporations simply cannot bear the risk, even though small, of losing such a suit.

The original House version had at least limited the more far-reaching effects of this legislation to "willful" violations. However, the word "willful" was stricken so that these blackmail suits could be brought for the most innocent kinds of violations, which can easily occur in this constantly expanding area of the law.

Certainly, blackmail actions should not be allowed in the  $\left| \frac{1}{2} \right|$  ill-defined areas of the Sherman Act. Businessmen do not  $\frac{1}{2}$ .

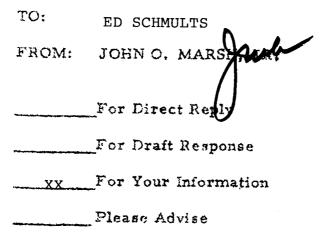
know what kind of conduct will or will not later be found to be a violation of the Sherman Act. We operate in the dark because Congress has been unwilling to face up to the challenge of telling businessmen precisely what kind of conduct falls within the prohibitions of this statute, leaving the development of antitrust laws to the courts. To impose the kind of risks created by parens patriae in areas of the law which are not clear but which are still being developed by the courts is unfair and unjust.

Businessmen simply cannot live with H.R. 8532 and we must therefore ask, Mr. President, that, as politically painfull as it might be, you veto this terrible piece of legislation.

Sincerely/yours,

Henry L. Ross, Jr. Vice President - Consumer Products

cc: Hon. Philip W. Buchen \_Hon. John O. Marsh, Jr. Hon. Edward Schmults Hon. John J. Rhodes Hon. Hugh Scott Hon. Stewart B. McKinney THE WHITE HOUSE WASHINGTON





#### THE WHITE HOUSE

WASHINGTON

September 21, 1976

Dear Dr. Gilgore:

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 matter.

Sincerely,

Durand

John O. Marsh, Jr. Counsellor to the President

Dr. Sheldon G. Gilgore President Pfizer Pharmaceuticals Pfizer, Inc. 235 East 42nd Street New York, New York 10017





#### PFIZER INC., 235 EAST 42nd STREET, NEW YORK, N. Y. 10017

SHELDON G. GILGORE, M.D. PRESIDENT PFIZER PHARMACEUTICALS

September 3, 1976

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

Dear Mr. President:

Congress is about to enact, and send to your desk, H.R. 8532 containing, among other things, parens patriae provisions. Although it might seem reasonable on the surface to permit states to sue as "parens patriae" to redress wrongs to their citizens arising out of Sherman Act violations, the evils of this legislation are direct and serious.

Violations of the Sherman Act can be, and in the past have been, based on the flimsiest kind of evidence. Nevertheless, courts have permitted inferences of such violations to be drawn from weak circumstantial evidence. If such charges are made when only one claim is involved, the charge can be defended against in court, but when states represent as parens patriae claims on behalf of all of their citizens and when such suits by a number of states are consolidated by the multi-district panel so that in one law suit are involved claims on behalf of most, if not all citizens of the United States, the risk of litigation is far too large for a corporation to accept. The proponents know that this provides them with an opportunity for blackmail and that is exactly what they intend. H.R. 8532 would deny the courts to business.



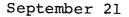
Another factor in the unfairness of this legislation is the uncertainty of the antitrust laws. Antitrust law is still developing through court decisions. No one knows today what the law will be tomorrow. Before creating the legal monster of parens patriae Congress should at least provide businessmen with a clear expression of what is and what is not a violation of the Sherman Act. Certainly Congress should not be permitted to avoid its responsibility to enact just laws by enacting this kind of legislation which would give the states Attorneys General the power of life and death over corporations which are earnestly trying to abide by the law.

Sincerely,

Sheldon G. Gilgore, M.D. President - Pfizer Pharmaceuticals

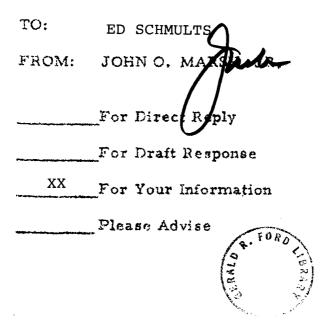
cc: Hon. Philip W. Buchen Hon. John O. Marsh, Jr. Hon. Edward Schmults Hon. John J. Rhodes Hon. Hugh Scott Hon. Stewart B. McKinney





THE WHITE HOUSE WASHINGTON

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### THE WHITE HOUSE

WASHINGTON

September 21, 1976

Dear Mr. Thacker:

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 matter.

Sincerely,

Alem

John O. Marsh, Jr. Counsellor to the President

Mr. Dean R. Thacker President Quigley Company, Inc. 235 East 42nd Street New York, New York 10017







235 E. 42ND ST., NEW YORK, N. Y. 10017

DEAN R. THACKER - PRESIDENT 212 LR 3-3454

September 7, 1976

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

Dear Mr. President:

There is every indication that Congress is about to pass legislation that would give the Attorneys General of all fifty states the right to bring suit as "parens patriae" and recover treble damages for violations of the Sherman Act. The parliamentary rules of Congress, I understand, have created a rather complicated situation, but the bill presently before the Congress is H.R. 8532. I most strongly urge that, if Congress should pass such legislation, you exercise your veto power to save American business.

We here at Quigley - and I am sure this is true for the vast majority of American businessmen - make every effort to comply with the law in every respect. However, the antitrust laws present a particular problem in that the rules seem to be in a constant state of flux as the result of court decisions and changes in agency policies and personnel. A wellmeaning businessman can easily run afoul of those laws despite conscientious efforts to comply.

Now Congress would add to this problem the hazard of treble damage claims by any number of Attorneys General on behalf of vast numbers of people within their states. Even the largest business organizations could be severely crippled if a court should find in favor of plaintiffs in such gigantic actions, so the defendants are compelled - no matter what the actual merits of the claim - to capitulate and settle. This is certainly not the type of justice our founding fathers contemplated, and it's nothing more than legalized blackmail on a grand scale.



A Subsidiary of PFIZER INC. I sincerely hope that, if Congress should pass legislation such as H.R. 8532 containing parens patriae provisions, you will save American business from its truly terrible effects by exercising your veto power.

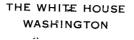
Very truly yours,

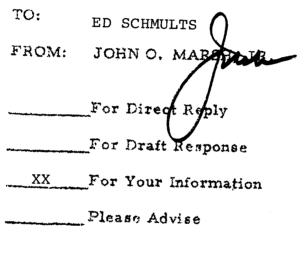
Dean & Thacker

Dean R. Thacker President

cc: Hon. Philip W. Buchen Hon. John O. Marsh, Jr. Hon. Edward Schmults Hon. John J. Rhodes Hon. Hugh Scott Hon. Norman F. Lent

### September 21







# THE WHITE HOUSE

#### WASHINGTON

September 21, 1976

Dear Mr. Hock:

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,

Olimand

Jóhn Ò. Marsh, Jr. Counsellor to the President

Mr. Conrad Hock, Jr. Chairman of the Board and President Williams Foods, Inc. 1900 West 47th Place Westwood, Kansas 66205

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## WILLIAMS FOODS, INC.

1900 WEST 47TH PLACE . WESTWOOD, KANSAS 66205

CONRAD HOCK, JR. CHAIRMAN OF THE BOARD AND PRESIDENT

September 14, 1976

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

Dear Mr. President:

I strongly suggest that you veto any Bill with Parens Patriae as part of it.

Thank you.

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CH:w



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



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

1900 WEST 47TH PLACE WESTWOOD, KANSAS 66205

## September 21 THE WHITE HOUSE WASHINGTON

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TO:	ED SCHMULTS
FROM:	JOHN O. MARSH
	For Direct Reply
*****	For Draft Response
XX	For Your Information
مرور و مرور و مرور و مرور و	Please Advise
	SVIAL O

## THE WHITE HOUSE

#### WASHINGTON

September 21, 1976

Dear Mr. Gross:

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

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

Sincerely,

1) Man

John O. Marsh, Jr. Counsellor to the President

Mr. Wesley E. Gross Director of Public Affairs Dairymen, Inc. 604 Portland Building 200 West Broadway Louisville, Kentucky 40202





September 17, 1976

The Honorable Gerald R. Ford President of the United States The White House 1600 Pennsylvania Avenue Washington, D. C.

Dear Mr. President:

As a farmer-owned cooperative that has had more than our share of what we think is unwarranted action by the Justice Department, we have grave concerns about H. R. 8532, the Antitrust legislation that would give broadened powers to the Justice Department and State Attorneys General.

We are particularly concerned with the proposed legislation since it provides for contingency fees paid to private lawyers and treble damages even in cases where there was clearly no willful intent to fix prices.

We believe this legislation will not provide significant protection to consumers, but rather will simply make more wealth for private lawyers at the expense of consumers.

Therefore, in behalf of our 7,400 dairy farmer owners and 3,600 employees in 13 Southeastern states, we respectfully urge you to veto H. R. 8532.

Sincerely,

Vesley & Loss

Wesley E. Gross Director of Public Affairs

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Mr. John O. Marsh, Jr. Counsellor to the President The White House 1600 Pennsylvania Avenue Washington, D. C. 604 PORTLAND BUILDING

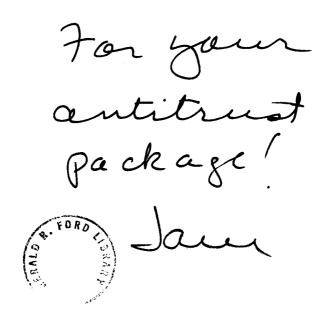
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200 WEST BROADWAY

Ed

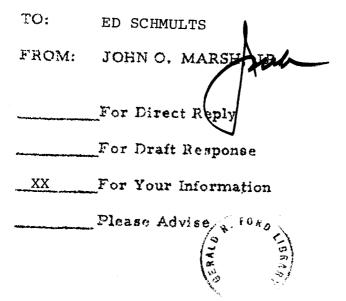
LOUISVILLE, KENTUCKY 40202

THE WHITE HOUSE WASHINGTON



# September 21

#### THE WHITE HOUSE WASHINGTON



# THE WHITE HOUSE

#### WASHINGTON

### Sepember 21, 1976

Dear Mr. Stewart:

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

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

Sincerely,

and, Mune.

John O. Marsh, Jr. Counsellor to the President

Mr. J. R. Stewart Stewart Company of Alaska Post Office Box 3-368 Anchorage, Alaska 99501





P.O. BOX 3-368 ANCHORAGE, ALASKA 99501

BROKER / MANUFACTURERS REPRESENTATIVE

September 13, 1976

ANCHORAGE 907-277-4312

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

PARENS PATRIAE

Dear Mr. President:

I urge you to veto any bill passed by Congress that contains a <u>parens patriae</u> clause. This is a monstrous thing, and the enormous cost will be passed on to consumers. It will only enrich attorneys.

I manufacture nothing. My life savings, however, are invested in stocks and bonds, and these will become very risky if this bill passes. I can assure you these investments will be liquidated promptly if this bill passes, with or without your signature. I frankly believe a lot of investors will sell securities.

I am a conservative, balance the budget Republican. If this legislation passes, and the stock market drops, you could lose the election. I don't think the country can stand a liberal, labor oriented president at this point.

Sincerely,

J. R. Stewart

JRS:bds

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



MAILGRAM SERVICE CENTER MIDDLETOWN, VA. 22645



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THE HONORABLE PHILIP W. BUCHEN COUNSEL TO THE PRSIDENT 1600 PENNSYLVANIA AVENUE, N. W. WASHINGTON, D. C. 20500

WE ARE MOST CONCERNED WITH (H.R. 8532) THE ANTITRUST BILL. TITLE III, PARENS PATRIAE, WILL CAUSE U.S. INDUSTRY IRREPARABLE DAMAGE. IT IS NOT A BILL TO BENEFIT THE PUBLIC INTEREST. WE WOULD URGE A PRESIDENTIAL VETO OF THIS DEVASTATING LEGISLATION. WE WOULD ENCOURAGE YOU TO CARRY THIS MESSAGE TO THE PRESIDENT FOR HIS CONSIDERATION.

SINCERELY YOURS,

BOYD F. SCHENK CHAIRMAN OF THE BOARD AND PRESIDENT PET INCORPORATED ST. LOUIS, MISSOURI

16:27 EST

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MGMCOMP MGM

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MAILGRAM POSTAL CHARGES PAID

THIS MAILGRAM WAS TRANSMITTED ELECTRONICALLY BY WESTERN UNION TO A POST OFFICE NEAR YOU FOR DELIVERY