# The original documents are located in Box 3, folder "Antitrust - Mail from Businessmen: Edward Schmults File (7)" of the John Marsh Files at the Gerald R. Ford Presidential Library.

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## September 22 THE WHITE HOUSE WASHINGTON

TO:	ED SCHMULZS
FROM:	JOHN O. MARSH, JR.
Nonembershood programme and the second	For Direct Reply
	For Draft Response
XX	For Your Information
	Please Advise

Dear Mr. Langdon:

Just a short note to thank you for sending me a copy of your letter to the President concerning the anti-trust legislation.

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

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. J. Lloyd Langdon
President
Pet Incorporated
Post Office Box O, C.R.S.
Johnson City, Tennessee 37601

dl

cc: Ed Schmults



PET

GENERAL OFFICES: BRISTOL HIGHWAY

JOHNSON CITY, TENNESSEE 37601

P. O. BOX O, CRS

PHONE (615) 926-7171

J. LLOYD LANGDON
PRESIDENT

August 30, 1976

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

Dear President Ford:

It is now apparent that Congress will submit for your signature very comprehensive antitrust legislation.

The Senate has passed Omnibus Bill, S. 1284, and the House has passed Bill H. R. 8532, both of which include sections entitled, "parens patrice." It appears likely that the Conference Committee will retain this section in the final legislation.

The parens patriae provision will become a tool for financial and political blackmail in the hands of lawyers and attorneys general. No consumer benefit will be realized if, as seems likely, unfounded charges bring financial devastation to many businesses and create bankruptcy proceedings and loss of jobs.

We favor responsible antitrust enforcement from the public and private sectors. We firmly believe the current measures, however, to be adequate, sound and prudent.

We urge your consideration of this view, and we urge that you veto this measure.

Sincerely yours

J. Lloyd Langdon

JLL/51

COPY FOK:

The Honorable Philip W. Buchen
The Honorable John G. Marsh, Jr.
The Honorable John J. Rhodes
The Honorable Hugh Scott





GENERAL OFFICE
P. O. BOX O, C.R.S.
JOHNSON CITY, TENN. 37601





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

Dear Mr. Lenhart:

Just a short note to thank you for sending me a copy of your letter to the President concerning the anti-trust legislation.

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

We greatly appreciate your taking the time to give us the benefit of your views on this important matter.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. John E. Lenhart
Manager of Engineering
Grocery Products Group
Purex Corporation
24600 South Main Street
Post Office Box 6200
Carson, California 90749

cc: Ed Schmults

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August 27, 1976

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

Deer President Ford:

I strongly urge your veto of the recent legislation perced by Congress granting parens patrice authority. Ensembnt of this legislation would have a very negative impact on our free enterprise system. Costs related to this legislation would be borne ultimately by the consumer in terms of higher prices.

Beneficiaries would be primarily those unscrupulous members of the legal profession, and the governmental agencies whose purposes are to line their own pocket or exercise more complete control over business and ultimately individual freedoms.

Your veto of the parens patrice legislation is snother key to stopping further erosion of our freedom.

Very respectfully yours,

John E. Lenhert

Manager of Engineering Grocery Products Group

JEL:gf

cc: Mr. Philip W. Buchen

Mr. John O. Marsh, Jr.

Mr. John J. Rhodes

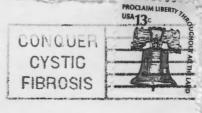
Mr. Hugh Scott

A. FOROLIBRAD

#### PUREX CORPORATION

24600 SO. MAIN ST. . P. O. BOX 6200 . CARSON, CA. 90749





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

Just a short note to thank you for sending me a copy of your 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.

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Dr. Raymond Odioso 5020 Spring Grove Avenue Cincinnati, Ohio 45232

cc: Ed Schmults

dl



#### RAYMOND C. ODIOSO

5020 SPRING GROVE AVENUE CINCINNATI, OHIO 45232

August 27, 1976

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

Dear Mr. President:

I am writing to urge you to reject the parens patriae legislation. This legislation is a blatantly punitive measure, designed to further inhibit the creativity of American business, and offers too many incentives for the fomenting of multi-million dollar antitrust suits for the primary purpose of gaining "blackmail" settlements.

There is a basic injustice to the concept, as I view it, in that it does not accomplish the ostensible purpose of protecting the consumer against sharp practices, and does not provide any disincentive for the filing of nuisance law suits by state attorneys to gain publicity. An examination of many widely publicized cases filed by FTC, and quietly dropped at a later date, demonstrates the probable outcome of this additional legislation.

Further, in justice, it would appear that an opportunity should somehow be provided for slandered companies to recover triple damages from the parties doing the suing if their innocence should be proved. Recent successful counter-suits by harassed physicians in malpractice cases provide an example of one way to reduce malpractice suits which are filed without cause. Basically, the difficulty with the present legislation is that it insures that there can be only one loser, the companies being sued.

In my opinion, this would appear to be the built-in injustice of the parens patriae legislation, which is just another example of the consistent efforts which are being made to stifle competition and the free enterprise system.

Sincerely,

Raymond C. Odioso, Ph.D.

RCO/cw

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

FOROUSENA,



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

5020 SPRING GROVE AVENUE CINCINNATE, OHIO 45232 Dear Mr. Zelinski:

Just a short note to thank you for sending me a copy of your 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.

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Edward D. Zelinski 201 West Raynolds Street Urbana, Ohio 43078

cc: Ed Schmults

dl



201 West Reynolds Street Urbana, Ohio 43078 August 27, 1976

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

Dear Mr. President:

I am a trustee on our local hospital board, as well as a business man in a small town. With this exposure to both the business community and the hospital medical profession, I urge you to reject the parens patriae concept, even as limited and modified in pending Congressional proposals (S. 1284, H.R. 8532, et al).

Most objectional to me is the feature in both the House and Senate bills which allows State Attorney Generals to hire private "plaintiffs" to bring parens patriae suits. I have watched with alarm the increased cost for medical services because of mal practice suits, and the high cost of insurance to protect the medical profession.

Most of my friends and I can see the same thing happening to the cost of goods in this country should this bill pass. Inflation, which is of utmost concern to us all, would spiral out of sight. This bill, which has lead to appear to serve the consumer, can in reality only end up costing him far more than he will ever gain. We have all seen it happen to the cost of medical services and it can do nothing but increase the cost of goods from toothpicks to automobiles.

Sincerely yours,

Edward D. Zelinski



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

### -CONFIDENTIAL

Determined to be an Administrative Marking

By 90 NARA, Date 1/13/2014

Dear Mr. Skinner:

Just a short note to thank you for sending me a copy of your letter to the President concerning the anti-trust legislation.

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

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Lloyd E. Skinner Chairman of the Board Chief Executive Officer Skinner Macaroni Company Post Office Box 75 Omaha, Nebraska 68101

cc: Ed Schmults

d1





#### MACARONI CO.

P O. Box 75 / Omaha, Nebraska 68101 / Telephone (402) 331-7000

Chairman of the Board Chief Executive Officer

August 26, 1976

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

Dear President Ford:

Frankly speaking, the "parens patriae bill," which seems assured of passage in Congress, will open a Pandora's Box of antitrust suits and "blackmail" settlements unless you exercise your veto.

Parens patriae, as the bill has commonly become known, means "father of the country." If enacted, the legislation will more likely be the "father of antitrust lawyers."

Why on earth do we need private "plaintiff" attorneys, who act on appointment of a state attorney general, to reap huge profit from business through such suits? The Federal Trade Commission's job is regulation of business and antitrust action. With this bill we would open the door for "get-rich-quick" suits by ambitious lawyers, who convince the state attorney general they may have a case and are able to secure a handsome out-of-court settlement through threat of publicity a trial would bring.

Antitrust actions would be the next in a long line of lawyer's havens which started with car accidents and has now moved on to medical malpractice suits.

The danger of such legislation was pointed out by none other than Attorney General Edward Levi who noted the parens patriae bill would not only force business firms into "blackmail settlements" but may eventually lead to government price controls. (Parens patriae suite could be brought where there is a price change from a competitor.)

The consumer, which this legislation is masked as protecting, would be the loser here. Just as medical expenses have risen with malpractice suits, so could prices by businesses.

Our overcrowded court calendars would be pushed even further by parens patriae suits, which would benefit primarily the lawyers, not to mention cause business failure in some cases, drive prices higher and create the possibility of government price controls.

This is unjustified legislation to saddle our free enterprise system with. It appears that the burden of stopping this legislation rests on your shoulders.

Senator Barry Goldwater spoke of the ever creeping socialization of our society in his platform address to the Republican Convention. This bill, along with the Humphrey-Hawkins full employment fantasy, is a prime example of this.

I urge you to veto this parens patriae bill and allow the free enterprise system indeed to be "free."

Sincerely yours,

ŁLOYD E. SKINNER

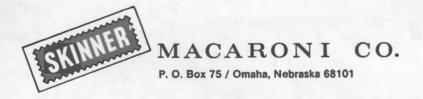
LES:bh

CC: Philip W. Buchen

John O. Marsh, Jr.

John J. Rhodes Hugh Scott







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

Dear Mr. Cooney:

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 have at the White House working on this issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Thomas M. Cooney
Executive Vice President
Fairmont Foods Company
1111 East Touhy Avenue
Des Plaines, Illinois 60018

cc: Ed Schmults

d1

TOROUBRAAL TOROUBRAAL

#### FAIRMONT FOODS COMPANY

1111 East Touly 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 so-called "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,

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



#### **FAIRMONT FOODS COMPANY**

1111 East Touhy Avenue Des Plaines, Illinois 60018



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

Dear Mr. Jones:

Just a short note to thank you for sending me a copy of your letter to the President concering the anti-trust legislation.

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

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Landon Y. Jones
Executive Vice President
Pet Incorporated
400 South Fourth Street
St. Louis, Missouri 63166

cc: Ed Schmults

dl





LANDON Y. JONES EXECUTIVE VICE PRESIDENT

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

August 26, 1976

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

Dear President Ford:

It seems more than obvious that Congress will submit for your signature antitrust legislation that is very comprehensive.

The Senate-passed Omnibus Bill, S. 1284, and the House Bill, H.R. 8532, both incorporate sections entitled "parens patriae" which extend cause for great alarm for it seems the Conference Committee will retain this measure in the final legislation.

The parens patriae provision will become a tool for financial and political blackmail in the hands of lawyers and attorneys general. There certainly can be no consumer benefit as unfounded charges could bring financial devastation to many and create bankruptcy proceedings and work stoppages.

The proposed legislation will increase the overall cost of doing business without creating any appreciable benefits.

I favor responsible enforcement of antitrust laws from the public and private sectors. I firmly believe the current measures to be sound and prudent. If there must be a different way to deal with antitrust problems, the way must be better or progressive rather than worse and endangering.

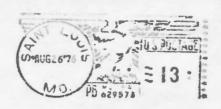
I urge your consideration of this view and encourage your veto f this antitrust measure.

> Landan Honez Sincerely,

This copy for -

The Hon. Philip W. Buchen The Hon. John O. Marsh, Jr. The Hon. John J. Rhodes

The Hon. Hugh Scott



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



PET PLAZA 400 SOUTH FOURTH STREET SAINT LOUIS MISSOURI 63166 Dear Mr. Dean:

Just a short note to thank you for sending me a copy of your letter to the President concerning the anti-trust legislation.

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

We greatly appreciate your taking the time to give as the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. R. Hal Dean
Chairman of the Board
and Chief Executive
Officer
Ralston Purina Company
Checkerboard Square
St. Louis, Missouri 63188

cc: Ed Schmults

dl





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



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



Dear Mr. Sullivan:

Just a short note to thank you for sending me a copy of your letter to the President concerning the anti-trust legislation.

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

We greatly appreciate your taking the time to give us the benefit of your views on this important matter.

Sincerely,

John O. Marsh, Jr.
Counsellor to the President

Mr. Paul V. Sullivan
President
Merchants Refrigerating Company
850 Third Avenue
New York, New York 10022

cc: Ed Schmults

dl





### MERCHANTS REFRIGERATING COMPANY

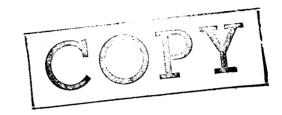
850 Third Avenue, New York, N. Y. 10022

Telephone: 212-752-7272

August 31, 1976

OFFICE OF THE PRESIDENT

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



Dear President Ford:

It seems obvious that Congress will soon submit for your signature significant antitrust legislation. We feel compelled to advise you of our opposition to the legislation and to urge your veto.

There are many objectionable features of the antitrust bills recently clearing both houses, but one is of particular importance. The Senate omnibus bill, S. 1284, in Title IV, and House bill HR 8532, involve parens patriae provisions giving attorneys general authority to bring treble damage lawsuits on behalf of a state's citizenry. They, further, authorize attorneys general to engage private counsel for such litigation. Both of these provisions, it is expected, will be in the Conference Committee bill.

The parens patriae provision will be a tool for financial and political blackmail in the hands of lawyers and attorneys general. Enough of such activity is already prevalent in the antitrust field as part of class action suits. Just as class suits have not been a consumer boon, there certainly will be no consumer benefit derived from parens patriae induced complaints. As for defendant companies, the prospect of financial devastation will be monumental.

We do not oppose antitrust laws and we favor responsible enforcement from the public and private sectors. There has, however, been a lot of abusive litigation in this field. To create more laws to encourage such activity is reprehensible.

We do not perceive antitrust enforcement to be a lagging activity. If there must be a different way to deal with antitrust problems, it must be by a method more sensible than that which would be encouraged by the proposed legislation and by a method which in itself does not induce wholesale improper conduct.

Sincerely yours,

Paul V. Sullivan President

cc - The Honorable Philip W. Buchen
The Honorable John O. Marsh, Jr. \( \Lambda \)
The Honorable John J. Rhodes
The Honorable Hugh Scott



MERCHANTS REFRIGERATING COMPANY 850 THIRD AVENUE NEW YORK, N.Y. 10022



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

Dear Mr. Green:

Just a short note to thank you for sending me a copy of your 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.

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. C. R. Green 427 Sheridan Road Kenilworth, Illinois 60043

cc: Ed Schmults

dl



August 26, 1976

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

Mr. President:

#### Re: Parens Patriae Legislation

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 "plaintiffs" lawyers to bring such suits.

There is no question that this authority in the hands of State Attorneys General and private "plaintiffs" lawyers will foment multi-million antitrust suits against many, many companies - - the possible amount of damages can be terrific.

We strongly urge you, President Ford, to veto any bill which comes to you with a parens patriae section in it.

Respectfully yours,

C. R. Green

427 Sheridan Road

Kenilworth, Illinois 60043



C. R. Green 427 Sheridan Road Kenilworth, Illinois 60043



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

Dear Mr. Mulligan:

Just a short note to thank you for sending me a copy of your 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.

We greatly appreciate your taking the time to give us the benefit of your views on this important issue.

Sincerely,

John O. Marsh, Jr. Counsellor to the President

Mr. Raymond J. Mulligan
President
Liggett Group Inc.
4100 Roxboro Road
Durham, North Carolina 27702

cc: Ed Schmults

dl





#### Liggett Group Inc.

4100 Roxboro Road, Durham, N. C. 27702

Raymond J. Mulligan President

August 30, 1976

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

Mr. President:

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

I urge you strongly to veto any bills containing <u>parens patriae</u> features. Such legislation would be very counter-productive and destructive.

Parens patriae is immoral, as it would result in large "black-mail" litigation settlements. This could be severely damaging to important companies, and very unfair to their shareowners.

Thank you for your consideration.

Respectfully yours,

Raymond J. Mulj

RJM:ald

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



LIGGETT

Liggett Group Inc. 4100 Roxboro Road Durham, N. C. 27702





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