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Spencer Johnson

The White House
Washington



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MAIL ROOM

6 WARNLAM MOPS B
7 GOVT TELTEX PD MORRIS PLAINS NJ
8 THE HONORABLE GERALD R FORD
9 THE WHITE HOUSE
10 1600 PENNSYLVANIA AVENUE
11 WASHINGTON D C

12 AS CHAIRMAN OF WARNER-LAMBERT COMPANY, PARENT COMPANY OF PARKE-DAVIS,
13 ONE OF THE MAJOR PRODUCERS OF NEW JERSEY SWIN-FLU VACCINE, I MUST
14 CALL YOUR ATTENTION TO AN IMPOSSIBLE SITUATION THAT HAS BEEN CREATED
15 BY THE SUDDEN WITHDRAWAL YESTERDAY BY OUR INSURANCE CARRIER OF OUR
16 LIABILITY INSURANCE ON VACCINES TO BE PRODUCED FOR YOUR SWINE FLU
17 KPROGRAM.
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25 OUR COMPANY IS MORE THAN WILLING TO PRODUCE THE VACCINE FOR THE
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6 GOVERNMENT PROGRAM. HOWEVER, WE ARE PLACED IN AN UNTENABLE POSITION
7 WHEN WE ARE REQUESTED TO SUPPLY INFLUENZA VACCINE TO BE USED IN A
8 MASS IMMUNIZATION PROGRAM WITHOUT ANY INSURANCE COVERAGE OR OTHER
9 LIABILITY PROTECTION.
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13 PARKE-DAVIS HAS PRODUCED QUALITY VACCINE FOR YEARS AND WILL CONTINUE
14 TO DO SO. HOWEVER, IT IS RECOGNIZED BY MEDICAL EXPERTS THAT IN A
15 MASS IMMUNIZATION PROGRAM COVERING ALL SEGMENTS OF THE POLULATION--
16 YOUNG, OLD, SICK AND WELL--THAT DIFFERENT REACTIONS MAY BE EXPECTED.
17 FOR THE VAST MAJORITY IT CANN BE ANTICIPATED WITH CERTAINTY THAT
18 COMPLETE PROTECTION WITH MINOR OR NO SIDE EFFECTS WILL RESULT.
19 OTHERS, HOWEVER, MAY OBTAIN LESS THAN FULL PROTECTION AND OTHERS
20 MAY HAVE MORE SEVERE SIDE EFFECTS.
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27 S YOU KNOW, VACCINATIONS ARE USUALLY GIVEN IN A DOCTORS'S OFFICE
28 WHERE THE PERSON AND HIS OR HER GENERAL HEALTH SITUATION IS KNOWN
29 TO THE DOCTOR AND THE CONDITIONS UNDER WHICH IT IS GIVEN ARE
30 CONTROLLED. IN ADDITION, EACH PERSON CAN BE FULLY INFORMED OF ALL
31 ASPECTS OF THE INNOCULATION AND IN GENERAL WHAT TO EXPECT.
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35 IN A MASS IMMUNIZATION PROGRAM THIS IS HIGHLY IMPROBABLE OR
36 IMPOSSIBLE OF ACCOMPLISHMENT. AS A RESULT LESS THAN FULLY PROTECTION
37 FROM ILLNESS, GREATER SIDE EFFECTS THAN ANTICIPATED OR EVEN A
38 SUBSEQUENT UNRELATED ILLNESS MAY BE CONSIDERED IN THE MINDS OF
39 SOME AS A BASIS FOR A LIABILITY SUIT AGAINST THE COMPANY. SUCH
40 SUITS WOULD BE EXTREMELY COSTLY EVEN IF SUCCESSFULLY DEFENDED AND
41 COULD HAVE UNCERTAIN OUTCOMES FOR YEARS.
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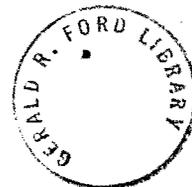


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6 N KEEPING WITH THE AMERICAN SENSE OF FAIR PLAY, WE ARE SURE THAT
7 YOU WILL RECOGNIZE THAT THE COMPANY AND ITS STOCKHOLDERS SHOULD
8 NOT BE LEFT WITH THIS SUBSTANTIAL RISK ALONE WITH NO LIABILITY
9 PROTECTION--PRIVATE OR GOVERNMENT--TO SHARE THIS MASSIVE
10 POTENTIAL BURDEN WHICH COULD COMPLETELY UNDERMINE THE COMPANY'S
11 FINANCIAL POSITION.
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17 SINCE THERE NOW APPEARS TO BE NO OTHER SOURCE FOR SUCH SPREADING
18 OF THE RISK AS IS ACCOMPLISHED BY INSURANCE, WE EARNESTLY REQUEST
19 YOU TO SUPPORT OR SPONSOR LEGISLATION WILL ENABLE HEW OR ANY
20 OTHER APPROPRIATE ARM OF THE GOVERNMENT TO PROMPTLY REPLACE OUR
21 INSURANCE COVERAGE THAT WILL BE CANCELLED JULY 1.
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26 AGAIN WE WANT TO ASSURE YOU THAT OUR COMPANY IS MOST DESIROUS OF
6 SUPPORTING YOUR PROGRAM AND THAT WE ARE CONTINUING TO PRODUCE
7 VACCINE AND HAVE TODAY SUBMITTED A BID AS REQUESTED BY HEW,
8 SUBJECT TO RESOLUTION OF THIS PROBLEM BEFORE OUR INSURANCE
9 COVERAGE IS WITHDRAWN ON JULY 1.
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14 WE ARE CONFIDENT THAT YOU AND THE CONGRESS AND THE AMERICAN PEOPLE
15 WILL RECOGNIZE AND RESOLVE THIS DIFFICULT SITUATION IN WHICH OUR
16 COMPANY AND ITS STOCKHOLDERS HAVE BEEN PLACED DUE TO CIRCUMSTANCES
17 BEYOND OUR CONTROL
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19 E. BURKE GIBLIN
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GENERAL

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June 28, 1976

Dear Mr. Giblyn:

I am writing on behalf of the President about your communication to provide indemnification against claims for injury related to inoculation with vaccine under a comprehensive nationwide influenza immunization program.

As you know the Secretary of Health, Education and Welfare has submitted legislation to agree, in contracts for the purchase of vaccine in connection with the National Influenza Immunization Program to indemnify the vaccine manufacturers against claims attributable to inoculation with the vaccine, except claims arising out of the negligence of the manufacturers. Hearings are being held by the Congress and final action is expected soon by both bodies.

Sincerely,

SPENCER C. JOHNSON
Associate Director of the
Domestic Council

Mr. E. Burke Giblyn^x
Chairman
+ Warner-Lambert Company
Morris Plains, New Jersey

RECEIVED
JUN 29 1976
CENTRAL FILES

