



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

Mr. Brosnan  
15970

B-146857

January 27, 1981

The Honorable Edward M. Kennedy  
Ranking Minority Member  
Committee on Labor and Human  
Resources  
United States Senate

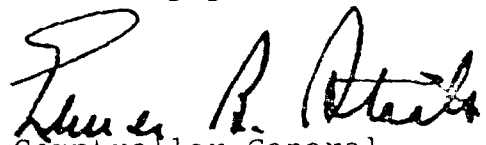
Dear Senator Kennedy:

By letter dated June 2, 1980, I informed you that we were in the process of petitioning the Supreme Court of the United States for a writ of certiorari in Bristol Laboratories Division of Bristol-Meyers Co. v. Staats. In that case the United States Court of Appeals, Second Circuit affirmed the District Court decision granting the General Accounting Office access to Bristol's records pertaining to direct manufacturing costs, but denying us access to records pertaining to indirect costs such as research and development, general and administrative and promotion and marketing.

On December 8, 1980, the Supreme Court granted our petition and we expect to file our brief with the Court this month.

We will keep you informed of further significant developments in the litigation as they occur.

Sincerely yours,

  
Comptroller General  
of the United States

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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

~~Do not make available to public reading~~

B-146857

January 27, 1981

The Honorable William V. Roth, Jr.  
Chairman, Committee on  
Governmental Affairs  
United States Senate

Dear Mr. Chairman:

For the past several years, the General Accounting Office has been involved in litigation with five pharmaceutical firms over our Office's access to the firms' records pertinent to Government contracts for the purchase of pharmaceutical products. The issue is of great importance to our ability to carry out our legislative mandate to oversee the Government's negotiation of contracts.

The litigation was initiated in 1974 and is still in the process of being resolved by the courts. We periodically informed your predecessor, Senator Ribicoff, of the status of the litigation with the five drug firms--Eli Lilly and Co., Abbott Laboratories, Bristol Laboratories, Merck and Company, and SmithKline Corporation.

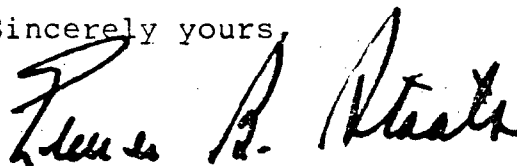
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On December 8, 1980, the Supreme Court granted our petition and we expect to file our brief with the Court this month.

Copies of our correspondence to the former Chairman are enclosed for your information. We will keep you informed of further significant developments in the litigation as they occur.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "James A. Stutz".

Comptroller General  
of the United States

Enclosures (6)



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-146857

January 27, 1981

The Honorable Jack Brooks  
Chairman, Committee on  
Government Operations  
House of Representatives

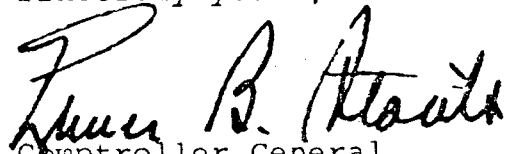
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On December 8, 1980, the Supreme Court granted our petition and we expect to file our brief with the Court this month.

We will keep you informed of further significant developments in the litigation as they occur.

Sincerely yours,

  
James B. Staats  
Comptroller General  
of the United States