

are already donating drugs to such centers, but this has been on an irregular basis, failing to demonstrate any concrete policy in this direction. With drug industry support, doctors and community leaders could create neighborhood health clinics. This would obviate such federal programs as that involving the expenditure of \$94 million by OEO to establish 51 neighborhood health centers and would improve health conditions through action at the local level. The sale of donated drugs at reasonable prices by clinics would avoid the stigma of charity projects and would provide, in part, the operating funds for such clinics.

The Lilly Company has spent several thousand dollars on the class of 1971 at the University of California San Francisco alone. The problems besetting this country urgently demand that in the future, this money, and that of all companies allocated for similar promotions, be redirected into an imaginative new program that will provide health care to the underprivileged, so that they may no longer remain isolated from the main stream of this nation's society simply because they cannot buy good health.

Sincerely yours,

CONCERNED STUDENTS IN THE
SOPHOMORE MEDICAL CLASS, UCSF.

Note: Some of the above students will be returning their gift instruments under separate cover.

EXHIBIT D

ELI LILLY & Co.,
Indianapolis, Ind., April 15, 1969.

Mr. JAMES L. BLATTAU,
San Francisco, Calif.

DEAR MR. BLATTAU: Your letter dated February 28 was received in Indianapolis on March 31, and has just been called to my attention.

Taking the letter somewhat in reverse, may I hasten to state that we share with you and your associates the concern you express for the inequities that we are experiencing in the delivery of medical care and in the availability of therapy. This, we regard as a problem of all our people, not just those who either furnish health care or drugs. True it is, your group, those in active practice, and our industry in carrying out our daily tasks are closer to these problems and, for that reason, are more acutely aware of them. Our company over the years has worked at the business of being a good corporate citizen, both in the communities where we have plants and with the public in general. That part of citizenship which more recently has been described as "social concern" is an area to which we have given and are giving a lot of attention.

As an approach to one of the problems you mention, namely, those individuals of marginal financial independence, the possibility of prepayment plans for drugs, similar to plans presently being used for hospitalization and medical care, might answer the burden of heavy costs when illness strikes. Such plans are being studied by our industry in cooperation with the insurance industry and agencies of government.

The presence or absence of our gift program would have an infinitesimal effect on the truly large problems you pose.

The gifts are offered, of course, for a dual purpose—one of which is to call our company to the attention of the medical student during his learning period and, secondly, to say thank you for having undertaken an anything but easy road. The idea that the clinical judgment of the recipient can be bought is repugnant to us and, we believe, an insult to him. Whether or not under such circumstances a gift can be accepted it, of course, a matter of individual judgment. We truly do not see it as a moral issue.

In closing, may I say that we as a company, and as individuals within a company, feel the same sense of social responsibility that you and your associates exhibit.

Sincerely,

HENRY F. DEBOEST.