PCB.

J. R. G. Ortiz E2ND

March 31, 1981

Dan Bishop
David Moore
Robert Piper
Jack Lewis

Pierce Packing Company Litigation

Files

On March 24, 1981, at the request of Dan Bishop, I placed a telephone call to Bill Goodwin, a reporter for the "Chemical Marketing Reporter." Mr. Goodwin's telephone number is 732-9820, in New York City. He had called Mr. Bishop with a number of questions arising from an Associated Press wire story concerning the motions to dismiss argued by Monsanto and the government.

I described the factual background of the litigation, as it has appeared in the public press, and briefly explained the federal interpleader procedure to Mr. Goodwin. I then explained that Monsanto's motion was based primarily on a contention that the interpleader procedure is not sufficiently broad to include what are in effect third party products liability claims against parties which have no claim against the interpleaded fund. I also explained that the government's motion was based on the doctrine of sovereign immunity, and that Monsanto and the government were not arguing the same legal points at this hearing. I further explained that the claims against the government were based upon its negligence in testing and in failing to discover the contamination. The claims against Monsanto, to the contrary, were based on products liability theories arising out of the manufacture and sale of the substance involved.

I referred Mr. Goodwin to the GAO Report for additional factual background on the government's activities in connection with this incident.

Mr. Goodwin had a number of questions relating to the amount of damages claimed, and I explained that these are extremely difficult to calculate because of the duplication involved. He indicated that he had seen a report that the damages were as much as $40,000,000, and I indicated that that was probably based on the original complaint filed by Pierce Packing. I advised him that, while the amount of damages claimed were incapable of precise determination at this time, our best estimate was that they were in the range of $11,000,000 to $12,000,000.

Mr. Goodwin then noted my name and the fact that I was a Monsanto attorney. Later in the day, he called back to inquire concerning the position taken by General Electric in this litigation. I suggested that he contact General Electric directly to determine this information.

Jay R. Gentry Ortiz

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