

February 14, 2007

Dear Chairman Condino and members of the Michigan House Judiciary Committee:

The Michigan Manufacturers Association (MMA) urges you to delay your decision to vote on House Bill 4044 today or — if you must vote — to vote “NO” on the measure.

I believe that all parties should have a chance to speak and be heard on this legislation, which would have multiple implications that should be fully understood. When the legislation allowing drug companies to be protected from frivolous lawsuits was originally passed there were a number of hearings over the course of many of days in both the House and Senate before a vote was taken. I hope you will allow the same careful consideration of this measure.

As you know, there is a risk associated with the use of any pharmaceutical drug. These are treatments that only a physician, in close consultation with his patient, can recommend. The risks are weighed against the benefits of the drug. Less than three percent of approved prescription medications in the U.S. have been withdrawn from the market over the past 20 years. Of the more than 10,000 prescription medications on the market, the vast majority are working well and helping people live productive, healthier lives.

If the Food and Drug Administration (FDA) immunity ban is lifted it will open the floodgates to numerous lawsuits without merit that will merely clog the court system, increase healthcare costs and make Michigan a less attractive state in which to research and manufacture pharmaceuticals.

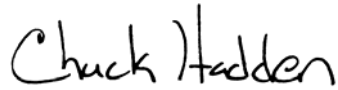
For a drug to get FDA approval and go to market, a pharmaceutical company must follow an application process that includes FDA inquiries and study over a five-year period. Over the course of that time, the FDA not only monitors the drug company’s testing results but also makes checks on the labs that are doing the testing. Then, even after a medication goes to market, testing and FDA reporting requirements continue. This is not a short-term process but something that pharmaceutical companies comply with for the life of the drug.

Most experts agree that the FDA’s extensive review is the gold standard in the world. To have juries, without specialized scientific knowledge, second guess FDA experts after their extensive research and review is an alarming proposition and will only make it harder for new drugs to come to market in the United States.

An injured party does have recourse under the current law. A Michigan resident may proceed with a lawsuit against a drug manufacturer if he or she first follows an administrative process that returns a finding by the FDA of wrongdoing by the drug manufacturer. This process ensures that there is a just reason for a case to proceed before the endless rounds of lawsuits begin. Frivolous lawsuits, which add to the growing cost of healthcare, clog our court systems and hinder economic activity, must be deterred.

I hope you will agree that these are difficult issues that need a full hearing. Please delay your vote on H.B. 4004 until all voices have been heard. And, again, if you must vote, the MMA urges you to vote "NO."

Sincerely,

A handwritten signature in black ink that reads "Chuck Hadden". The signature is written in a cursive, slightly slanted style.

Chuck Hadden  
Vice President of Government Affairs  
Michigan Manufacturers Association