

CONSUMERS UNION / A NONPROFIT ORGANIZATION / PUBLISHER OF CONSUMER REPORTS

October 28, 1970

Dr. Joshua Lederberg
Genetics Department
Stanford University
Stanford, California

Dear Dr. Lederberg:

We are reminded of your suggestions for a consumer organization for class action suits, as a result of a meeting we had this week with our attorneys.

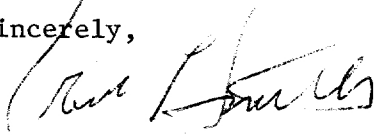
Prior to receiving your communication a suggestion had been made that Consumers Union might function in this manner.

It was the unanimous opinion of the group discussing the situation that CU should not undertake to perform this function.

Obviously, this is not the ideal moment to consider other alternatives with the Internal Revenue Service threatening to revoke the tax exempt privileges of organizations which seek to protect consumers through class action suits. A cloud of uncertainty, if not of doom, certainly hangs over the idea.

This is an area of great importance to consumers for the years ahead and one which can only benefit from continued discussion. We expect to have it on our agenda and would be happy to keep you informed of any progress. In turn, we would be happy to have you keep us informed of reactions that you receive or modifications of your thinking which may evolve.

Sincerely,



Robert L. Smith
Assistant Director

RLS/sm