MEMORANDUM TO: Members of the Commission on Viral Infections,
Armed Forces Epidemiological Board
FROM: W. McD. Hammon, M. D., Director
DATE: 15 January 1959
SUBJECT: Proposed AFEB Policy on Paid Commercial Consultancies

The attached memo from Captain Babione and
draft #3 with which it deals are being forwarded to you herewith.
I believe these are self-explanatory and this will be a subject
for discussion at our next meeting. Please give it some thought.

W. McD. HAMMON, M. D.
DIRECTOR,
COMMISSION ON VIRAL INFECTIONS

WMH/co
Enclosures (2)
MEMORANDUM FOR: AFEB MEMBERS
COMMISSION DIRECTORS

SUBJECT: Proposed AFEB Policy on Paid Commercial Consultancies

1. The attached statement on consultancies to pharmaceutical firms engaged in biologics production has been prepared by an Ad Hoc Committee of the Board headed by Dr. MacLeod. It was discussed at the AFEB Meeting of 8 December 1958, modified slightly after consideration there, and will come up again for final consideration at the Spring of 1959 Meeting of the Board. The Board wished to give Directors the opportunity to have this statement discussed by Commission Members at Spring meetings this year, if they so desire. Dr. MacLeod requests that a statement of the consensus of such discussions be forwarded to him at:

The John Herr Musser Department of Research Medicine 820 Maloney Clinic Hospital of the University of Penna. Philadelphia 4, Pennsylvania

Commission opinions or recommendations should be sent to Dr. MacLeod in adequate time to permit compiling them prior to the 18-20 May 1959 meeting of the AFEB.

2. Sufficient copies of subject policy statement are enclosed for distribution by Directors to the Members of their Commissions if desired.

3. Certain possible points of discussion on subject policy which have recently come to the attention of this office are as follows:

a. Should this policy apply to any type of paid commercial consultancies other than biological firms?

b. Should this policy include Associate Members of Commissions, as it now does, in view of the fact that Associate Members are not on a military consultant status like the full Members of Commissions as well as the Board Members?

c. Should a negative report be required of those concerned who do not hold any paid commercial consultancies?

4. Please do not hesitate to request any service from this office that you may require in order to expedite completion of this matter. Extra copies of the attached statement can be provided if needed.

Encl
Draft 3
(dtd 2 Jan 59)

R. W. BABIONE
Captain, MC, USN
Executive Secretary
Statement on policy of Armed Forces Epidemiological Board with respect to holding of paid consultancies by Board and Commission members to pharmaceutical firms engaged in the production of biologics.

During the period 1941 to 1946 members of the Board and Commissions were enjoined from holding consultancies with commercial firms engaged in biologics production. This policy, to our knowledge, did not emanate from official action of the Board, but was an administrative decision of the Board designed to guard against "conflict of interests" at a time of national emergency during which the Federal Government was purchasing large quantities of biologics for use in troops.

In 1946, again by administrative decision of the Board, the injunction against holding consultancies was relaxed and since then the policy has been to leave the decision to the conscience of the individual as to whether conflict of interests might be involved.

The relaxation of the injunction in 1946 has not produced any embarrassment to the Board up to the present time. However, there has been a feeling in the minds of many members that the policy of the Board should be clearly defined in a written statement. At the annual meeting of the Board in May 1958, it was recommended that such a statement be drawn up to be submitted to the Board for its approval.

The Board has complete confidence in the integrity of its members and the personnel of its Commissions, and is of the opinion that acceptance by these persons of a continuing paid consultancy with a biological house is unlikely to precipitate a conflict of interests which would jeopardize the reputation of the Board. Nevertheless the Board is aware that the implications involved in any given case may be such that unless the dangers of conflict of interests are kept in mind by all persons concerned in its activities, embarrassment to the Board may result and its usefulness be jeopardized.

In order that the Board may be informed of such paid consultancies held by its members and the members and associate members of Commissions it requests that it be notified by them. (Notification can be made on DA Form 2046 which is attached to this policy statement).

Cognizance of possible conflict of interests has been taken by the Department of Defense and is expressed in Army Regulations 600-205, 3 June 1953, which deals with "Standards of conduct of personnel assigned to procurement and related activities." Paragraph 3a of AR 600-205 entitled "Ethics of procurement personnel succinctly states Department of Defense policy:

"The business ethics of all persons charged with the administration and expenditures of Government funds must be above reproach and suspicion in every respect at all times. The Supreme Court has stated aptly that as a general rule all men have a moral obligation to refrain from placing themselves in relations which excite conflict between self-interest and integrity."

The Armed Forces Epidemiological Board is of the opinion that the standards of conduct defined in AR 600-205 have relevance to activities of members of the Board and its Commissions with respect to the holding of paid consultancies to manufacturing firms engaged in the production of biological materials and recommends that all persons concerned with Board activities inform themselves of its content. Moreover, the Board recommends that its members and members and associate members of its Commissions sign DA Form 2046 entitled "Statement of intent regarding conflict of interests and standards of ethical conduct."