

United States Senate

WASHINGTON, DC 20510

May 23, 2022

Mr. Robert Ford
Chairman and Chief Executive Officer
Abbott Laboratories
100 Abbott Park Road
Abbott Park, IL 60064

Dear Mr. Ford,

We write to you today on behalf of the mothers in our states who are enrolled in Special Supplemental Nutrition Program for Women, Infants and Children (WIC). We are requesting immediate, long-term relief from unworkable contract obligations due to ongoing shortages of Abbott Nutritional Products (Abbott) infant formula supply.

As you are aware, the states of New Hampshire, Massachusetts, Maine, Vermont, Connecticut and Rhode Island jointly contract with Abbott to provide infant formula for each state's WIC program. In total, nearly 40,000 infants in our states' WIC programs are either partially or fully formula-fed, and our states are restricted to Abbott-only formulas due to these contract obligations^[1]. In light of recent shortages, Abbott provided our states with rebates to purchase non-Abbott competitive formulas in order to meet demand. However, Abbott has continually provided only short-term extensions of these rebates despite knowing formula shortages would last much longer than the extension given. Similarly, Abbott has not provided rebates equitably across products and placed burdensome directives on state agencies to choose Abbott products where available.

For reference, on February 19, 2022, Abbott communicated to states that the company would provide rebates on competitive formulas outside contracted infant formulas through March 31, 2022. Since then, Abbott has provided short or incomplete extensions, including:

- On March 7, 2022, extending rebates through April 30, 2022;
- On April 8, 2022, extending rebates through May 31, 2022;
- On May 6, 2022, extending a rebate on competitive infant formulas of Similac Advance with a first use by date no later than June 30, 2022, and a rebate on competitive infant formulas of all other Similac contracted formulas with a first use by date no later than July 31, 2022, and;
- On May 16, 2022, extending rebates on all formulas through August 31, 2022, but with the directive to educate families to choose Abbott contract products first, if available at the retailer.

Mothers in our states have been left to scrounge to find formula for their infants, traveling longer and longer distances only to find empty shelves. According to the most recent data, more than 40% of stores in our states are currently out of stock of infant formula^[2]. This situation is

^[1] <https://www.bloomberg.com/graphics/2022-us-baby-formula-shortage-explained/>

^[2] *Ibid.*

especially untenable for low-income mothers, who do not have the time or resources to enable them to access this depleted supply. Given that WIC is expressly intended to support low-income families and that this supply crisis is a direct result of contamination at an Abbott facility, Abbott must ensure states have sufficiently flexible WIC contract obligations during this time.

According to current estimates, it will be at least several weeks before Abbott is able to sufficiently supply infant formula to states, and it will take longer for Abbott to adequately supply rural areas with lengthy supply chains lacking large chain stores. It will take longer still to restore consumer faith in the safety of Abbott infant formulas, which will require extensive public messaging and a commitment to safety and transparency in order to regain public trust. All of these actions must happen before states are required to supply Abbott products to families relying on the WIC program to feed their babies.

With this in mind, we strongly urge Abbott to extend rebates across all infant formulas at least through the duration of this year, without restrictions across products and without unnecessary directives on which products to prefer. Similarly, once safety concerns over Abbott infant formulas have been remedied, Abbott should work with states to ensure WIC recipients and families trust in Abbott products before removing rebates for competitive products.

Thank you for your attention to this matter. We look forward to your timely response.

Sincerely,



Jeanne Shaheen
United States Senator



Sheldon Whitehouse
United States Senator



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator



Richard Blumenthal
United States Senator



Bernard Sanders
United States Senator

Maggie Hassan

Margaret Wood Hassan
United States Senator

Jack Reed

Jack Reed
United States Senator

Angus S. King, Jr.

Angus S. King, Jr.
United States Senator

C. S. Murphy

Christopher S. Murphy
United States Senator

Patrick Leahy

Patrick Leahy
United States Senator