

**EXHIBIT 1**

AMERICAN HEALTH LINE

December 19, 2006 Tuesday

FDA;

CONFLICT-OF-INTEREST CONCERNS FOR MARRIED COUPLES EXAMINED

SECTION: REGULATORY NEWS

LENGTH: 362 words

The Los Angeles Times on Tuesday examined potential conflict-of-interest issues that arise when spouses or relatives of government officials work for companies that stand to benefit from government contracts. The Times profiles the case of Margaret Burnette, a senior FDA information technology official, and her spouse, Mark Boster, a consultant who later became chief operating officer and an executive vice president of a company that held a contract with Burnette's office. According to the Times, "FDA's handling of the matter illustrates how a small but well-positioned contractor gained a foothold -- and how conflict-of-interest restraints are only as strict as the officials who enforce them." Burnette became an IT director at FDA in April 2004, shortly after she and Boster married. Around the same time, Boster became a paid adviser for Platinum Solutions, a Virginia-based technology company, the Times reports. In mid-2004, Burnette raised objections to an FDA contract with ProObject -- a Maryland-based technology company that was developing a data system to process applications from medical device makers -- and directed her deputy to contact Platinum Solutions. FDA awarded the contract to Platinum Solutions, which was eligible to win federal contracts without competition because it was recognized as a "disadvantaged, woman-owned company," the Times reports. Burnette said her involvement in the matter was approved by her supervisor, James Rinaldi, and other FDA officials. Rinaldi said that in late 2004 he indicated to Burnette that she was not supposed to participate "in anything that has to do with the project, in terms of dealing with that project, in terms of dealing with that contractor or in decisions about what work that contractor does." He said that he was not aware that Boster was paid for his work for Platinum Solutions. Burnette said that in June 2005 she ended her involvement in the project because Boster had become chief operating officer at Platinum Solutions. According to the Times, federal law prohibits officials from participating "personally and substantially" in matters that involve their financial interest (Willman/Roche, Los Angeles Times, 12/19).

LOAD-DATE: December 19, 2006

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## **EXHIBIT 2**

Los Angeles Times

December 19, 2006 Tuesday  
Home Edition

**The Nation;  
Family tie helps win FDA contract;  
Federal work goes to the client of an official's husband. The couple say  
they acted properly.**

**BYLINE:** David Willman and Walter F. Roche Jr., Times Staff Writers

**SECTION:** MAIN NEWS; National Desk; Part A; Pg. 1

**LENGTH:** 1613 words

**DATELINE:** WASHINGTON

The concerns at the office surfaced not long after their Las Vegas wedding.

Margaret "Margo" Burnette wasn't pleased with the contractor handling an important data project at the Food and Drug Administration, where she held a senior position. For advice, she turned in summer 2004 to her new husband, Mark A. Boster.

Both had spent most of their careers dealing with government contracts. And Boster, she recalled, had been "ranting about this fabulous company."

"I did ask Mark, 'What was the name of that company?' And I gave the name to my deputy."

The sequence of events worked out well for Platinum Solutions Inc., of Reston, Va., for whom Boster was a paid advisor.

The FDA dismissed the first contractor and awarded the job to Platinum Solutions. By this fall, the small technology company had collected about \$4 million from the project. Last month it won a new, related FDA contract, possibly worth millions more.

But the events also placed Burnette at risk of crossing a legal line.

Federal law prohibits officials from acting on matters in which they or their spouse has a financial interest. Yet Burnette continued to oversee the project for months after the FDA hired Platinum Solutions, interviews and government records show. In April 2005, the company made her husband its chief operating officer and executive vice president.

The FDA's handling of the matter illustrates how a small but well-positioned contractor gained a foothold -- and how conflict-of-interest restraints are only as strict as the officials who enforce them.

The Nation; Family tie helps win FDA contract; Federal work goes to the client of an official's husband. The couple say they acted properly. Los Angeles Times December 19, 2006 Tuesday

Some FDA staff members raised concerns internally about a conflict of interest nearly two years ago and an ethics inquiry was opened, according to those familiar with the matter. Burnette and Boster said the inquiry was closed last month with no finding of wrongdoing.

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'No regrets, no qualms'

Burnette, 48, said in an interview that she cleared details of her involvement with her boss and other agency officials. She was aware at the time, she said, that "there could be the concern of the appearance of a conflict of interest." But several FDA officials who supervised or worked alongside Burnette said that they did not know important aspects of her role until contacted for this article.

For instance, her boss through most of 2004 and 2005, James J. Rinaldi, said that he had believed, mistakenly, that Boster advised Platinum Solutions without pay. And he did not know, Rinaldi said, that Burnette had suggested Platinum Solutions to her deputy. Moreover, one of the first officials who raised concerns internally about Burnette's role, Linda D. Burek, said investigators never questioned her.

Asked for comment, FDA spokesman Douglas Arbesfeld cited agency policy in declining to discuss "personnel matters." Burnette was promoted early this year to a newly created post in the office of the FDA commissioner.

Burnette and Boster said they acted properly.

"I have no regrets, no qualms," Boster, 58, said.

Burnette said she saw nothing wrong with suggesting Platinum Solutions for the FDA work.

"The fact that my husband was on their board of advisors was irrelevant," said Burnette, adding that her specialty is "turning around troubled projects."

Burnette had arrived at the FDA in August 2003, when officials were trying to improve the tracking of the hundreds of new medical products that industry wants to market each year.

A new data system was intended to speed handling of the industry applications. Burnette, who had contracting experience with the Department of Agriculture and the state of Maryland, quickly began leading the project.

Burnette backed her colleagues' preference to hire a Maryland company, ProObject Inc.

On April 1, 2004, Burnette and Boster married. That same month Burnette was promoted to information-technology director. A top FDA official praised her as a "very successful leader."

Boster, who was working full-time with another technology contractor, joined Platinum Solutions' advisory board about then. He was paid a retainer and fees for attending meetings, he said.

Boster and his colleagues quickly recommended that Platinum Solutions petition the U.S. Small Business Administration to be recognized as a disadvantaged, woman-owned business. The firm won that special status in mid-2004, making it eligible to win federal contracts without competition.

Burnette said that she then wrote the first of several letters to FDA ethics officials, pledging to abstain from "procurement" related to the data project. (She said that she wrote the letter because Boster's full-time employer -- at that point not Platinum Solutions -- might bid for the project.)

Burnette and Boster already were familiar with the scrutiny that can surround government contracting.

The Nation; Family tie helps win FDA contract; Federal work goes to the client of an official's husband. The couple say they acted properly. Los Angeles Times December 19, 2006 Tuesday

Without admitting wrongdoing, Boster paid the federal government \$30,000 six years ago to settle an ethics probe of his contacts with a contracting official at the Justice Department, where he had been a deputy assistant attorney general. Prosecutors had alleged that he violated a law prohibiting revolving-door contacts by a former official.

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#### Competition-free bid

By mid-2004, Burnette was making no secret within the FDA of her displeasure with ProObject. Burnette and her aides "had given the company some time to try to rectify things," said Rinaldi, her former boss. "It didn't work out to their satisfaction.... Especially, to Margo's."

Representatives of ProObject, which holds contracts with other federal agencies, declined to comment for this article.

The FDA then solicited bids from potential successors. When only one company responded, the agency abandoned the competitive-bidding route.

At that point Burnette conferred with her husband and steered her deputy, James Shugars, to contact Platinum Solutions. Burnette said she waited until Shugars had met with other Platinum Solutions personnel before telling him about her husband's position with the firm.

"I didn't tell him that until after he came back and said, 'These are the guys I want to go with,' " Burnette said.

Once Platinum Solutions was aboard, Burnette said, she assigned Shugars to handle "contract issues" directly with the company. Shugars briefed her regularly, she said.

Rinaldi said that Shugars voiced concerns to him and was "very, very nervous" about managing the data project while reporting to Burnette. "I think he was concerned about just the overall conflict of interest," said Rinaldi, now chief information officer at the federal Jet Propulsion Laboratory in La Canada Flintridge. "Obviously that was because of the spouse."

Rinaldi confirmed that the FDA awarded the initial contract to Platinum Solutions without competition, a move that hinged on the company's special status as a disadvantaged business. He said that Shugars composed a formal justification for doing so.

Shugars declined through an FDA spokesman to be interviewed.

The circumstances surrounding the contract turnover had troubled others at the FDA, they said in interviews.

"All of a sudden ProObject was out -- and Platinum Solutions was in," said Burek, who hired Burnette at the FDA. "I contacted the ethics staff. I did speak to someone there and they indicated they would be coming to interview me. But they never did."

Officials are prohibited by law from participating "personally and substantially" in matters involving their financial interest. And the U.S. Office of Government Ethics warned, in 1999 and in 2004, that such participation includes "involvement in preliminary discussions," or "supervision of subordinates working" on the matter.

Burnette participated, by her account, in daily project briefings with various aides and in bimonthly meetings with FDA "senior management." Burnette said that she cleared her participation with Rinaldi and other agency officials.

Rinaldi said that if he had known that Burnette pointed her deputy to Platinum Solutions and that her husband was a paid advisor to the company, he "would have had a few more questions." When he discussed Burnette's role with her

The Nation; Family tie helps win FDA contract; Federal work goes to the client of an official's husband. The couple say they acted properly. Los Angeles Times December 19, 2006 Tuesday

in late 2004, Rinaldi said his understanding was that she was not supposed to participate "in anything that has to do with the project, in terms of dealing with that project, in terms of dealing with that contractor, or in decisions about what work that contractor does."

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Burnette steps back

In June 2005, Burnette said she relinquished any role with the data project because about two months earlier her husband had become a full-time executive with Platinum Solutions. In addition to salary, Boster's new position placed him in line for extra pay when the company's revenue increased, he said.

"Since he was actually working there as the chief operating officer, the perception would have been just too bad," Burnette said. "It would have appeared that I would have had some influence."

This year, the FDA sought competitive proposals for the completion of its data system. On Nov. 27, Platinum Solutions said that it won the contract.

Although Burnette said she no longer oversees the project, she helps shape technology priorities from the FDA commissioner's office. Her husband said that he was in charge of Platinum Solutions' performance on all ongoing contracts, including with the FDA.

Burnette and Boster said that handling government contracts inevitably invited criticism. "People can get unhappy, and all they have to do is file a complaint," she said.

Boster said the company had earned FDA work on merit, not on his wife's influence.

"We try not to bring work home, frankly," Boster said. "If I had a competitive advantage, there'd be a lot more contracts."

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Times researcher Janet Lundblad in Los Angeles contributed to this report.

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## **EXHIBIT 3**

Los Angeles Times

January 24, 2007 Wednesday  
Home Edition

**The Nation;  
Panel starts FDA probe;  
A House committee looks into contracts awarded to a firm that has  
employed an official's husband.**

**BYLINE:** David Willman, Times Staff Writer

**SECTION:** MAIN NEWS; National Desk; Part A; Pg. 21

**LENGTH:** 584 words

**DATELINE:** WASHINGTON

A bipartisan group of congressional leaders is examining the Food and Drug Administration's contract awards to a company that has paid consulting fees and salary to the husband of a senior agency official.

In a letter delivered Tuesday to the FDA, the leaders of the House Energy and Commerce Committee said the inquiry would focus on contracts awarded to Platinum Solutions Inc., of Reston, Va. An FDA official, Margaret "Margo" Burnette, whose husband was affiliated with the company, oversaw the first contract awarded and the work that followed.

The letter also says that the committee will review a related FDA internal affairs investigation that was closed in 2005 with no apparent disciplinary action.

Beginning in late 2004, the FDA retained Platinum Solutions to build a new data system intended to speed the handling of industry applications to market new drugs. After serving the company as a paid advisor, Burnette's husband, Mark A. Boster, was installed in April 2005 as its chief operating officer and executive vice president.

As of late last year, Platinum Solutions had been paid about \$4 million in connection with the data system. The FDA in November awarded the company a new contract related to the project, potentially worth millions more.

Federal law prohibits officials from acting on matters in which they or their spouse has a financial interest.

In the letter to FDA Commissioner Andrew C. von Eschenbach, the congressional leaders said the new inquiry would focus on "conflicts of interest in the [FDA's] contracting practices and the ability and willingness of the agency to investigate allegations of improper practices."

The congressmen requested that by Thursday the FDA deliver "all records relating" to the closed internal affairs investigation, adding: "Please ensure that no records relating to contracts in which Ms. Burnette was directly or

The Nation; Panel starts FDA probe; A House committee looks into contracts awarded to a firm that has employed an official's husband. Los Angeles Times January 24, 2007 Wednesday

indirectly involved are destroyed."

The letter was signed by Rep. John D. Dingell (D-Mich.), chairman of the Energy and Commerce Committee, and by Reps. Joe L. Barton (R-Texas), Bart Stupak (D-Mich.) and Edward Whitfield (R-Ky.). Stupak is chairman of the panel's oversight and investigations subcommittee; Barton and Whitfield are the senior Republicans.

The congressional action comes in response to a Los Angeles Times article Dec. 19 that detailed the FDA's dealings with Platinum Solutions. The article described Burnette's role with the data project through her former position as director of the agency's office of information technology.

After she had encouraged the termination of another contractor that was leading the data project, Burnette steered her deputy to contact Platinum Solutions. He did, and the company was awarded a no-bid contract.

Dingell said in a statement Tuesday that his committee was "very interested" in how the FDA conducts internal investigations of potential wrongdoing. "Self-examination has never been a strong point of the FDA, and the public health has suffered from the agency's reluctance to examine the flawed behavior of its employees," he said.

The FDA's chief of internal affairs, Thomas Doyle, declined to comment about the reference in the congressional letter to his unit's closed investigation. FDA spokesman Douglas Arbesfeld said that aides to Von Eschenbach were reviewing the letter.

Burnette and Boster told The Times last fall that they had done nothing wrong. Burnette also said she had been aware that "there could be the concern of a conflict of interest."

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david.willman@latimes.com

**LOAD-DATE:** January 24, 2007

**LANGUAGE:** ENGLISH

**PUBLICATION-TYPE:** Newspaper

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**EXHIBIT 4**

**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

January 22, 2007

The Honorable Andrew C. von Eschenbach, M.D.  
Commissioner  
Food and Drug Administration  
5600 Fishers Lane  
Rockville, MD 20851

VIA FAX

Dear Dr. von Eschenbach:

Pursuant to Rules X and XI of the Rules of the U.S. House of Representatives, the Committee on Energy and Commerce and the Subcommittee on Oversight and Investigations are opening an inquiry into conflicts of interest in the Food and Drug Administration (FDA) contracting practices and the ability and willingness of the Agency to investigate allegations of improper practices. We begin this investigation with a case study involving the former Director of the Office of Information Technology (OIT).

We hereby request all records relating to the Office of Internal Affairs (OIA) investigation of the allegations relating to the role of Margaret "Margo" Burnette in the awarding of contracts to a firm, Platinum Solutions of Reston, VA, that employed her husband Mark A. Boster initially as a paid advisor. This investigation was closed by OIA in 2005.

After reviewing the complete unredacted file in this case, we may have further requests for records or interviews. Please ensure that no records relating to contracts in which Ms. Burnette was directly or indirectly involved are destroyed, regardless of where and how they are stored, whether in the Office of Ethics, the section of the Commissioner's Office where Ms. Burnette is currently assigned, the OIT, or elsewhere in the FDA.

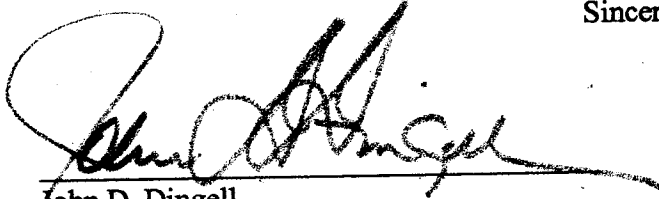
Please note that, for the purpose of responding to this request, the terms "records" and "relating" should be interpreted in accordance with the attachment to this letter. Because this request is for a specific file, we expect that you will be able to deliver it to the Committee offices no later than the close of business, Thursday, January 25, 2007.

Andrew C. von Eschenbach, M.D.

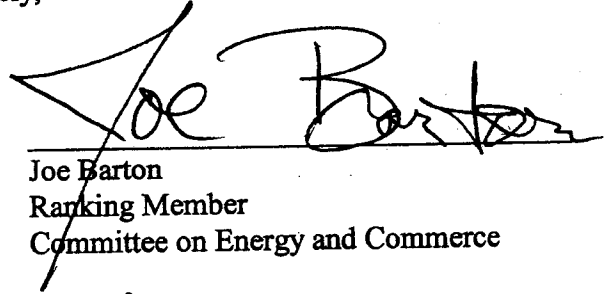
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Should you have any questions regarding this request, please have your staff contact David Nelson with the majority staff (202-225-2927) or Alan Slobodin with the minority staff (202-225-3641) of the Committee on Energy and Commerce.

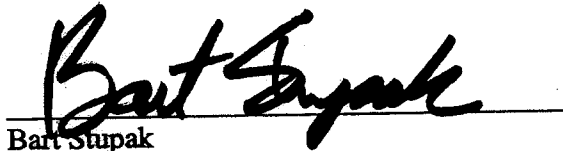
Sincerely,



John D. Dingell  
Chairman  
Committee on Energy and Commerce



Joe Barton  
Ranking Member  
Committee on Energy and Commerce



Bart Stupak  
Chairman  
Subcommittee on Oversight and Investigations



Ed Whitfield  
Ranking Member  
Subcommittee on Oversight and Investigations

Attachment

## ATTACHMENT

1. The term "records" is to be construed in the broadest sense and shall mean any written or graphic material, however produced or reproduced, of any kind or description, consisting of the original and any non-identical copy (whether different from the original because of notes made on or attached to such copy or otherwise) and drafts and both sides thereof, whether printed or recorded electronically or magnetically or stored in any type of data bank, including, but not limited to, the following: correspondence, memoranda, records, summaries of personal conversations or interviews, minutes or records of meetings or conferences, opinions or reports of consultants, projections, statistical statements, drafts, contracts, agreements, purchase orders, invoices, confirmations, telegraphs, telexes, agendas, books, notes, pamphlets, periodicals, reports, studies, evaluations, opinions, logs, diaries, desk calendars, appointment books, tape recordings, video recordings, e-mails, voice mails, computer tapes, or other computer stored matter, magnetic tapes, microfilm, microfiche, punch cards, all other records kept by electronic, photographic, or mechanical means, charts, photographs, notebooks, drawings, plans, inter-office communications, intra-office and intra-departmental communications, transcripts, checks and canceled checks, bank statements, ledgers, books, records or statements of accounts, and papers and things similar to any of the foregoing, however denominated.
  
2. The terms "relating," "relate," or "regarding" as to any given subject means anything that constitutes, contains, embodies, identifies, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.