

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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<https://oversight.house.gov>

December 15, 2020

Dr. Peter Navarro  
Assistant to the President and Director of Trade and Manufacturing Policy  
The White House, Eisenhower Building  
1650 Pennsylvania Avenue, N.W.  
Washington, D.C. 20502

Dear Dr. Navarro:

The Subcommittee on Economic and Consumer Policy requests information about all pandemic-related government contracts in which you played any role whatsoever.

On July 31, 2020, the Subcommittee issued a staff report evaluating your performance as the chief negotiator of a \$646.7 million ventilator contract with Philips Respironics.<sup>1</sup> We provided detailed evidence of your apparent failure to grasp negotiation basics. One example, which we concluded from reviewing your email correspondence with Philips, was that you accepted Philips' opening offer without even making a counter-offer. Your performance reveals that you do not appear to be a trustworthy steward of U.S. taxpayer money and calls into question all other pandemic-related contracts in which you played a role.

Others agree with our conclusions. Shortly after our staff report was released, the Department of Health and Human Services (HHS) terminated the contract you negotiated with Philips, saving taxpayers more than \$400 million.<sup>2</sup> HHS has confirmed that the contract is now subject to an internal investigation and legal review.<sup>3</sup> I also asked the HHS inspector general to open a separate investigation, which is underway.<sup>4</sup>

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<sup>1</sup> Subcommittee on Economic and Consumer Policy, *Staff Report: The Trump Administration's Failure in Contract Management and Inept Negotiations by Senior White House Officials Denied Americans Ventilators During the Coronavirus Pandemic and Squandered Up to \$504 Million in Taxpayer Funds* (July 29, 2020) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Economic%20and%20Consumer%20Policy%20Subcommittee%20Staff%20Report%20on%20Ventilators%20Contract.pdf>).

<sup>2</sup> *U.S. Scraps Philips Ventilator Order in 2020 Earnings Blow*, Reuters (Aug. 31, 2020) (online at [www.reuters.com/article/us-philips-us-ventilators/united-states-halts-order-of-philips-ventilators-earnings-to-be-hit-idUSKBN25R0P6?il=0](http://www.reuters.com/article/us-philips-us-ventilators/united-states-halts-order-of-philips-ventilators-earnings-to-be-hit-idUSKBN25R0P6?il=0)).

<sup>3</sup> *Tactics of Fiery White House Trade Advisor Draw New Scrutiny as Some of His Pandemic Moves Unravel*, Washington Post (Sept. 2, 2020) (online at [www.washingtonpost.com/us-policy/2020/09/02/navarro-pandemic-coronavirus/](http://www.washingtonpost.com/us-policy/2020/09/02/navarro-pandemic-coronavirus/)).

<sup>4</sup> Letter from Chairman Raja Krishnamoorthi, Subcommittee on Economic and Consumer Policy, to Christi Grimm, Acting Inspector General, Department of Health and Human Services (Aug. 6, 2020) (online at

In your response to this Congressional request, I caution you against making false and misleading statements about your involvement in contract negotiations. Unfortunately, you have made misleading statements on television about this subject. On September 3, 2020, on CNN's television program "New Day," you misleadingly claimed that you did not negotiate the Philips contract, when you stated, "The contract with Phillips, the Belgian company, was executed totally by HHS. There's a unit for ASPR. So that was not my contract."<sup>5</sup> Documentary evidence provided by Philips establishes that you were, in fact, the chief negotiator of the government's contract with Philips.<sup>6</sup>

To assist the Subcommittee in determining whether additional taxpayer funds are at risk, please produce the following documents and information by December 29, 2020:

1. A list of all government contracts in which you played any role in the negotiations, including a description of the role you played in the negotiations, who directed that you undertake that role, and the authority under which you were acting.

The Committee on Oversight and Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. If you have any questions regarding this request, please contact Subcommittee staff at (202) 225-5051.

Sincerely,



Raja Krishnamoorthi

Chairman

Subcommittee on Economic and Consumer Policy

Enclosure

cc: The Honorable Michael Cloud, Ranking Member  
Subcommittee on Economic and Consumer Policy

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<https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-08-06.RK%20to%20Grimm-%20HHS%20IG%20re%20Ventilator%20Procurement%20Contract.pdf>.

<sup>5</sup> CNN, *New Day Transcript* (Sept. 3, 2020) (online at <http://transcripts.cnn.com/TRANSCRIPTS/2009/03/nday.06.html>).

<sup>6</sup> Subcommittee on Economic and Consumer Policy, *Staff Report: The Trump Administration's Failure in Contract Management and Inept Negotiations by Senior White House Officials Denied Americans Ventilators During the Coronavirus Pandemic and Squandered Up to \$504 Million in Taxpayer Funds* (July 29, 2020) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Economic%20and%20Consumer%20Policy%20Subcommittee%20Staff%20Report%20on%20Ventilators%20Contract.pdf>).