

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051  
MINORITY (202) 225-5074  
<https://oversight.house.gov>

### Opening Statement Chairwoman Carolyn B. Maloney Select Subcommittee on the Coronavirus Crisis Hearing “Examining Emergent BioSolutions’ Failure to Protect Public Health and Public Funds” May 19, 2021

Chairman Clyburn, thank you for calling this important hearing and for partnering with me on the joint investigation being conducted by the Oversight Committee and Select Subcommittee into Emergent BioSolutions.

As we work to end the coronavirus pandemic, it is essential that we vaccinate as many people as possible in this country, while also supporting the global vaccination effort.

To do so, we need our contracting partners in the private sector to fulfill their commitments.

I have serious concerns that Emergent executives instead appear to have wasted taxpayer dollars while lining their own pockets.

In April 2020, the FDA raised significant concerns about Emergent’s Bayview facility in Baltimore, including problems with quality control standards, inadequate training, and risk of contamination.

Just one month later, Emergent received a \$628 million contract to produce coronavirus vaccines. That means Emergent made a commitment to the government that it could safely manufacture these vaccines, despite its recent problems.

Unfortunately, the company has failed to live up to that commitment. Poor lab practices at Emergent have led to millions of coronavirus vaccines being thrown out because of contamination or suspected contamination.

I want to be clear that these errors have not impacted the safety or efficacy of coronavirus vaccines available to Americans.

But at the same time the company was destroying millions of coronavirus vaccines, its executives were cashing out. Last year, CEO Bob Kramer received \$5.7 million in total compensation, an increase of 51% from 2019. Executive Chairman Fuad El-Hibri cashed in stock worth over \$42 million.

I am glad Mr. Kramer and Mr. El-Hibri have agreed to appear today, but we are going to have some very difficult questions for them.

I would also like to point out that although some of the documents we requested have been produced, many more are outstanding. It is imperative that Mr. Kramer and Mr. El-Hibri commit to producing all responsive documents in a timely manner.

Thank you, and I yield back.

###