

Lockington, Elliott (SPAC/PSPC)

From: Roy, Cecely (SPAC/PSPC)
Sent: October 20, 2020 6:30 PM
To: Kim, Sabrina; Alex Wellstead; Ann-Clara Vaillancourt
Cc: fitz-morris, James (SPAC/PSPC); Power, John (IC); Lockington, Elliott (SPAC/PSPC); Kusnick, Chelsea (SPAC/PSPC)
Subject: FTI MEDIA REQUESTS / INPUT NEEDED NO LATER THAN 6:50 pm / Québecor & Globe

As mentioned — please see below both responses to the two requests that we have on FTI ventilators, 1. from Québecor (to be translated) and 2. from Globe. First from Québecor - reporter has spoken with the company.

This language has been approved up to our Minister, and we are doing our best to limit the additions as that will only add more time to the department's delivery of the responses already beyond deadline. Sorry for the short turn around we were given no time from dept who is sending this one. This is consistent with a previous response that was sent to Blacklocks on the same subject.

Thanks,
Cecely

1.

Media Response

Québecor

Richer, Jules (Québecor)

Date call received: October-13-20 at 11:25 AM

Deadline: October-20-20 at 5 PM

Tier 1 - COVID-19: Ventilator contract with Baylis

QUESTIONS/ANSWERS:

Q1. Which ventilator model was ordered? and Q2. How many ventilators were ordered?

A1-A2. On behalf of the Public Health Agency of Canada (PHAC), and as recommended by an expert review panel composed of clinical physicians, supply chain experts and manufacturing experts, Public Services and Procurement Canada (PSPC) awarded a \$237-million contract to **FTI Professional Grade Inc.** for the supply of 10,000 V4C-560 ventilators. (<https://rechercherouvert.canada.ca/frict/id/phac-aspc,C-2020-2021-Q1-00567>)

Q3. Is Baylis Medical a subcontractor for the contract recipient, FTI Professional Grade Inc.?

A3. PSPC awarded a contract to **FTI Professional Grade Inc.** ~~Baylis Medical is a subcontractor to FTI Professional Grade Inc.~~

PSPC has no involvement ~~with any agreements reached between in that relationship and deals directly with~~ FTI Professional Grade Inc. and its suppliers.

The Government of Canada has not awarded any contracts to Baylis Medical for COVID-related procurements, including ventilators.

Q4. How many ventilators have been delivered so far?

A4. As of October 13, Canada has received **over 3,000** ventilators ~~from its various contracts,~~ **including deliveries from Canadian manufacturers.**

Q5. By awarding the contract to FTI Professional Grade Inc., did the Trudeau government place itself in a conflict of interest in early April, given that one of its main beneficiaries was a Liberal MP just six months earlier? The potential conflict of interest is all the more obvious since the contract represents a major amount (\$237 million).

Q6. When the contract to manufacture the ventilators was awarded to FTI Professional Grade, was the federal government aware that Baylis Medical was a major subcontractor on the contract?

Q7. Why was a contract of this size awarded to FTI Professional Grade, which has absolutely no known qualifications for producing medical ventilators and was only established on March 31, 2020, according to Canada's Business Registries?

Q8. Did Frank Baylis or Baylis Medical representatives make any representations or inquiries to the federal government to assist FTI Professional Grade in obtaining the ventilator contract?

Q9. Did the federal government pay a fair and reasonable price for the 10,000 ventilators purchased under this contract? What were the criteria used to accept a price per unit of \$23,700 (obtained by dividing the contract price, \$237 million, by the number of units ordered, 10,000)?

A5-9. In March, the Government of Canada launched its [Plan to Mobilize Industry to Fight COVID-19](#), led by Innovation, Science and Economic Development Canada (ISED). As part of the plan, ISED issued a call to action to Canadian manufacturers and businesses that could step up to support Canada's response to the pandemic. Through this callout, a ~~consortium called Ventilators for Canadians (V4C) put forward a~~ proposal **was put forward** for the V4C-560 ventilator, which **was** reviewed and recommended by an expert review panel, which included clinical physicians, supply chain experts and manufacturing experts.

~~Through this callout, a consortium called Ventilators for Canadians (V4C) put forward a proposal for the V4C-560 ventilator. The~~

Following ~~the recommendation of the expert review panel, and at the request~~ of the Public Health Agency of Canada, Public Services and Procurement Canada ~~negotiated and signed entered into~~ a \$237-million contract with FTI Professional Grade ~~(a member of the V4C consortium)~~ for the supply of 10,000 V4C-560 ventilators. ~~All standard contracting procedures were followed, including an integrity check on the supplier.~~

~~Additionally,~~ Relative to the other contracts that Canada has awarded for both off-the-shelf and made-in-Canada ventilators, the price per unit under this contract is **both** consistent and comparable. Health Canada authorized the V4C-560 ventilator in June 2020.

This contract is also **represents** an investment ~~in our~~ **Canada's** domestic capacity to produce critical medical equipment, which will help ensure **that Canadians** have a stable source of supply, during the current pandemic and into the future. ~~without fully relying on foreign source of supply.~~

The Globe and Mail

Walsh, Marieke (The Globe and Mail)

Date call received: October-16-20 at 14:55

Deadline: October-19-20 at 17:00

Tier 1 - COVID-19 - Contracts with Baylis for PPEs and ventilators

QUESTIONS / RESPONSES:

Q1. Can you clarify whether the Government of Canada has contracted Baylis medical to provide ventilators or any other PPE or medical devices?

A1. In March, the Government of Canada launched its [Plan to Mobilize Industry to Fight COVID-19](#), led by Innovation, Science and Economic Development Canada (ISED). As part of the plan, ISED issued a call to action to Canadian manufacturers and businesses that could step up to support Canada's response to the pandemic. Through this callout, a ~~consortium called Ventilators for Canadians (V4C) put forward a~~ proposal **was put forward** for the V4C-560 ventilator, which **was** reviewed and recommended by an expert review panel, which included clinical physicians, supply chain experts and manufacturing experts.

~~Through this callout, a consortium called Ventilators for Canadians (V4C) put forward a proposal for the V4C-560 ventilator. The~~

Following ~~the~~ recommendation ~~of the expert review panel, and at the request~~ of the Public Health Agency of Canada, Public Services and Procurement Canada ~~negotiated and signed~~ **entered into** a \$237-million contract with FTI Professional Grade ~~(a member of the V4C consortium)~~ for the supply of 10,000 V4C-560 ventilators. ~~All standard contracting procedures were followed, including an integrity check on the supplier.~~

~~Additionally,~~ Relative to the other contracts that Canada has awarded for both off-the-shelf and made-in-Canada ventilators, the price per unit under this contract is **both** consistent and comparable. Health Canada authorized the V4C-560 ventilator in June 2020.

This contract is also **represents** an investment ~~in our~~ **Canada's** domestic capacity to produce critical medical equipment, which will help ensure **that Canadians** have a stable source of supply, during the current pandemic and into the future. ~~without fully relying on foreign source of supply.~~

Q2. Has Baylis been contracted for any work, and if so, can you please confirm what the contracts are for and whether the company is involved in any government work at all?

A2. **The Government of Canada has not awarded any contracts to Baylis Medical for COVID-related procurements, including ventilators.**

