

McKenna, Neil

From: Kim, Sabrina
Sent: Wednesday, October 21, 2020 5:40 AM
Stickney, Matt; Clow, Brian; Theis, Rick; Khalil, Samantha; Belliveau, Sébastien; Tran, Thi; Gagnon, Chantal
Subject: Journal de Quebec front page

Long piece about the FTI ventilators contract on the front page of Journal de Quebec this morning:

<https://www.journaldemontreal.com/2020/10/21/des-millions-pour-un-ex-depute>.

Says a half a million \$ contract was sole sourced to a company (FTI) that doesn't specialize in vents and that was created 7 days before the contract was signed, and that FTI then subcontracted out everything to Baylis. Note that the PSPC FTI contract value (\$237M) is publicly available online.

Here's an NR about the partnership though: <https://ventilatorsforcanadians.com/ventilators-for-canadians-partnering-with-bayliss-medical-to-manufacture-ventilators-in-support-of-covid-19-response/>

You will see in the story that FTI did an interview with JDQ and explained that it was their firm that approached Baylis Medical to work in partnership with them to make vents. FTI basically finds the pieces that Baylis needs, and Baylis has the expertise (and patent for the vent design) to make the product. Baylis Medical told JDQ that it never engaged with the GoC on this contract, that all of its engagements have been with FTI and that it was Vents for Canadians (associated with FTI) who had initially approached Baylis' VP about this.

Main points in PSPC's officials' lines are the following:

- PSPC gave a contract to FTI for ventilators.
- PSPC has no involvement with agreements reached between FTI and its suppliers.
- The GoC has not awarded contracts to Baylis Medical for COVID procurements, including ventilators.
- Following the recommendation of the expert review panel, and at the request of PHAC, PSPC entered into a \$237-million contract with FTI Professional Grade (a member of the Ventilators 4 Canadians consortium) for the supply of 10K vents.
- 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.

Let me know if you have any questions.

From: Kim, Sabrina

Sent: Wednesday, October 21, 2020 5:22 AM

To: Roy, Cecely (SPAC/PSPC) <cecely.roy@canada.ca>

Cc: Vaillancourt, Ann-Clara <Ann-Clara.Vaillancourt@pmo-cpm.gc.ca>; Wellstead, Alex <Alex.Wellstead@pmo-cpm.gc.ca>; fitz-morris, James (SPAC/PSPC) <james.fitz-morris@canada.ca>; Power, John (IC) <john.power@canada.ca>; Lockington, Elliott (SPAC/PSPC) <elliott.lockington@canada.ca>; Kusnick, Chelsea (SPAC/PSPC) <chelsea.kusnick@canada.ca>; Belliveau, Sébastien <Sebastien.Belliveau@pmo-cpm.gc.ca>; Khalil, Samantha <Samantha.Khalil@pmo-cpm.gc.ca>; Gagnon, Chantal <Chantal.Gagnon@pmo-cpm.gc.ca>; Tran, Thi <Thi.Tran@pmo-cpm.gc.ca>; 'Caira, Celine (IC)' <celine.caira@canada.ca>; Power, Michael (IC) <michael.power@canada.ca>

Subject: RE: FTI MEDIA REQUESTS / INPUT NEEDED NO LATER THAN 6:50 pm / Québecor & Globe

. his V4C NR is from April 7 (day of PM announcement) and its established in here that Baylis is working with V4C, meanwhile the story says the FTI subcontract was signed with Baylis on April 16. Just FYI.

Ventilators for Canadians partnering with Bayliss Medical to Manufacture Ventilators in Support of COVID -19 Response Federal government supporting the manufacturing of urgently needed ventilators in Canada

TORONTO — April 7, 2020 — Ventilators for Canadians (V4C), a consortium of Canadian entrepreneurs focused on helping Canadians through this pandemic, is partnering with Baylis Medical, a Canadian-based medical device company specializing in cardiology and spine, to manufacture urgently needed ventilators for hospitals across Canada.

The Government of Canada today announced it is purchasing made-in-Canada ventilators from several companies, including the V4C/Baylis partnership, through an accelerated process.

With the support of V4C, Baylis will be leveraging its robust advanced manufacturing capabilities to quickly ramp up production of the Baylis V4C-560 ventilator and ensure Canadians have access to this critical medical equipment. The V4C/Baylis partnership is expected to start manufacturing and begin shipping as soon as possible.

V4C is a newly-formed team of philanthropists and entrepreneurs dedicated to answering the call for the life-saving ventilators and respiratory equipment Canadians urgently need. With unreliable and in many cases non-existent supply chains, V4C believes it is urgent for Canadians to find Made in Canada solutions to mitigate the dire threat of this pandemic.

In addition to this project, V4C is working on a more immediate solution for the ventilator shortage and additional projects to address the need for Canadian-made ventilator and respiratory equipment.

QUOTES

"At V4C we know it is urgent for Canadians to come together with Made in Canada solutions to mitigate the dire threat of this pandemic," said Jim Estill, a founder of V4C and CEO of Danby.

"We are pleased to be part of this team, led by Neil Godara and a world-class manufacturer like Baylis Medical, to quickly supply 'made in Canada' ventilators at this critical time," said Rick Jamieson, CEO of ABS Friction. "V4C will be there to bring additional Canadian manufacturing strength where needed."

QUICK FACTS

Ventilators take the strain off of patient's lungs, supply oxygen and simulate the actions of breathing, making them critical devices for the management of severe respiratory illness, such as COVID -19.

The Government of Canada has ordered 30,000 ventilators from a group of companies, with deliveries starting in May. The Baylis V4C-560 ventilator is compact, lightweight and portable, and provides airway support for both children and adults.

The V4C and Baylis partnership expects to manufacture 10,000 ventilators

About Ventilators for Canadians Ventilators for Canada (V4C) is a growing team of philanthropists and entrepreneurs who have come together to find home grown solutions to help Canadians through this unprecedented health emergency. Co-founded by Jim Estill, a noted philanthropist and CEO of Danby, Rick Jamieson, CEO of ABS Friction, Paul L'Heureux, CEO of Crystal Fountains, and Scott Shawyer of JMP Solutions. V4C is a newly-formed consortium dedicated to answering the call for the life-saving ventilators and respiratory equipment Canadians urgently need. For more information, visit www.ventilatorsforcanada.com. For Media Inquiries, please contact media@ventilatorsforcanada.com

From: Kim, Sabrina <Sabrina.Kim@pmo-com.gc.ca>

Sent: Wednesday, October 21, 2020 4:37 AM

To: Roy, Cecely (SPAC/PSPC) <cecelv.roy@canada.ca>

Cc: Vaillancourt, Ann-Clara <Ann-Clara.Vaillancourt@pmo-cpm.gc.ca>; Wellstead, Alex <Alex.Wellstead@onno-com.gc.ca>; fitz-morris, James (SPAC/PSPC) <james.fitz-morris@canada.ca>; Power, John (IC) <john.power@canada.ca>;

Lockington, Elliott (SPAC/PSPC) <elliott.lockington@canada.ca>; Kusnick, Chelsea (SPAC/PSPC) <chelsea.kusnick@canada.ca>; Belliveau, Sébastien <Sebastien.Belliveau@pmo-cpm.gc.ca>; Khalil, Samantha <Samantha.Khalil@pmo-cpm.gc.ca>; Gagnon, Chantal <Chantal.Gagnon@pmo-cpm.gc.ca>; Tran, Thi <Thi.Tran@pmo-cpnn.gc.ca>

"qibject: Re: FTI MEDIA REQUESTS / INPUT NEEDED NO LATER THAN 6:50 pm / Québecor & Globe

r'YI - front page of JDQ - <https://twitter.com/jdequebec/status/1318779045094563842?s=21>

On Oct 20, 2020, at 7:22 PM, Roy, Cecely (SPAC/PSPC) <cecely.roy@canada.ca> wrote:

No it gets translated before going. It looks like the strike outs of the text to show edits are not showing up in your version below for some reason

-----Original Message -----

From: Vaillancourt, Ann-Clara [<mailto:Ann-Clara.Vaillancourt@pmo-cpm.gc.ca>]

Sent: October 20, 2020 7:13 PM

To: Roy, Cecely (SPAC/PSPC) <cecely.roy@canada.ca>

Cc: Wellstead, Alex <Alex.Wellstead@pmo-cpm.gc.ca>; fitz-morris, James (SPAC/PSPC) <james.fitz-morris@canada.ca>; Power, John (IC) <john.power@canada.ca>; Lockington, Elliott (SPAC/PSPC) <elliott.lockington@canada.ca>; Kusnick, Chelsea (SPAC/PSPC) <chelsea.kusnick@canada.ca>; Belliveau, Sébastien <Sebastien.Belliveau@pmo-cpm.gc.ca>; Khalil, Samantha <Samantha.Khalil@pmo-cpm.gc.ca>; Gagnon, Chantal <Chantal.Gagnon@pmo-cpm.gc.ca>; Tran, Thi <Thi.Tran@pmo-cpm.gc.ca>; Kim, Sabrina <Sabrina.Kim@pmo-cpm.gc.ca>

Subject: Re: FTI MEDIA REQUESTS / INPUT NEEDED NO LATER THAN 6:50 pm / Québecor & Globe

Cecely will you send the EN version to the French media?

There is a typo in the last paragraph.

Ann-Clara Vaillancourt

Press Secretary II Attachée de presse

Office of the Prime Minister II Cabinet du premier ministre

On Oct 20, 2020, at 6:50 PM, Kim, Sabrina <Sabrina.Kim@pmo-cpm.gc.ca> wrote:

Thanks Cecely. Looks good to me. Adding some of my colleagues for info.

From: Roy, Cecely (SPAC/PSPC) <cecely.roy@canada.ca>

Sent: Tuesday, October 20, 2020 6:30 PM

To: Kim, Sabrina <Sabrina.Kim@pmo-cpm.gc.ca>; Wellstead, Alex <Alex.Wellstead@pmo-cpm.gc.ca>; Vaillancourt, Ann-Clara <Ann-Clara.Vaillancourt@pmo-cpm.gc.ca>

Cc: fitz-morris, James (SPAC/PSPC) <james.fitz-morris@canada.ca>; Power, John (IC)

[<john.power@canada.ca>](mailto:john.power@canada.ca); Lockington, Elliott (SPAC/PSPC) [<elliott.lockington@canada.ca>](mailto:elliott.lockington@canada.ca);
Kusnick, Chelsea (SPAC/PSPC) [<chelsea.kusnick@canada.ca>](mailto:chelsea.kusnick@canada.ca)
Subject: FTI MEDIA REQUESTS / INPUT NEEDED NO LATER THAN 6:50 pm / Québecor
& Globe

Hello,

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, 2020, 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://recherche.ouvert.canada.ca/fr/ct/id/phac-aspc,C-2020-2021-01-00567><<https://recherche.ouvert.canada.ca/fr/ct/id/phac-aspc%2cC-2020-2021-01-00567>>

Q3. Is Baylis Medical associated as a subcontractor with the contract recipient, FTI Professional Grade?

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, did the Trudeau government put itself in a position of conflict of interest in early April, given that one of its main beneficiaries was an LPC MP just six months earlier? The potential conflict of interest is all the more obvious since the contract represents a major sum, i.e., \$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 in the contract?

Q7. Why award such a sizeable contract to FTI Professional Grade, which has absolutely no known qualifications for producing medical ventilators and which has only been in existence since March 31, 2020, according to the Canadian Business Registry?

Q8. Did Frank Baylis or representatives of Baylis Medical make any representations or enquiries 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 criteria was 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<<https://pm.gc.ca/en/news/news-releases/2020/03/20/prime-minister-announces-canadas-plan-mobilize-industry-fight-covid>>, 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 sources of supply.

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2.

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<<https://pm.gc.ca/en/news/news-releases/2020/03/20/prime-minister-announces-canadas-plan-mobilize-industry-fight-covid>>, 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.

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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 sources 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.