

POLAROID CORPORATION

NOH

CAMBRIDGE, MASSACHUSETTS 02139

April 26, 1978

James F Brinkerhoff Vice President and Chief financial Officer The University of Michigan Ann Arbor 48109

Dear Mr. Brinkerhoff:

By Separate cover we have sent our report on our efforts in South Africa.

Also enclosed is our statement of withdrawal from South Africa announced in November.

We appreciate your letter and its constructive concern. As far as this particular Company is concerned we no longer wish to do business in that Country

Sincerely yours,

Robert M Palmer

Director, Community Relations

Brochure: A Continuing Report on Polaroid In South Africa

(WITH DRAWL)

POLAROID CORPORATION

Monday Tovember 21, 1977:

An official of Polaroid Corporation made the following statement today:

"We were presented on Wednesday, November 16, with information which suggested that Frank & Hirsch Pty. Ltd., the independent distributor of Polaroid products in South Africa, has been selling film to the government of South Africa in violation of a 1971 understanding. That understanding stipulated that the distributor refrain from selling any Polaroid products to the South African government.

"As a consequence of this new information, we initiated that same day an investigation from which we have now learned that Frank & Hirsch has not fully conformed to the understanding with regard to sales to the government.

"Accordingly, Polaroid is advising Frank & Ersch that it is terminating its business relationship with that company."

· The spokesman further said:

"In 1971, when the question arose as to whether it was appropriate for Polaroid to continue to sell to a distributor in South Africa, we examined the issue carefully. We abhor the policy of apartheid and seriously considered breaking off all busines: with South Africa. We felt, however, that we should consider the recommendations of black Africans before making a decision. They unted us to maintain our business relationship and try to accomplish improvements in the economic and educational opportunities for black vorkers. We did succeed in persuading our distributor to give to black employees responsibilities much greater than they had had in the past and substantially to improve black salary rates. We also made contributions, which aggregate about one-half million dollars, to black African scholarship funds and other programs. In much of this activity our distributor cooperated effectively. We were therefore shocked to learn that the understanding not to sell to the government was not followed.

"With the termination of this distributorship in South Africa, we do not plan to establish another one."

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