RETIREMENT FUND

INTER-OFFICE CORRESPONDENCE

PLAINTIFF'S EXHIBIT

MET-1053

To: Doctor Draper and Staff

Date: October 28, 1954

From: Doctor Kerr

Subject: G.H.H. Schepers, M.D., D.Sc., Director, The Saranac Laboratory, 7 Church Street, Saranac Lake, New York.

The following is a brief summary of the two-hour conversation held with Dr. Schepers on Tuesday, October 26th:

A. Dr. Schepers' background:

1. He was born and raised in South Africa and graduated from the Medical School in Johannesburg in 1938.

2. Following internship he began to specialize in neurology.

3. In 1943 he received a government appointment in pulmonary chest disease work and has remained in this field ever since, becoming quite familiar with occupational dust diseases of gold miners, coal miners and others.

4. In 1948 he took the competitive examination for one of the five annual Commonwealth Fund scholarships in the U.S. for foreign physicians. He passed his examination and studied in the U.S. during 1949-1950. His familiarity with occupational diseases led him to believe that he should study with Dr. Lanza which he did. (During the year that he has held the above mentioned position at Saranac, he has changed his opinions about Dr. Lanza.)

5. Almost single handedly Dr. Schepers was responsible for the recent excellent amendments of the South African Workmen's Compensation Legislation as it affects occupational dust diseases. At the moment, this legislation is better in some respects than the British legislation and superior to any in the United States.

6. When Dr. Vorwald's resignation was accepted, Dr. Lanza was very active in pushing Dr. Schepers' appointment which was effective in November, 1953.

B. Dr. Schepers' plans for Saranac Laboratories:

1. Dr. Schepers appears to be exceedingly sincere, honest, and most scientific. He was horrified to discover shortly after his appointment at Saranac the extent of employer control of Saranac Laboratories. He intends to turn out scientific work regardless of "where the chips may fall" and is quite aware that

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this will undoubtedly mean loss of industry support for the Laboratory. His contact with us was to determine possible source of funds from the Fund and/or Union. Our situation was discussed frankly and he understands he cannot look to us for research grants.

2. It ~~was~~ suggested that he endeavor to secure money from one of the philanthropic funds and/or the Public Health Service. A request for funds from the Public Health Service is currently under consideration. He indicated that his earlier contact with the Commonwealth Fund might be helpful in securing research funds for high quality scientific work.

3. His present plans insofar as coal dust is concerned are as follows:

   a. Repeat the earlier Gardner studies (which he feels were unscientific because of the false basic premise which paid attention only to nodulation) with particular emphasis on the relationship of coal dust and emphysema.

   b. Pathological research which would include chemical analysis of lungs with a correlation of all results with age and radiology. It is interesting to note that Dr. Friedman has sent him seven lungs thus far for pathological examination. Dr. Schepers would like additional tissue, feeling that a preliminary report on 100 coal miners' lungs would enhance the U.S. recognition of pneumoconiosis.

   c. A mobile x-ray unit should be developed which would permit first class field studies with particular attention to prevalence. Quite confidentially he indicated that he is not happy with Dr. James Bristol, long time radiologist at the laboratories whom he classifies as most conservative. He is taking steps to replace Dr. Bristol in the near future. An indication of Dr. Bristol's conservatism is the fact that he does not even have a set of the standard films on coal workers' pneumoconiosis developed by the British.

   d. Dr. Schepers is willing to consult freely with us and accept any possible suggestion we might make.

4. The Laboratory is providing a very limited amount of service on the diatomaceous earth study. This is the result of the severe curtailment of the John Mansville grant to the Laboratory. Dr. Schepers states that Dr. Kenneth Smith, (Canadian) new Director of John Mansville, alleges this reduction is necessary because of the financial loss inflicted on the company during the long strike of the diatomaceous earth workers. Most of the research is being conducted by Drs. Reginald Smart and Carnes (Pathologist, University of California, Berkeley - formerly of Saranac and Johns Hopkins.)

5. Dr. Schepers is adamant in his demand for separating the funds of the Laboratory and the Sanitorium. Thus far this has not been done and Dr. Schepers has secured an injunction to effect this policy. In addition, he stated there is sufficient money in the Trudeau Foundation for an annual research grant of $100,000.

6. Failing in his efforts to pursue scientific work, to effect a separation administratively and financially of the laboratories and the Sanitarium, and to secure financial support of research upon the expected termination of industry support, Dr. Schepers plans to resign and return to South Africa at the moment. He is hopeful that such action will not be necessary.

C. Dr. Vorwald's departure:

1. Dr. Vorwald refused to accept Dr. Trudeau, III as a part of his staff. Dr. Trudeau, II became incensed because he felt his son was sufficiently qualified. Being on the Board of Directors of the Laboratory, Dr. Trudeau, II left no stone unturned to embarrass and assist in Dr. Vorwald's early resignation.

2. Dr. Trudeau, II endeavored to utilize research funds for continuance of the Trudeau Sanitarium. Dr. Vorwald violently resisted such efforts which did not endear him to Dr. Trudeau, II.

3. Dr. Means, Director of the Sanitarium was to be placed in charge of the Laboratory and the Sanitarium. Dr. Vorwald violently protested because it would have blocked research and because Dr. Means, a younger man, had been brought into the program by Dr. Vorwald.

4. Despite the efforts of all concerned some of the Laboratory reports were beginning to indicate the existence of conditions in industries supporting the Laboratory which were distasteful to management. They felt that Dr. Vorwald could have better controlled the investigations and reports.

5. Dr. Vorwald on his departure from the Laboratory took with him all of the office equipment including extensive files, thousands of slides, numerous reprints, and many library items. Dr. Schepers had left his library in South Africa because he felt he would have the excellent library at the Laboratory at his beck and call. He had none of the recent British material with which I supplied him.

In addition, Vorwald took the total manuscript and all the notes for the 1952 Symposium. Thus far, after repeated requests, Vorwald has refused to return this material to the Laboratory. Schepers has been urged by his Board to sue Vorwald but Schepers "refuses to sue a fellow scientist". Despite Vorwald's protestations that there is no money to publish the Symposium, Schepers states the necessary publication funds have been set aside by the Laboratory and they are willing to proceed immediately upon receipt of the manuscript.

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