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DOCUMENT DESCRIPTION: Letter from P. Lorillard Company with Summation of Various Outside Research Projects for 1954

P. Lorillard Company
INCORPORATED
TOBACCO-CIGARETTES-CIGARS

OLD GOLD BRANCH
111 FIRST ST.
JERSEY CITY 2, N. J.

NEW YORK OFFICE
119 W. 40TH ST.

February 12, 1954

Mr. W. J. Halley
President
P. Lorillard Company
New York, New York

Dear Mr. Halley:

In answer to your request, we have finally put our house in order, so to speak, by preparing a summation of our various outside research projects for the year of 1954.

A total amount of $120,000 was budgeted for this purpose. This can be broken down as follows:

✓ 1. ARMOUR RESEARCH FOUNDATION - 1954 Budget — $15.000
Contract attached. This twelve month contract expires about the first of July. Therefore, if necessary or desirable, it could be extended another six months and still be within the budgeted amount.

✓ 2. JOHN A. KILLIAN - 1954 Budget — $25,000
Letter of agreement attached. This is a continuing arrangement under a ninety day termination notice clause. It includes a $500. per month retainer, plus additional charges for additional work, such as quarterly tests on the comparative filtering efficiency of competitive filter-tipped brands.

✓ 3. DR. MORRIS FISHBEIN and others - 1954 Budget — $50.000
Letter of agreement attached. This agreement is for 1954 and covers:
a) Dr. Fishbein's personal fee — $25,000
b) Completion by June first of stomach work at Hektoen Institute — $12,500

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c) Dr. Fishbein is to be paid $2,083.33 per month throughout the year of 1954. However, for the first five months of the calendar year his check should be $4,583.33 per month, $2500. of which he will transfer to the Hektoen Institute for completion of the stomach work by June first.

d) By substracting items (a) and (b) from the total amount budgeted ($50,000), $12,500 remains for throat and cough studies in 1954. Sub-letters of agreement will be written for this work, and we are now in the process of preparing one such letter to cover a project to be done by Dr. S. J. Pearlman at the Cook County Hospital in Chicago.

✓ 4. FOSTER D. SNELL, INC. - 1954 Budget — $20,000
No contract is necessary as the work is on a job to job basis, terminable at any time. It covers quarterly tests of filtering efficiency on various competitive brands of filter-tipped cigarettes.

5. DAMON RUNYON MEMORIAL FUND - 1954 Budget — $10,000
This is an outright contribution and one which is being held in abeyance for the time being.

Non-budgeted projects are listed as follows:

✓ 1. MRS. ALTHEA REVERE - Non-Budgeted — $25,000
Letter of agreement attached. This covers work to be done for twelve months beginning February 1, 1954. $2,083.33 to be paid monthly. Microscopical, botanical, and microchemical studies of tobacco and smoke.

✓ 2. DR. DAVID N. KENDALL - Non-Budgeted — $ 550. per month
No contract with Dr. Kendall seems necessary at this time, since the work is on a month to month basis, and of a trial run nature to see if he and his spectrophotometer can help us in our work. At the present, he is attempting to prove the absence of harmful fibers in Kent smoke. For the time being, we regard this project as almost like an operating expense of our own laboratory.

✓ 3. DR. E. F. FULLAM - Non-Budgeted — $ 100 per day
A letter of agreement is being prepared, although work on the project has actually started. Dr. Fullam with his electron microscope has been employed to do one specific job for us, namely confirm the absence of any harmful fibers in Kent smoke. He estimates ten days to do the job.

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