

1. As far as salvage value of the cans, that factor has never entered into the consideration at all. In fact I would strongly recommend against their removal, my feeling being that the plant should destroy them as soon as they come in.

2. It must be remembered that those men are race drivers themselves and personal friends of most of the drivers. They are undoubtedly under considerable pressure for gifts of cans from time to time and the fact that they have to return the cans is a considerable help to them in resisting this pressure. If the cans need not be returned, it would be very easy for a situation to develop in which cans are given out from time to time to friends and either the records altered or the cans reported lost or stolen.

With reference to the return shipment of the cans being a menace to the shippers and yourself, I believe that could be easily corrected by the issuance of instructions to the racing representatives to make sure that the cans was tightly closed and the outside rinsed in gasoline (which could be easily done at the time the blend was being made).

I have a feeling that if it is left to these representatives to destroy the cans by fire this is not always apt to be done. At the racing tracks, it is probably not so easy to find an appropriate place to build a hot fire and destroy the cans, the result being that they are apt to be thrown away or otherwise disposed of in such a way that they may go into circulation again.

It is no particular criticism of the racing representatives who I believe are as reliable as it is possible to get, but one must appreciate that under the conditions that they operate, it is perhaps too much to expect that they should follow in detail all the recommendations that we give them. I can certainly see no excuse for the return of cans which are covered on the

July 3, 1936.

Mr. John H. Schneider

Dear Sir:

I have a copy of your letter of July 2nd to Mr. Gonzalez with reference to the returning of empty cans used for blending with molasses. I would like to outline the reasons why we consider the return of these cans preferable to instructions being given to the roasting representatives to destroy them:-

outside with Fluid and not closed, but it seems to me the thing to correct in the whole situation.

I would suggest that we make an effort along the representatives to close the can tightly and rinse it returned. Certainly I think that your plant needs to do the cans when they are returned.

Very truly yours,

Graham Edgar.

GE/LRJ

cc to Dr. Robert A. Kehoe ✓
cc to Mr. J. C. Taylor
cc to Mr. J. C. Gonzales

KE 0000805

I acknowledge receipt of your letter of June : telephone conversation on the matter of returning empty in connection with racing. I regret to note that it is Edgar, Mr. Taylor, and yourself, that it is preferable returned to the plant. I would like to present the fo which I believe I mentioned to you by phone, in view of reviewing the situation with our recommendations that y any new agreements or present contracts, a clause which to return these cans. We feel firmly convinced that o the return of cans is justified and in line with our po major portion of our can business.

(1) It is our experience that cans returned to the one involved in handling them enroute, and to our own p posing of them. The cans come in here with loose caps on the outside, and emanating a distinct odor of tetrae were made to rectify this by thoroughly cleaning the ca think the hazards in any such procedure would offset an conditions. We have no definite guarantee as to how t what other materials, inasmuch as in some cases they wo either express or L.C.L. being placed in railroad cars Furthermore, we have no guarantee that they will be fre or toxic properties.

(2) The cans have no material salvage value as it practically all of them have to be immediately destroyed for we cannot afford to hand sort them relative to the very small percentage of the total returned. The reus second-hand package whose condition is not as good as n any risks in this connection for shipments from the pla

(3) We are now shipping at the rate of upward of 2 Brothers' annual requirements are approximately 72 cans mately 185 per year. This is only about 10% of the to we have a definite policy which was originated by Dr. K neither the can nor the container should be used for an and that it should be destroyed immediately after use, structions to this effect are lithographed on each can reason why we should deviate from a policy, which at le disclosed any serious defect.

(4) In accordance with your advice to me it was fe Brothers and Louis Meyer to return cans would have a be this would necessitate their policing of empty containe

KE 0000806

agents be delegated with the responsibility of poli cans, we see no reason to require them to return th agents are responsible enough to be delegated permi used in connection with racing, then, they should a see that the cans are properly destroyed in accorda policy on the disposition of empty containers. If for this, then rather than to remedy the trouble we appointing new agents.

(5) It so happened that after you discussed th made a visit to the plant and I explained to him ou that he fully agreed with our own views on the situ certainly his opinion should be given quite a defin tion of this matter.

(6) In view of our responsibility to protect a and unnecessary hazards, we do not prefer to be pla to receive and handle these returned cans.

It would be appreciated, therefore, if yo situation and let us have your comments. I am sur of all the angles to the matter, that you will conc

A:E

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