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on The Importance of Industrial Medicine with Reference to Dr. Lanza

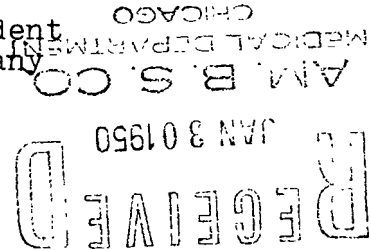
THE IMPORTANCE OF INDUSTRIAL MEDICINE

A talk given at a luncheon of the
National Fund for Medical Education
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by

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Many years ago our friend Dr. Tony Lanza testified as an expert in a compensation case in St. Louis. The plaintiff's lawyer was a brilliant young man and made the most of his opportunities in showing up the bad plant conditions of the defendant's company. After court was adjourned, Dr. Lanza met the young lawyer in the hall. His comment was, "Dr. Lanza, you've been in industrial medicine most of your life. I'll bet you that I've cleaned up more plants in six months than you will in your whole career." Incidentally, that shyster was later disbarred. Fortunately, Dr. Lanza is still one of the outstanding leaders in the field of industrial medicine.

In that period and until fairly recently I would have been amazed to hear that a group of college presidents thought industry would give in large sums to medical education. It certainly hadn't occurred to me ~~that~~ our company would ever give for this purpose. Time does run on. Unexpected experiences turn out to have been waiting around each corner. But progress is amazingly slow. A large part of our education seems to result from the beatings we take and too often need as we go on our way.

In 1929, as the newly installed president of Brake Shoe, I was in need of an awakening as to the working conditions in our foundries.

For years, like most companies, we had had a Safety Department, but, as in many top managements, interest was chiefly in terms of insurance costs, not in terms of human obligations. We had no medical department. It is only in recent years we have realized that any expense which makes a plant safer and healthier is a good investment as well as an obligation.

Our Medical Department started in 1932 and we learned much about bad conditions in Brake Shoe from our first doctor. Looking back, I realize that we had little idea of how far we fell short in giving our people proper working conditions. ^{It took something like to do} ~~an earthquake~~ ^{to do} ~~did~~ the trick and we are still ashamed of the fact that it was a money scare which woke us up.

The year was 1933. The company was in red ink for the first time in its history. Returning from a plant visiting trip to the Pacific Coast, a telegram was handed me in Omaha. It read: "Silicosis suits totaling \$2,700,000 have been filed on behalf of 34 Chicago Heights employees."

I had a lot more hours of train ride to think that over. This was only one of our 39 foundries. Our tangible net worth was under \$25,000,000. For a while I comforted myself with the racket angle.

During the next few months we did not enjoy the lawsuits. It was a racket, but plant conditions were far from right. Today I know these suits were one of the best things that could have happened to Brake Shoe. I don't believe this story of final full awakening is unique with us. I fear it is typical. Without question ethical and unethical lawyers have helped clean up a lot more plants than we enjoy giving them credit for. The man who cross-examined Dr. Lanza was actually blazing a trail for our progress.

Today we all know that if our employees possess sound bodies, peace of mind and good working conditions, increased efficiency and better products result.

Not too many years ago there was a feeling generally that company employees were indebted to the employer. For years I have spent an important part of my time trying to help superintendents and foremen of our 58 plants understand better the fundamentals of employer-employee relationship - the company debt to all men in the organization who pull their oar in advancing the company toward its objective. A proper sense of proportion has gradually developed. Human relations are at last getting the recognition due them. Their effect on earnings are known. Altruism and dividend rates are not incompatible.

Management has always known the importance of good people. In recent years we have come to realize that to attract them we must rate them - earn the reputation of providing "a better place to work." In the future, no plant will rate the best people without an adequate and an effective medical department.

We know that a strong medical department with at least one nurse at each plant is not only something companies owe their people but that it turns in a profit for stockholders through the development of better human relations. Also, and let's say incidentally, it reduces insurance premiums importantly.

Experience in our company with 38 plant nurses has shown them to be one of the most important influences in building employee confidence and friendship.

In every company there are many incidents which from day to day prove this. Largely they have to do with nurses and the workmen's families. Obviously in small plants such as ours family opportunities are easier to find.

Just a few items:

A severe hemorrhage - a child of a pressroom man; the nurse rounded up three type "O" donors from the plant to supply the needed blood.

A young son, bicycling dad's lunch basket to his plant, was hit by a car. The nurse handled the medical aspects and secured a company lawyer who won the lawsuit.

A nurse was told the delinquent daughter of a woman employee was missing. After many weeks she found the girl and with the aid of social workers rehabilitated her.

It was war time - a worker unable to report for work. There was no one to take care of his sick wife and child. Our nurse made the necessary arrangements and brought him to the plant.

My favorite incident was several years ago. Two little children carrying a stunned dog pushed violently on the front door bell. "You're the company nurse. Our dog doesn't move. Do something about it." In trouble those children automatically ran to our company nurse. Those children had faith in ^{Company} Brake Shoe people.

It is not enough for management to be conscious of the responsibility it has for the health of company people. Nor is its obligation fulfilled when it convinces those throughout the supervisory line. It also must carry the crusade up where that is necessary.

Due to the expenses involved, the directors must understand the Company's health and safety problems and what they mean to company success, yes and ^{to company} dividends.

In the old days, when a capital expense was recommended, directors asked: "Will this reduce costs?" or "Will it increase capacity?" Today the attitude is different. They know there are many other capital expenditures a company cannot afford not to make.

With today's competition for the most intelligent and efficient workers, stockholders cannot long afford directors who do not realize the importance of top health and safety conditions in their company's plants, nor ^{afford} managements which do not spend whatever is necessary to give plant people the conditions they would want if in their places. Today we all admit such standards are necessary and it is our obligation to convince each and every associate of that fact.

The doctors who practice the profession of industrial medicine and who do research work in this important field, are blazing a trail to greater security and productivity throughout industry. It is the responsibility of business management to follow that trail. If we are sincere in our desire to live up to our responsibilities managements will be afraid not to give the medical departments what they need for the successful operation of their program. As medical knowledge advances this will continue to mean additional large capital expenditures.

Recently our company added to its equipment an X-ray Bus which visits plants and takes chest x-rays of our people. This mobile unit is the latest addition to our employee health program. The bus

plant visits have increased the number of our people who believe we are ~~sincerely~~ trying to improve their lot and raise their confidence in us. ^{Each year} X-rays have uncovered about 40 previously undetected cases of tuberculosis each year. Today a look at our departmental expenses quickly proves industrial medicine is accepted as essential.

Progress to still better working conditions will be retarded, perhaps actually stop, unless there is a sufficient flow of competently trained doctors and nurses to our ranks. ^{These doctors} (They) cannot be equipped with sufficient knowledge in schools where industrial medicine is taught in a half-hearted way by inexperienced teachers. There must be high educational standards. Such doctors should have at least one year of specialized graduate training. Back of them must be adequate research and with them engineers trained in industrial hygiene who recognize health hazards and know how to correct them. The nurses must be people who have the ambition to make life better for other people. They can bring friendship to company families in trouble. We need nurses who seek the glow which comes from the realization they are creating the feeling of greater security in many families. Today the company which plans to continue in business needs these people just as definitely as it needs engineers and other technical men. To the extent we can afford, we must support medical education and medical research just as we do technical education and product research.

The medical people we now have in our ranks were educated with the aid of the charity of individuals and foundations. On the average the doctor's education costs \$6800 more than he paid; the nurse an average of \$2000. It cost charity funds over \$80,000 to

train the medical staff for our relatively small company. I know of one large plant where this figure was over \$425,000.

To a large extent companies have had a free ride but the money is no longer there to continue this free ride. The universities are now experiencing a shortage of funds. The flow of income has been reduced and the expenses have increased. In the future, an important part of the money for medical education must come from new sources. If only in self-defense we must pay our own way from now on. Certainly, this isn't charity any more than the contributions which industry is making to other branches of education. The funds from companies will be given by them to provide tools - the medical staffs - they need today and tomorrow just as definitely as they need production equipment. It is our insurance on the future supply of adequately trained personnel.

The importance of medical departments to industry establishes beyond any doubt that donations to medical education are a proper operating expense. They cannot be considered charitable contributions except ^{possibly} in the eyes of the Internal Revenue Department.

Medical schools cannot survive without adequate funds. To supplement them we must go to our boards of directors, even stockholders, if necessary, and supplement medical school funds with company money. In making such recommendations we can say that there will be less security for stockholders in business investments unless there are available to us an adequate number of properly trained men and women from our medical schools. Such people are essential to meeting our obligations to company people. Also, they are an

essential if our determination to build better and better relations within our companies is to be intelligently pursued.

The National Fund for Medical Education plan gives industry an opportunity to invest money in the protection of its own future, the protection against the damage to it which will result from a shortage in medical school graduates. That shortage exists today and will rapidly become more and more acute unless sufficient funds are promptly supplied for medical education.

You here have the responsibility to carry this flag - the responsibility to fight your managements for whatever amount is your company's share. This has nothing to do with the danger of socialized medicine being adopted in our country; it has nothing to do with the problem of where our country is headed. We need an adequate flow of well trained people for our medical departments. Your problem is what is your company's share of that expense.