

* MEMORANDUM *

TO: Mr. A. V. Campbell, Third Vice President.

FROM: Dr. Lanza

DATE: October 8, 1927

SUBJECT: Picher, Oklahoma.

On September 20, 21 and 22 Dr. Lanza was in Picher, Oklahoma accompanied by Dr. Sayars, Chief Surgeon of the U. S. Bureau of Mines and visited the Health Clinic maintained there, and also for the purpose of visiting Groups. During the course of his stay it was brought to Dr. Lanza's attention that an individual named James Lynch, an employee of the U.S. Fidelity and Guaranty Company was endeavoring to stir up agitation in regard to the Metropolitan in that district.

Mr. Lynch is a mine inspector of the United States Fidelity and Guaranty Company and inspects mines carrying compensation insurance in that company. This position pays him a salary of \$400 a month. Recently he was a candidate for the office of State Mine Inspector, with a salary of \$125 a month. According to the managers of our various insured Groups there is considerable graft connected with state mine inspection. When Mr. Lynch announced his candidacy as State Mine Inspector the mining companies fought him for obvious reasons, especially those carrying their own compensation which includes the larger organizations covered under our Group insurance. As a result of his defeat Mr. Lynch was apparently endeavoring to retaliate with the mining companies and the Tri-State Zinc and Lead Ore Producers Association. Among other things, as it has been reported to Dr. Lanza on quite reliable authority, he has endeavored to stir up discontent among miners by stating that the Health Clinic was being run for the benefit of the Metropolitan; that the records obtained there were sent to our office in New York and that individuals who were examined in the clinic who were found to have physical defects would never be able to get insurance again in any company. Apparently also he has approached a number of companies and told them that their compensation rates ought to be raised but that if they would transfer their health and accident insurance from the Metropolitan to the U.S. Fidelity and Guaranty Company the present compensation rate would stand. This in turn made the officials of various companies uneasy.

Local representatives of the U.S. Fidelity and Guaranty Company in Miami, Oklahoma are the Bonford Brothers. They state, so Dr. Lanza is informed, that they do not approve of Mr. Lynch's agitating activities but that inasmuch as he works directly out of the Baltimore office they cannot control him. A similar statement was also made, so Dr. Lanza is informed, by the

*Dr. Lanza
Thanks
I sent letter to
Horn Chemical & Pharmaceutical
Sections
Assume you are
sending copy to
R.H. Lanza*

*see
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supervising agent for that district, Mr. Bobout (?) of Kansas City. Neither Dr. Sayers, Dr. Meriwether nor Dr. Lanza were inclined to pay very much attention to all of this. However, it seems to have seriously disturbed some of our Groups, particularly Mr. Robinson, head of the Commerce Mining and Royalty Company and his attorney, Mr. Scott Thompson, who is also the Acting Chief Justice of the Oklahoma Supreme Court.

Dr. Lanza had several discussions with Judge Thompson and the latter was anxious that, if it were feasible, action might be taken to curtail Mr. Lynch's activities by the Metropolitan from the Home Office. Judge Thompson was positive that the information, as outlined above, was correct. Some of it he had gotten directly from mine managers who had consulted and repeated to him statements that had been made to them by their own employees. Some he had obtained from the safety inspectors of the Tri-State Association, and Dr. Lanza is strongly inclined to believe that some of this information was gathered from agents whom the operators have circulated around underground to secure just that sort of information. Inasmuch as Mr. Robinson and Judge Thompson felt so strongly in the matter Dr. Lanza told them that he would call the facts as stated to him to the attention of his Company.

On returning to New York Dr. Lanza communicated the above to Mr. A. G. Campbell and later Mr. Campbell and Dr. Lanza consulted Mr. Lincoln, General Counsel.

It was Mr. Lincoln's opinion that the Company should take no action. There was practically nothing in the way of definite, well substantiated fact upon which to base action and therefore it did not appear that the Metropolitan had suffered any damage. In his opinion, therefore, he thought it best to let the matter lay. If it could be shown beyond any doubt that Mr. Lynch is attacking or injuring the Metropolitan then it might prove desirable to communicate with the president of the U.S. Fidelity and Guaranty Company, but such action did not seem to be warranted as yet.


Assistant Medical Director.