PLAINTIFF'S EXHIBIT
K-1102

THE SARANAC LABORATORY
OF THE EDWARD L. TRUDEAU FOUNDATION
SARANAC LAKE, N.Y.

LEROY U. GARDNER, M.D.
DIRECTOR

May 5, 1946

Memorandum to: Mr. Manfred Bowditch

From: L. R. Blinn

Re: Owens-Illinois Glass Company
Experiment No. 1012 - K-Lo

It appears that the above company has overlooked payments on the contract as set forth in Dr. Gardner's letter to Mr. U. E. Bowes, Director of Research, under date of November 27, 1944, from which I quote: "The cost of this experiment will be $5,000. a year plus the necessary travel expenses of our engineer for plant inspection. Should you desire to undertake it, I would suggest that payment be made quarterly to the Saranac Laboratory, etc." On December 8, 1944, Mr. Bowes advised: "You may consider this letter as authorization to proceed with the program as outlined." The experiment was started approximately February 15, 1945. An interim report was sent by Dr. Gardner on May 13, 1946, and another report is due now, upon receipt of which the company will consider renewal for one to two years.

Mr. Dayton was not apprised of the agreement in 1944, therefore quarterly statements to remind the company of payments due were not sent. In getting material together for Dr. Vorwald during his recent visit and checking the status of this account, it was discovered that Owens-Illinois owes us $10,000 for 1945 and 1946. This was discussed with Dr. Vorwald and he requested Mr. Delahant to furnish certain data in connection with the experiment so that he might review the material and write a letter (which he will send to us for final copy on our stationery) recommending continuation of experiment for another year and reminding Owens-Illinois of the above oversight. Mr. Delahant has supplied the necessary information and I have forwarded it to Dr. Vorwald.

You will recall, we have a contract (June 26, 1945) to read films (approximately 500 per year) for this company at $2.50 per man. We read considerably more than that amount in 1946, for which this company paid us $2645.76, including transportation of films.

In December, 1945, Owens-Illinois contributed $1,000 to our building fund.

I believe the above will give you a complete picture of this account.

CC: A. J. Vorwald, M.D.
Mr. Roy Dayton

PLAINTIFF'S EXHIBIT
Kirstein-21
8-28-98