



Argus Research Laboratories, Inc.
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November 24, 1995

Hasmukh C. Shah, Ph.D.
Manager, Vinyl Chloride Panel
Chemical Manufacturers Association
2501 M. Street NW
Washington, DC 20037

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RE: Vinyl Chloride Combined Inhalation Two-Generation Reproduction and
Developmental Toxicity Study in Rats

Dear Dr. Shah:

Dr. Rothenberg of our laboratory sent you a letter stating that Argus Research Laboratories, Inc., would not be submitting a bid for this proposal. I believe that some additional information regarding the reasons we did not bid on this proposal in its current form is needed.

I had reviewed the protocol before its issue, to identify whether the procedures were adequate. At that time, I asked whether there would be conflict of interest because I worked for a laboratory that offered inhalation capabilities, and if my participation precluded us from bidding, I did not wish to review the protocol. I was told that the protocol was developed for internal use at a chemical company and would be conducted within the company designed the protocol and not sent out for bid. I was also told that because that company did not have nose-only capabilities, there was no reason to comment that this methodology would improve the study conduct, because whole body procedures were the only procedures available within the company that designed the study and there would be not opportunity for us to submit a bid using an alternate method. Based on this information, I did not comment regarding procedural differences between whole body and nose only exposures, although it should be quite obvious that the nose only route is superior for the following reasons:

1. Exposure of the pups is limited because the body of the dam is not exposed to the chemical (the pups have the potential to be exposed to chemical on the mother's body during grooming and nursing).

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2. Exposure of the pups can be better controlled in terms of age and individual exposure, vis a vis whole body exposure in groups.
3. Dermal exposure of all generations is reduced.
4. Exposure levels are more closely controlled.

As stated in Dr. Rothenberg's response, we are not going to submit a bid because we already know that we would be too high to be within an appropriate range, based on inherent procedural differences (our best price would be \$1,249,000, which would probably exceed other bids). However, should you find that this ballpark figure is within the range of bids submitted and that the expertise in reproductive toxicology and the nose only route inhalation exposure be considered a possibility, we would be happy to develop a full proposal for your use. Alternatively, should you find that you need assistance in monitoring or interpreting the data generated at an alternate facility, we would be happy to assist you in evaluation of the study.

Thank you for allowing us the opportunity to evaluate this bid.

Please do consider us for other proposals, because we enjoy working with CMA and hope to continue to have a positive working relationship with you.

Sincerely,



Mildred S. Christian, Ph.D., ATS
Executive Director of Research

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TOTAL P.04