

1. Last paragraph, under Financial Operations and Accounting, page 2. Salaries and other expenses of the Laboratory, while paid out of the pooled financial resources of the University, are handled under a separate account in which are recorded the receipts and expenditures of the Laboratory. Fees for medical services of various kinds now come to the Laboratory, but go forward promptly to the University.

2. Third paragraph under Activities, page 3. The instruction provided by the staff of the Laboratory is not in the University's Medical School as stated, but is in the Graduate School, and is concerned with the training of personnel in industrial medicine and hygiene. The point is important, because both the use of the facilities available now and later, as well as the expenditure of funds provided by Ethyl Corporation and other industrial organizations, are devoted to the purposes of industry. Ethyl Corporation specifically has profited from this, in that personnel trained in industrial medicine in the Laboratory have joined its medical staff. It is our belief that this is one of the major achievements of the Laboratory during its existence, and that the value of this development to American industry, now and in the future, is such that it needs to be expanded. The services rendered to the Medical School by the Laboratory are offset by the services rendered professionally to the Laboratory by other departments in the Medical School.

3. First paragraph under Obligation Under Present Contract, page 7. The terms described in this paragraph, which would seem to require Ethyl Corporation to make up any deficit incurred from year to year - i.e., to pay "the sum set forth in the annual budget less contributions from other sponsors" - have not been operative now for several years. The management of the Laboratory has found appropriate means of dealing with deficits, if any, without calling upon Ethyl Corporation.

4. The general tenor of the discussion in Section I of the report, while generally correct in its facts (there are exceptions some of which are noted above), leads by implication to the conclusion that Ethyl Corporation has invested unduly heavily in the establishment of research facilities in the University of Cincinnati in which it has little equity, that it has borne an unfair share of the total cost both of the facilities and the operating costs, and that it is being asked to extend this inequity on into the projected development. This, I believe, is a slanted view; it is tenable, but not realistic. What Ethyl Corporation has done, I think, has been to provide financial aid that has resulted in the development of a facility needed urgently by American industry, and, specifically, by Ethyl Corporation. To the extent that the Corporation has borne a larger than seemingly equitable share, as compared with other industry, in the cost of this development, the impetus to do so was provided by Ethyl's urgent need, plus Ethyl's greater awareness (as compared with many other industries) of its need, -an awareness induced by its early history, as well as by the acuity of its management. The wisdom of Ethyl's having done this is manifest not in what it (Ethyl) owns or now controls, but in the position which is occupied by Ethyl Corporation in relation to the health of its employees, the employees of the automobile and petroleum industries, and the public. This is an intangible thing the value of which cannot be estimated. Speaking, objectively, as far as may be

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possible, I believe that this position has resulted in part from the collective activities of Ethyl's Medical Department, as it has been aided and supported by many people in Research and Development, Sales and Manufacturing Departments and by management generally. But the basic ingredient of this activity, without which it could not have been accomplished at all has been the fruit of medical research. The latter was slow in coming, costly in its development because of the lack of experience and "know-how" in the field, and sometimes halting in its application. However, the pioneering work has now been done, to a considerable extent, and the facility is, I believe, an effective one. In short, in my belief, the investment has been productive. It is granted, freely, that this chapter is behind us, and the view of Ethyl Corporation should be toward the future, rather than retrospective. It is fair, however, to say of the past, that as Ethyl's accepted share in the cost of this activity has been higher than that of any other single industry, so have its derived benefits been disproportionately high. No other industrial organization has had the benefit of such close working relationships with the staff of the Laboratory or of such direct and detailed advice and guidance as could be supplied by the staff.

5. First paragraph, under Ethyl's Prior Contributions, etc, page 19. I must deny, emphatically, the correctness of the statement that "this does not necessarily imply that we utilize 25% of the manpower, equipment and space". Our procedures of cost accounting, in which all overhead costs are based on the time actually spent by personnel in work for the specific sponsor, insure an approximately proportional use of the facilities over any considerable period of time. All divisions of the Laboratory contribute something to each major experimental project, and that something is determined most equitably in terms of the time spent by the individuals, using the tools of their special discipline. Except for unusual circumstances which may have to be dealt with by special procedures, it is difficult to visualize any other method of allocating costs in a research organization.

Later in the same paragraph, the reference to the subsidization of the Office of the Coroner of Hamilton County, carries with it an unsatisfactory implication. The facilities required to render this service to Hamilton County will be used to serve the industrial sponsors of the Laboratory, and in addition will contribute materially to professional training, since accidental deaths and deaths from poisoning are part of the grist of occupational medicine. The pathological work of the Laboratory, one of the highly important ingredients of toxicologic investigations, will be carried out in this facility. Moreover, the impending program of further investigation of the significance of atmospheric pollution with metals (antiknock compounds) involves the availability of human tissues for analysis. This facility is an integral part of the investigative program of the Laboratory, and it has been included in the Laboratory, only in part as a public service, and primarily because that is where it belongs.

By the same token, the provision of teaching facilities in this Laboratory (to which the new facilities in the Medical College contribute greatly) is only secondarily a service to the University of Cincinnati and to the City of Cincinnati. We have inaugurated this program, and have put a tremendous amount

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of time (mostly extra curricular) and energy into it, because the need for trained personnel of this type in American industry is one of its most urgent problems. Certainly Ethyl Corporation has no greater obligation in this direction than have many other American industries. Ethyl Corporation is in position, however, to recognize the validity of this program as a contribution to industry and to industrial health.

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