To:	Clegg, Patsy M SCC-DCS/22 <patsy.clegg@shell.com>
From:	Russell White <whiter@api.org>
Cc:	
Bcc:	
Received Date:	2006-07-13 17:57:29 GMT
Subject:	API special programs write up and budget for BHRC

Patsy,

Attached is the 2007 BHRC budget and summary for API's special programs committee. Very similar to Lorraine's write-up of the past.

I didn't add in any contingency money into the expense column (nor interest in the revenue column). But after thinking about it, I would rather over budget than overspend. Should I assume some contingency money will be spent?

>

Attachments:

Doc5.doc

BENZENE HEALTH RESEARCH

The goal of the Benzene Health Research Consortium (BHRC) is to gain an accurate understanding of the relationship between benzene exposure and the risk of certain bone marrow diseases. This consortium of five companies has agreed to contribute up to $26.1 million to cover the costs of the project know as the Shanghai Health Study (SHS). Representatives of the participating companies and a panel of independent scientists approved the three study protocols being used in the project. API management and staff costs are charged to the consortium. Any funds remaining after the completion of the program will be returned to consortium members.

The results from the SHS could lead to improved benzene-driven, health-based regulatory standards (e.g., ambient air, water and occupational) worldwide by providing the regulatory and scientific communities with information for more accurate assessment of the risks to humans from exposure to benzene. Three inter-related studies will be conducted in this project:

1) Case-Control Study - A hospital-based case control study to investigate the potential relationship between benzene exposure and both Non-Hodgkins Lymphoma (NHL) and Acute Myelogenous Leukemia (AML), including an attempt to quantify the potency of benzene for the AML response.
2) Disease Progression Study - A hospital/clinic-based investigation of the relationship between non-cancer diseases of the bone marrow and AML (cancer) to determine if effects on bone marrow progress through non-cancer stages to the ultimate leukemia. This study will also attempt to define the shape of the dose response for possible "precursor" diseases and could result in characterization of unique identifiers of benzene-induced AML.
3) Molecular Epidemiology Study – This study will investigate, on a subcellular level, if there is a quantitative relationship between benzene exposure and potential early indicators of both exposure and effect in a focused population of workers. If such relationships exist, it will explore development of biomarkers of exposure and disease progression.

The BHRC was formed in 2001. Training of personnel in required cytogenetic techniques and finalizing collaborations with Fudan University, Shanghai Municipal Center for Disease Control and Prevention, the Shanghai Municipal Institute for Public Health Supervision, Allied Health Services and ExxonMobil Biomedical Services, Inc. was completed by the end of 2003. Designing and equipping a clinical laboratory (for case diagnosis) in Shanghai was completed in 2003. Case recruitment began in August 2003 and will continue through 2006. Data analysis is scheduled to be completed by the end of 2007. The entire program is also scheduled to be completed by the end of 2007, though the members have had discussions about an amendment to extend that date.

The approved budget for the SHS was increased substantially in 2005. Revenue from BHRC members will continue to be collected into 2007.

General Analysis

- The objective of the BHRC is to take advantage of the unique research opportunity in Shanghai in a manner that will minimize individual consortium member company costs.

- Information gained from this project will have a direct relevance for worldwide regulatory standards designed to protect workers and the general population from benzene-induced disease.

- These studies will assist contributing companies in achieving product stewardship goals.

- API is the best vehicle for consortium administrative and technical management due to API's long standing relationship with the study principal investigators, Drs. Richard Irons and Otto Wong.

- The planning and implementation of the SHS is assisted by RASA staff, at significant savings to the companies.

Resources/Budget and Staff

	Revenue	Expense	Net (Loss)	Staff
2005 Actual	4,806,657	4,731,577	475,080	0.7
2005 Year End Fund Balance			2,823,168	
2006 Request	3,226,039	5,154,874	(1,928,835)	0.7
2006 Projected Year End Fund Balance			964,412	
2007 Request	1,522,748	1,479,590	43,158	0.7
		No contingency expense		