

January 30, 1929.

Mr. Jacob Blaustein, 1st V-P & Gen. Mgr.,
American Oil Company,
American Building,
Baltimore, Md.

Dear Mr. Blaustein:

With the expanding business of the Ethyl Gasoline Corporation our Medical Director, Dr. Robert A. Kehoe, has been on the watch to see that no additional health hazards are incurred. He has always considered one of the greatest points of possible risk to be in the shipping of ETHYL fluid over railroads and other transportation facilities. Recently we had a less than carload shipment of 10 drums that arrived with one drum in a leaking condition, quite a substantial amount of ETHYL fluid having spilled out of it. This fluid saturated a part of the floor of the car and also some of the other shipping cases in it. The railroad company people apparently made no attempt to clean up the fluid and when we found out about the situation we had to trace a shipment of empty bottles in cartons all the way to Texas, and the car itself back to the Philadelphia yards in order to get this spillage entirely cleaned up.

Dr. Kehoe feels that we and our customers are taking an unwarranted risk in attempting to ship ETHYL fluid in less than carload lots which, as you are aware, involves the rehandling of the drums at transfer points from one car into another by inexperienced railroad freight handlers who undoubtedly allow them to drop and knock against other things so that it would seem in the course of time we could probably anticipate that a given percentage of the drums of ETHYL fluid so shipped would leak to some extent. This is not the first or only time we have had a leaking drum but the events that occurred in this particular instance have made Dr. Kehoe realize the possible serious trouble that can arise.

When carload lots of ETHYL fluid are shipped from our Plant we are able to do our own chocking of the drums and we have worked out a special procedure which insures the drums will not move in the car, unless the entire car itself were to be demolished in a wreck, which possibility we cannot very well entirely eliminate. The car is sealed after it is loaded and is not touched by the railroad handlers or anyone else until it arrives at the refineries of our distributors who have supposedly trained personnel who can recognize the dangers involved in the event all of the drums are not intact and would see that all spillage is carefully and properly cleaned up before the car is released. We might say that we have never had any trouble with carload shipments.

We have been looking over your use of ETHYL fluid and it appears even during this winter season that you are using about 10 drums a month. A minimum carload is 44 drums.

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Mr. J. Blaustein,

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We do not like to ask you to carry too large an inventory of ETHYL fluid but Dr. Kehoe has insisted that we take up the question with all of our customers who are at the moment ordering in less than carload lots and advise them that he considers it necessary for them to order full carloads at a time. We rather believe that if you will calculate the carload freight rate, as compared with the L.C. L. rate, you will find the difference between the two will at least equalize the interest on an investment if you will compare the average inventory of ETHYL fluid that you keep on hand today against the average of your inventory on a carload lot order basis.

If you have serious objections to taking 44 drums at a time, you might have your Traffic Department calculate what it would cost you to pay the carload freight rate even though less than this quantity of ETHYL fluid was shipped, as compared with the freighting cost on L.C.L. shipments and we believe that you will find you will not pay any more freight on a carload basis for 20 to 25 drums than you would by paying the L.C.L. rate on this same quantity in two or three different shipments. Of course, if we elect to pay the carload rate on a weight of ETHYL fluid that is less than carload, the railroads will still seal the car and ship it through to its destination without rehandling.

We are writing all of our customers who order in less than carload lots a similar letter today and we, frankly, have no alternative but to accept Dr. Kehoe's advice on all questions that relate to possible health hazard.

We hope that you will not be unduly burdened in making the necessary arrangements to so order ETHYL fluid in carload lots and await your advice as to how you wish us to handle future orders for it.

Yours very truly,

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