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March 23, 1982

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In June, 1981, our firm contracted with Battelle Laboratories of Columbus, Ohio, to conduct studies on tobacco smoke and nicotine in the environment. The original six-month contract was for \$75,000 and was funded through Special Fund 4. Although this best efforts contract has now been completed, it appears that an extension is necessary to finish all the studies envisioned under the original contract. Battelle has requested a two-month extension at a cost of \$13,000 and we recommend that it be approved and funded via Special Fund 4.

The original project/contract (called Phase I) concentrated on the measurement of particulate matter and nicotine from tobacco smoke in controlled environments. As is often the case in research projects involving private organizations, the complexity of performing studies on tobacco smoke was underestimated. These initial technical difficulties, however, have been remedied according to Dr. Murray Senkus who informs us that Battelle performed well in the latter parts of the project. It is our belief that a contract extension is necessary for Battelle to complete the analysis of data gathered during the completed part of the project and to perform several "decay" studies of tobacco smoke and nicotine in a simulated realistic environment.

We have discussed the Battelle project with Drs. Spears and Senkus and they believe that the proposed contract extension will provide the information necessary to evaluate fully Phase I

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of the project. We have entered into preliminary discussions with Battelle-Columbus personnel and outside investigators regarding Phase II of the project (involving research on human subjects exposed to environmental tobacco smoke), but a proposal has not been developed. Drs. Spears, Senkus and Colby all feel that it is necessary to complete Phase I before serious consideration is given to Phase II.

We believe that the testing performed by Battelle-Columbus under the initial contract has been helpful and recommend that the contract extension be approved. Since time is of the essence in this matter, we would appreciate receiving your oral or written response by April 2, 1982. If you have any questions about the proposed extension, please do not hesitate to call me.

Sincerely,



Patrick M. Sirridge

PMS:sh

cc: Ms. Janet C. Brown
Edwin J. Jacob, Esq.