Alfred Bader fonds

Correspondence

Pubrich Chemical Go. Inc 1959, 1981-2003

AUEEN'S UNIVERSITY ARCHIVES
LOCATOR 5095.5
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### A Chemist Helping Chemists

October 1, 2003

TO:

Dr. Chris Hewitt, Vice President Aldrich Chemical Company Page 1 of \_1\_

FAX #:

298-7905

Dear Chris,

I so enjoyed our evening together.

We should really plan to get together about once a month during the 7 months that I am in Milwaukee. Please look at your calendar and tell me which noontimes you might be free for lunch at the Astor. (Also October) They serve quite good lunches every day except for Monday.

With best wishes I am

Yours sincerely,

Alfred Bader

AB/az



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October 18, 2000

Dr. Clinton F. Lane, President Aldrich Chemical Company 940 West St. Paul Avenue Milwaukee, WI 53233

Dear Clint,

I wonder whether you might help me with the following: During the many years that I supplied paintings for catalogue and *Acta* covers, my good friends, the painting conservators, Charles Munch and Jane Furchgott, cleaned up many of the paintings needed, and I supplied them at no charge with common Aldrich solvents.

The solvent which they need by far the most is about 5 gals. of denatured ethyl alcohol, catalogue #18738-0.

When they order this from Aldrich now the freight exceeds the cost of the chemical.

Would it be possible for me to purchase this ethyl alcohol, pay for it of course, but pick it up, with no transportation cost and keep it in my gallery until Charles comes in. He picks up and delivers paintings from here and from the Milwaukee Art Museum fairly regularly.

With thanks for your help and best regards I remain

Yours sincerely,

Alfred Bader www.alfredbader.com AB/az





# CHEMICAL MARKET REPORTER September 29, 2003

Special Focus **Executive Leadership** 

# **CFO Forum**

Sigma-Aldrich

Sigma Aldrich chief financial officer Michael Howan discusses the company's growth strategy and its abi weather the recent economic downturn. Page

# **HR Focus**

**Cost-Cutting Impacts** 

Senior executives face the challenge of marrying cost-cutting goals and the task of retaining the talent pool to meet longterm strategic goals. Page 18

# T in Brief

Vercs, D.A. Stuart Team

The companies link in MSDS software. Henkel joins InnoCentive as seeker company. Pavilion gains EPA okay for emission monitoring software. SAP in SCM release. Page 19

# CFO Forum: Reorganization Key To Sigma-Aldrich Growth Strategy

Jennifer Ouellette

**Chemical Market Reporter** 

s the US economy continues to limp along the long slow road to recovery, the US chemical industry is trying to bolster third and fourth quarter earnings after a disappointing showing in the first half of 2003. One chemical company bucking that trend is Sigma-Aldrich Corp., which has man-aged to sustain modest growth despite the economic difficulties that have beset the industry in general.

As a \$1.2 billion life science and hightechnology company, Sigma-Aldrich offers biochemical and organic chemical products used in genomics research, biotechnology, pharmaceutical develop-ment, disease diagnosis, and chemical manufacturing. It is also a medium-sized fine chemicals supplier to life science companies, university and government institutions, hospitals and industry. The company has three main business sectors: scientific research, which comprises about 60 percent of its business; biotechnology, which accounts for about 20 percent and the remaining 20 percent fine chemicals, broadly defined as chemicals that sell for more than \$10 per kilo, which represents a \$50 billion market worldwide.

With regard to the fine chemicals

portion of its business, despite its size, Sigma-Aldrich has weathered the eco-nomic downturn well, which chief financial officer Michael Hogan attributes in part to the company's focus on high-end, value-added specialty fine chemicals, particularly to markets in pharmaceuticals, electronics, materials, tissue culture media, buffers and transgenics. "We specialize in small quantities of highly valuable substances," he says. "They tend to be needed in both good and bad economic times, and customers are more willing to pay a premium price for something of high value." These sorts of products have not been as badly affected by current pricing pressures afflicting more commodity-level chemicals, and hence tend to have higher profit margins.

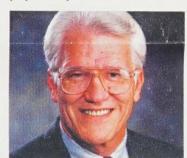
Mr. Hogan estimates that one-third of the company's product line sells for between \$10 and \$100 per kilo; another third for between \$100 and \$1,000 per kilo; and the remainder for more than \$1,000 per kilo. Despite such higher values, the company's average order size in its research business is \$300 and in fine chemicals about \$3,000. "We've built a \$1.2 billion company on literally millions of transactions every year," says Mr. Hogan.

Another secret of the company's resiliency is its broad product line and diverse customer base, as well as good geographic distribution. Sigma-Aldrich sells 85,000 products, nearly half of which it also manufactures, and each of which comes in various es and purity levels. These products at rs (60,000 with 55 perthan one million cust accounts) around the wo cent of the company's bus stemming ily Europe

from outside the US, pr However, Mr. Hoga dmits that Sigma-Aldrich does not e to hit all of its longer-term goals in 03. "We're recession-resistant, bu immune," he says. He reported sales growth v ve're not mates that nost likely remain in the single digits that curren cy-adjusted sales will be f flat in 2003 Earnings per share (EPS with is still expected to increase by 1 ent, and the ain both its company believes it will 20 percent plus pre-tax n ). The com-iggish pharpercent return on equity pany has been buffeted by maceutical industry, ad y affecting sales in the fine che s division. sector, the ently suffer-Another major custor biotechnology industry, is ing from poor capital n conditions

Furthermore, as Na of Health funding begi slow, sales of research chemicals feel some pressure as well. The down in government-fu ued slowfundamenontinues to tal research in general many of the ent in R&D impact growth prospec company's markets. Inv has been a primary d economy since the 1940 is critical to achieving technologic not just in the chemical dustry, but in

other high-tech market res, Sigma-To combat these p Aldrich unveiled a revis trategic plan in March 2003 to jump new growth after the company's slu 2003. The plan includes log- and Web-based showing in enting catawith more direct focus on the custor er and more attention given to key accounts. Other goals are to better prioritize the company's marketing initiatives and to foster more cooperation and less competition among its various brands. There are also plans to improve capacity utilization from 50 percent to 80 percent through a combination of growth and bringing products the company currently outsources back in-house.



Michael Hogan, Sigma Aldrich

While industry analysts are touting the long-range benefits of Sigma-Aldrich's new investment strategy and pegging 2003 as a "transition year" for the company—and upgrading its stock assessments accordingly—Mr. Hogan maintains that it is, in fact, more of a fine-tuning of the strategic plan set in place back in 2000. "We have the same long-term goals today that we had back when we launched our new direction at the end of 1999: to grow our top and bottom lines at least 10 percent with a 20 percent return to our shareholders," he says. What's different this time around is the broad reorganization taking place within the company as it seeks to coordinate its various departments and divisions more effectively.

For example, in the past, there were times when the company had products ready for launch, but no existing customer base for targeted marketing efforts, or a marketing plan in place for a product that was not ready. To address that imbalance, Sigma-Áldrich now has individuals focused on specific functions around the world-marketing, sales, research and development, process improvement, technology acquisition, and operations—and each of those activities are better coordinated with one another. "Instead of trying to operate as separate divisions or brands, we now think about sales as a global function," says Mr. Hogan, although he admits,

"It's easy to sa gh to do."

One con expanding th initiative is simply ting sales force, or, as it, putting "more feet na-Aldrich announced Mr. Hogan p on the street earlier this ye it would hire 30 new people for its es force, and the commeet that goal. It has spersons through midpany is on t added about year, with a onal 12 new salesper-The Europe additions sons in Eu hadn't been planned but times are tough and competition is fierce, so we decided to xpand our sales force there as well," says Mr. Hogan. Its marketing staff will also increase the time spont on sales-related activities from 40 p ent to 60 percent.

Sigma-Aldrich renewed sales and as to fund its arketing efforts through cost, quality revenue-generating initiatives rangi Internet sales to mo om accelerating cient operations to widening the spre rocess improvements across its local n 34 countries. It is an approach that aid off for the 2, it realized \$7 company in the past. million in savings in J sing, \$5 milnillion in packaging. However, analy e pointed out that any savings will be t by business developments costs, his &D expenditures as well as insurance benefit costs.

Like many of its co itors, Sigma-Aldrich is also looking ard emerging overseas markets, man which boast growth rates as much e times that of the US and Europ offset lower sales volumes in those mature geo-mpany has graphical markets. T enjoyed high growth in the double-digit mark, i Asia Pacific region: pproaching larly in the Korean, Singapore, Australia, Ch d India. In fact, despite the bad Jar known as "the lost d economy Sigma-Aldrich's business there! ashowing double-digit growth for years, and Japan now rep past five its largest geographical market outs

Sigma-Aldrich also p ramp up its production and source orts over-per labor seas to take advantage and manufacturing costs cularly in India and China. It al continue to tap into local afic discoveries through R&D et Switzerland, Germany and

tends to

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# HR Balancing Ac. Cost Pressures and Employee Development

Patricia Van Arnum **Chemical Market Reporter** 

s chemical industry executives continue to slash costs and restructure to improve the bottom line, they face yet another challenge of leadershipretaining the talent pool in their companies. Several major human resource management (HR) experts point to the challenge facing executives in marrying short-term financial objectives with long-term strategic goals and the resulting need to redefine corporate and employee compensation.

Pervasive cost pressures are leading many high-performing companies, defined as those with an average five-year total shareholder return that exceeds the Dow Jones market sector average for their industry, to seek ways to manage or cut costs while continuing to recognize and reward their best employees, according to a recent study by Towers Perrin, a global human resource management firm.

The survey shows that high-performing companies manage both short-term costs and long-term performance by using variable reward approaches," says Ravin Jesuthasan, co-leader of Towers Perrin's rewards and performance management practice. "Variable rewards give companies the flexibility to exercise fiscal responsibility and respond based on current financial circumstances while rewarding the best contributors at the same time.

The survey points out that the more successful companies are responding to the tough economic environment by focusing on cost as well as on reward practices, with an emphasis on differentiation and workforce segmentation.
Specific methods include balancing organization and individual performance in determining rewards and creating a broad mix of non-cash programs that encompass employee development opportunities and recognition. But the survey also found that few companies, even among high performers, have a formal process for measuring the return on investment in employees and supporting programs.

The Towers Perrin study points out sev-

term financial on programs. "The effective compe survey data show ne companies are ar-term cost issues. focusing solely Ironically, this ca em to miss oppormore effectively, tunities to manag says Mr. Jesutha ompanies experiencing heavy cos res are less likely to shift from fixe o variable reward approaches, which ts their ability to manage total costs ponse to changing economic and busin onditions.

merging from the Another problem cost-cutting emphasic objectives may be ign that other strategic red. "As cost pressures increase, emphasis on rewards for high-performing individuals actually diminishes," says Mr. Jesuthasan. "Those feeling more intense cost pressures also are less likely to offer incentive eligibility to the broad-based employee population," he explains. "Over half (56 percent) of respondents feeling some cost pressure extend incentives to the broad population, while only two of five (40 percent) of those feeling significant or severe cost pressure do so. This is counterintuitive since pay differentiation is a highly effective tool for managing

costs while engaging high performers."

Nearly half (46 percent) of respondents in a recent Towers Perrin survey which are feeling only some cost pressure say their high performers receive total compensation packages that are significantly above market levels. Only about a quarter (27 percent) of those feeling significant cost pressures say they reward high performers at above-market levels. The Towers Perrin sur ey examined 240 decision makers in companies, of which and Canadian ercent indicated

they were under sever "The focus on o having an impact on effectivene competitive dd, a Towers positioning," says Em Perrin rewards and pe ment consultant. "Le ance managein a third of employers whose rewar tices are driven by costs say they are ositioned to retain the people they are confident about the Even fewer ty to engage

employees as the economy improves and employee mobility increases

That point is also underscored by a recent Accenture study that showed nearly half of middle managers in the US are either currently looking for or plan to look for another job. The US survey, which entailed querying more than 500 middle managers, found that more than one-third (38 percent) of respondents are currently looking for another job and another 10 percent plan to do so when the economy improves and the job market strengthens. Of those currently looking, nearly two-thirds (64 percent) said they will intensify their searches when the job market strengthens.

Given the early indicators of a possible US recovery, companies need to identify their top performers, rethink their investments in them and find ways to keep them happy and loyal," says Edward Jensen, a partner in Accenture's human performance service line. "As a first step, they should understand the issues that are 'top-of-mind' for those managers. They should then address those issues with specific programs, which might include compensation discussions, but may also focus on quality of life or training and development concerns.

When asked to identify the one factor most motivating them to seek different jobs, more than half (56 percent) of respondents cited better pay or benefits. Others cited better conditions or job prospects (12 percent), better training and development opportunities (8 percent), lack of prospects or advancement at their current jobs (8 percent), dislike of their current jobs (7 percent) and dislike of their bosses (6 percent), Accenture study.

es should recognize that ave, and, rather than trying people erall attrition, they should align i managers and workforce the the company's overall Accenture's Mr. Jensen. progra The dungerstand that the current more about access to talent talent ing it, and they should conthan nve resourcing strategies that of full time, flex-time, out-Finally, they might take this to begin gearing up their orts to attract talent that isavailable.'

ed to develop retention proin difficult economic ment experts. "If operatpriority, senior manage-kely to demand a better investment than our survey dicate current programs can deliv-Towers Perrin's Mr. Jesuthasan. the economy improves, increas bers of employees, including high ers, are apt to leave for better ities and more attractive rewardoppo rmance propositions. Companies ke the opportunity at hand to difneed to talent and rewards now or miss the opportunity to both optiretain the high performers." tunity to both optimize cost and

However, busing sses overall are experiencing a downward trend in corporate compensation, according to Watson Wyatt Worldwide, a human capital consulting firm. Compensation for top corporate management has faller for the past three years following 20 v

increases, according to a recent Watson Wyatt Worldwide report. Pay levels are expected to continue to fall not only for executives but for the broader corporate population, particularly as more companies stop using stock options.

"Stock options and other incentive pay-based tools that tie individual and company performance have been the heart of America's global competitive advantage for many years," says Ira Kay, national director of compensation consulting at Watson Wyatt. "They have created enormous value for companies and for the overall economy, even while factoring in the recent stock market correction.

A significant decline in the use of stock options is one of several factors that will place downward pressure on future pay levels. "Stock options are the most leveraged of any corporate compensation program. If future stock market appreciation is in single digits as many experts believe, future pay levels will also be lower than historical levels, given the smaller grants and lower appreciation," says Watson Wyatt's Mr. Kay.

Other factors contributing to reduced corporate compensation levels include increasing demand from institutional investors for more shareholder-friendly compensation programs, companies pushing for more employee stock ownership programs, continuing softness in the labor market putting employers more in control of pay levels than previously, and the probable change in the accounting rules for stock options.

"As options play a reduced role in compensation packages, companies will

### Employee View: Rational E urance

"RATIONAL ENDURANCE" is a phrase that describes how US workers are trying to keep focused on their jobs despite the tough economic climate, job layoffs and other business challenges of the last two years. However, although employees are coping, some say the engagement required to keep employees motivated is lacking in medium and large companies.

"Employees are getting the job done, which we think has a lot to do with a sense of enlightened self-interest on their part. But their surprising resiliency and mood of rational endurance doesn't equate with true engagement," sa Charlie Watts, head of Towers Perrin's organization and employee research consulting practice. "Engagement, whice we define as employees' willingness and ability to contributo company success, ultimately comes down to people desire to give discretionary effort in their jobs. That effo can make a huge difference in performance, which is wh

engagement is the ultimate prize for employers today.

The Towers Perrin's study, which surveyed 35,000 employees in US companies and which was conducted in April of this year, shows that the bulk of employees are only moderately engaged. "In fact, only a relatively small slice are highly engaged, meaning they are both willing and able to invest that extra level of discretionary effort that separates outstanding performers from the rest of the pack," says Mr. Watt. What companies should be concerned about, of course, is the risk that all those moderately engaged employees could easily slide toward the wrong end of the scale, with serious consequences on productivity and morale

The study identifies a list of workplace elements o "engagement factors" that are critical in building engage ment among employees and underscores the fact that build ing engagement is a process that never ends. The list include strong leadership, personal accountability, autonomy, a sense of control over one's environment, a sense of shared destiny and opportunities for development and advancement.

The study shows that engagement involves both rational and emotional factors relating to work and the overall work

rience. The rational factors involve the relationship seen the individual and the broader corporation, for ance, the extent to which employees understand their and their unit's role, relative to company objectives. emotional factors tie to personal satisfaction, such as a ong sense of personal accomplishment and the sense of spiration and affirmation they get from their work and m being part of their organization.

The importance of engagement is that is simply approves retention. Fully two-thirds (66 percent) of highly engaged employees have no plans to leave their current jobs, versus just a third (36 percent) of the moderately engaged and only 12 percent of the disengaged, according to the Towers Perrin study. Below are the elements critical to building engagement in descending order of importance, with the "scores" employees gave their current employers on each element in the recent Towers Perrin study:

•42 percent say their senior management has a sincere interest in employees' well-being, which is the most important driver of engagement

•53 percent say their company provides challenging work. •61 percent say they have appropriate decision-making authority.

•75 percent say their company cares a great deal about customer satisfaction.

•34 percent say they have excellent career opportunities. •55 percent say their company has a reputation as a good employer.

67 percent say they work well in teams.
58 percent say they have the resources needed to perform

their jobs in a high-quality way. •64 percent say they have appropriate decision-making input.

45 percent say senior management communicates clear vision for long-term success.

'The key for employers is to understand which employees and employee groups are most critical to the organizaon and then determine their levels of engagement," says Mr. Watt. "That will help guide the right course of action to nsure the right people are doing the right things with the necessary level of effort and energy."

Kingdom. Targeted R&D is a key component of the company's business strategy, with every \$1 spent currently yielding around \$5 of revenue. The company hopes to increase its revenue from new products above its current 12 percent of sales over the next several years, in part by shortening its current product development cycle time from six to three months.

Much of its R&D effort is directed toward developing new products for potentially lucrative high-growth areas, such as cell signaling and neuroscience, and genomics and proteomics, two of the hottest areas of biotechnology research 'The Graduate' were being filmed today, Dustin Hoffman's character would have heard the word 'proteomics,' not 'plastics,'" says Mr. Hogan. "We know less than 1 percent of what we're going to know about the human genome and how proteins function in the body; we've just barely scratched the surface." The company is a leading provider of protein and gene expression tools for those markets.

Much of the company's strategic focus is on promoting organic growth, but Sigma-Aldrich has historically aimed for attaining an additional 2 percent growth per year through acquisi-

tions. That ratio has not ed, but Mr. Hogan confesses that increasingly difficult to becoming attractive acquisition candidates. T s primarily ceive bull because sellers still expec market prices despite th k of economic recovery and are er-pricing ny sellers their shares accordingly. have not adjusted their ectations downward about what the orth, and have outrageously inflated says Mr. Hogan. "We'll pa tations, fair price for an acquisition, but we'r going to pay an exorbitant one. We'r going to make somebody else's share ers rich

at the expense of our own."
While Sigma-Aldrich us far successfully navigated the o murky waters of these difficult economy. Hogan admits the comp times vould like to see the economy rebo Even with an expanded sales force, e not seeing the same kind of gro sults that we've enjoyed in prior year ugh frankly I don't think that's th any fault of our sales folks," he sa can always do things faster, be cheaper. We don't take our good and mance for granted, which is another to our success. We work hard at improv ing our business every day."



### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709 E-mail: alfred@alfredbader.com

A Chemist Helping Chemists

October 30, 2003

Dr. Joseph P. Porwoll, President Aldrich Chemical Company, Inc. P.O. Box 355 Milwaukee, WI 53201

Dear Joe.

Isabel and I are leaving for England this afternoon, not to return until December 19<sup>th</sup>.

I phoned you this morning to discuss two matters.

I presume that you have heard of Bob Gorzek's serious accident.

And of course I very much hope that you and Chris will be able to correct the many nomenclature mistakes in our recent catalog and *Actas*. Please do let me know; messages to my Milwaukee office will be forwarded promptly.

With best wishes I remain

Yours sincerely,

Alfred Bader

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BENNY SIEU/STAFF PHOTOGRAPHER

Two Aldrich Chemical Co. employees receive oxygen as they are led to ambulances after a chemical spill Wednesday at the company's packaging plant at 940 W. St. Paul Ave.

# 26 workers at Aldrich Chemical taken to hospitals after toxic spill

No serious injuries reported: crack in container suspected

By Don Behm of the Journal Sentinel staff

More than two dozen Aldrich Chemical Co. workers complaining of dizziness, breathing problems and nausea were taken to hospitals Wednesday morning after less than a gallon of a toxic chemical spilled in the company's packaging plant at 940 W. St. Paul Ave.

The spill occurred shortly after 9 a.m. in a third-floor refrigerated storage area while two workers were moving containers, according to Lt. John Gregory, assistant director of the Milwaukee Fire Department's hazardous materials

A bottle likely cracked during transfer, releasing azidotrimethylsilane, a flammable liguid generally used for research purposes, Gregory said.

Exposure to the compound could cause severe health problems, such as a dangerous drop in blood pressure or fluid buildup in the lungs. It also irritates skin, eyes, throats and lungs.

No severe injuries were reported, but 25 employees in the

packaging area and a company emergency response worker were taken to hospitals for observation, said Clint Lane, a chemist and executive vice president with Aldrich.

Only the Aldrich emergency response worker was held overnight. He was in stable condition, according to Lane. The other workers were released by midafternoon.

The eight-story Aldrich plant is a well-known landmark for commuters because it rises in the middle of the Marquette Interchange. It also is familiar to firefighters, who responded to two spills at the plant in February 1996.

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for Pavid Kardey
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Qued





Kelly Craft, a husband and wife comedy team from California, will serve as Masters of Ceremonies for this evening of music, auction and swing dancing. For reservations call the Hemophilia Foundation at (414) 257-0200.

22nd Annual Grand Viennese Ball is scheduled for February 27th at the Milwaukee Hilton. Hosted by Far left, at the 1998 Symphony Showhouse Gala were (left to right) homeowners Steve Millen with wife, Carol (below), MSO conductor Andreas Delfs with wife, Amy (right), and MSO executive director Steve Ovitsky with wife, Camille (below). Above, also attending the Showhouse Gala were (left to right) MSO board president Allen Rieselbach with wife, Pat (below), David Harvey with interior design chair and wife, Nancy (below), next to Nancy, landscape chair Margarete Harvey, and Neil DeVries with day captain co-chair and wife Judy (right). Photos by Christy Kruegel.

the University of Wisconsin-Milwaukee School of the Arts, the event will raise money for the UWM School of the Arts Scholarship Fund. The Ball will feature a silent auction, four-course Viennese dinner and music provided by many of the UWM School of the Arts departments. For more information call the UWM School of the Arts Development and Marketing office at (414) 229-6116.



Left, at the Margaret Rahill Great Hall Ribbon Cutting Ceremony were (left to right) Friends of Charles Allis Art Museum president Robert Aubert, executive director Susan Modder, campaign co-chair Marshall R. Berkoff and chairman of Charles Allis/Villa board Robert W. Mulcahy. Below, Mount Mary's presidentspast and present (left to right) Sister Ellen Lorenz, SSND, pres. '79-'87; Patricia O'Donoghue, new pres.; Sally Mahoney, interim pres. '95-'97; and Sister Ruth Hollenbach, SSND, pres. '87-'95.





# Milwaukee's World Class Ani

T STARTED out to be a normal Labor Day weekend. The home was filled with out of town relatives, kids home from college and pets that greeted visitors and then went off to their favorite spots to rest. But little did anyone know that a tragedy was waiting to happen.

On Saturday evening, everyone had retired early to their respective rooms except for Andrea, whose college dormitory sleep patterns wouldn't allow her to go to bed before midnight. With bedroom doors closed and everyone drifting off to sleep, no one knew that Casey, the family dog, was wandering from door to door looking for help. Her breathing had become labored and she collapsed at the bottom of the stairs near death.

Sensing that the house should have been quiet long before, Andrea went to check on the noise downstairs. There she found Casey, gasping for air. A frantic midnight phone call was placed to the local veterinarian who happened to be on call that holiday weekend.

As the vet listened to a description of Casey's symptoms, he concluded that the gravely ill pug needed to be taken to the Animal Emergency Center (AEC) in Milwaukee. That decision was the beginning of a year long odyssey of trips to the area's only 24 hour animal emergency hospital, located on 73rd and Florist Avenue.

As soon as the headlights of the van shone through the window of the emergency center, a staff of doctors and nurses rushed to the door and began Casey's lifesaving care. Once she was stabilized, options for treatment were mulled over by the doctors and the family. It would require several surgeries and daily care to save her life, but thankfully, because of the Animal Emergency Center, she had a chance to survive.

Casey is just one of hundreds of cases that are treated at the AEC each year.

Most of the patients' owners will come to know the Animal Emergency Center as a place far more sophisticated than just a facility to treat animals in the middle of the night.

It is a loving critical care hospital filled with veterinarians and students who have at their disposal some of the finest equipment available for animals anywhere!

Veterinarians come from all over the world to study at the Animal Emergency Center. "They are already tested and certified veterinarians, but have chosen to focus on emergency and critical care," stated Dr. Elke Rudloff, one of the staff veterinarians. "We are one of only ten approved emergency and critical care residency programs in the United States," she added.

Just past the waiting room of the hospital, experienced veterinarians and students alike work with equipment such as ventilators, heart monitors and

Exclusively Yours JANUARY 1999

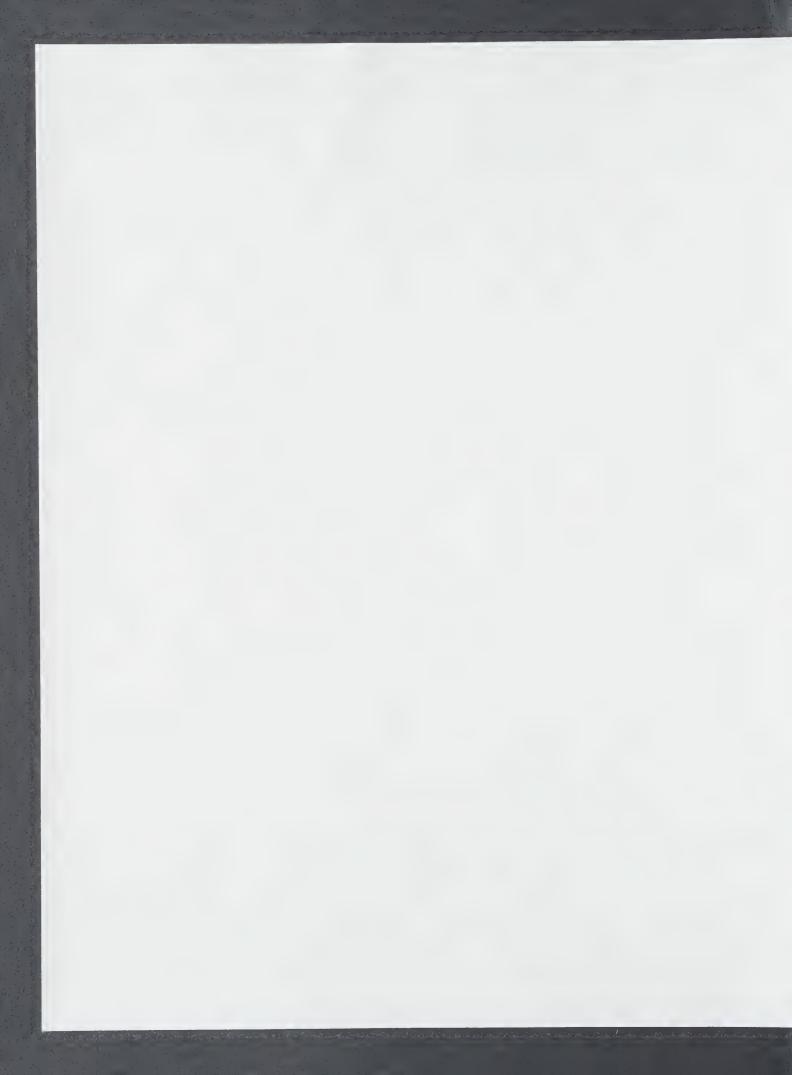
tree service

# Sigma will pay fine

Sigma Chemical Co., a subsidiary of Sigma-Aldrich Corp. has agreed to pay a federal fine of \$450,000 for violating the Controlled Substances Act. Sigma failed to tille paperwork and proof of identity for compounds such as ephedrine and phenylpropylamine that can be used to make illicit drugs.

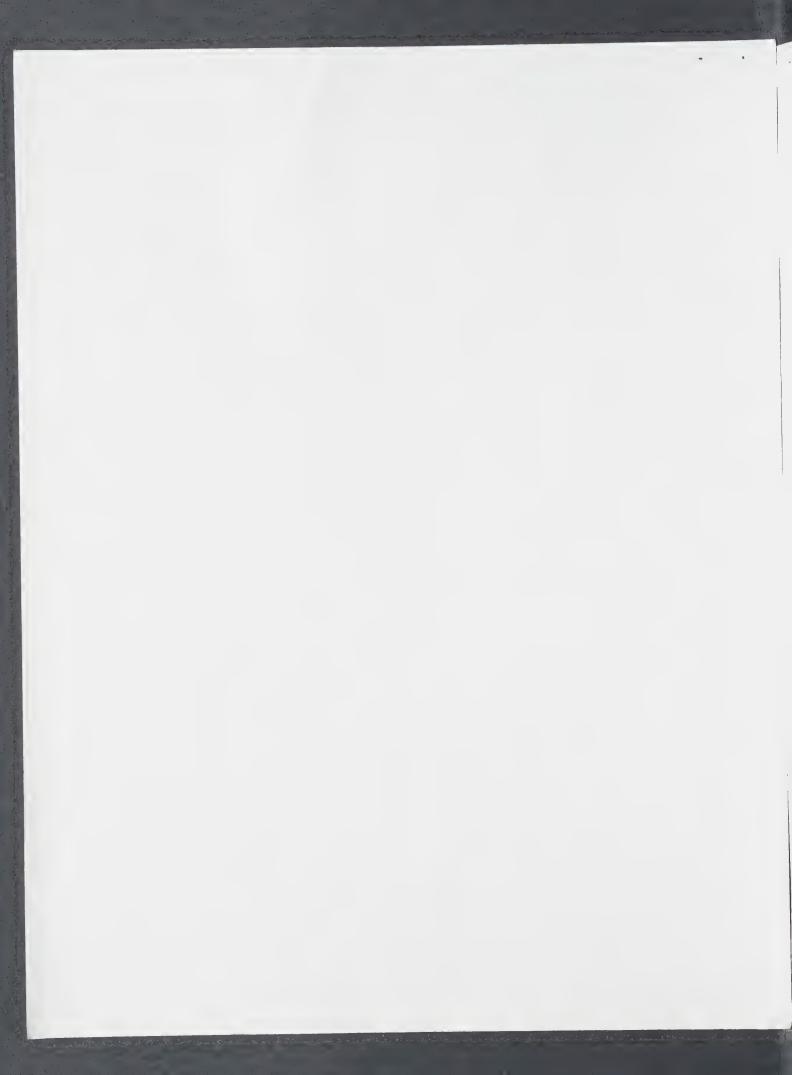
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	SI	ISC FIRST YEAR OPTION AWARDS INFORMATION - 1	VARDS INFORMATION - 1998/99
	Deadilites		SSC THE PROPERTY OF THE PROPER
CUSAP Scholarships (Canadian University Study Abroad Program)	Apr. 15	10 st \$5000 each	Open to students who have applied for admission to the constitutions and extracomplete special application. Based on academic merit, financial need and extracorricular activities. Applicants will be considered for general Queen's entrance awards and may hold other awards in addition to this one. Recipients notified with offers of admission.
Entrance Bursaries	April 15	Variable	AP scholarsh tted a CUSAP
General Bursaries	Dec. 1	Variable - max. epprox. \$1200	Open to Queen's students only. Based on financial need. Considered as part of on campus general bursary round
Emergency Bursaries	None	Variable, depending on situation	Open to all students. Students should speak with advisor at the ISC who will contact us about assistance.
General Loans	Apps. should not be submitted until student is at ISC	Max \$350D	Open to Queen's students only, once they've registered in their program. Students should indicate on app. form where they'd like cheque sent to.
STL	Only avail, while student is registered		the that the the standing the ISC FYO Must make 3 <sup>th</sup>
OSAP: Queen's Students	As per on campus students	Actual ISC tuilion fee taken into consideration but same personal and living as on campus students. Loans capped at Ministry maximum.	party arrangements.  Should contact home university's Awards Office
OSAP: Non-Queen's Students	As per on campus students		for specific instructions.

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# ISC UPPER YEAR PROGRAM 1998/99

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	13		Sept. 1 for 1 found, open to law appro- funding laste. Decisions 1 week before
100		admission payment deadline.	Complete ISC Upper Year winter bursary app.
,,	Complete ISC Upper Year spring bursary app. Max, award approx \$1500	Complete ISC Upper Year fail building app.  Max. award approx. \$1500	Max. sward approx. \$1500
### 9 <u>1</u>	Open to Queen's students only. 2 awarded at \$1500 each. Camplete special application.	Open to Queen's students only. 2 awarded at \$1500 each. Complete special application	Open to Queen's students only. Zewandow S. 1500 each, Complete special application
072			Open to all students. Complete ISC upper
Claire Leggett Award	Open to all students. Complete ISC upper year spring bursary application; one award for \$2850 available in 1996/99	Open to all students. Complete to Epper year fall bursary application; one award for \$2850 available in 1988/99	year winter bursary application, one award for \$2850 avail. In 1988/89
		Den to all students Based on financial	Open to all students. Based on financial
Friends of Herstmoncaus	open to all sudding. Description and academic ability. Complete ISC upper year spring bursary application. Max. \$1500	need and academic ability. Complete ISC upper year fall bursary application. Max.	upper year winter bursary application. Max. \$1500
	Description of Based on Inancial	Open to Queen's students. Based on financial	Open to Queen's students. Hased on illiancial
Memorial International Award	need and scademic ability. Complete (SC inped and scademic ability. Two	upper year fall bursary application. Two	upper year winter bursary application. Two awards for \$1450 avail. In 1998/99.
11. (col.7 t - bt.820	awards for \$1450 avail in1898/99	Awarded in fall or winter. Submit latter to the	Awarded in fall or winter. Submit letter to the
Harold and Halen Cave	Not by display	undergrad. Chair in the Dept. of Art. Must be	an art history student taking an art history
Scholarsho		ourse at the ISC. Value \$3800	course at the ISC. Value \$3200
Control of the contro	Open only to Queen's School of Business	Not evaliable (program not offered at ISC In	students. Apply on ISC upper year winter
Award	students. Apply on ISC upper year spring		bursary application; submit to student Awards.
	Awarded on basis of financial need. Value:		supremental suprem
	\$4000	P = = = ~	
	OllelAsalamice	Oner Assistant Consults only.	Open to Queen's students only.
General Loans	Open to Queen's students only.  Max. \$3500 deposited to fees. Will start looking at aros. mid-April.	Max. \$3500 deposited to fees. Will start looking at apps. mid-August.	looking at apps, early December.
		All students apply through Queen's, Indicate	All students apply through Queen's. Indicate
OSAP		on application they're attending ISC and for which term. Need 3 <sup>rd</sup> party documentation which term before they leave. Questions?	on application they're attending ISC and Ion which term. Need 3 <sup>rd</sup> party documentation completed before they leave. Questions?
		Speak with Joanne	Speak with Joanne
	by us; else through us (we need copy of LOP). Indicate clearly it's for on app (hat it is for ISC.		
	2400000		



B

**FAX FROM:** 

Dr. Alfred Bader
924 East Juneau Avenue
Astor Hotel -Suite 622
Milwaukee, WI 53202
Ph: (414) 277-0730

Fax: (414) 277-0709 www.alfredbader.com e-mail: baderfa@execpc.com

## A Chemist Helping Chemists

March 23, 2001

TO:

Dr. Sharbil Firsan

**Aldrich Chemical Company** 

Page 1 of  $_2$ 

FAX #:

298-7960

Dear Sharbil,

Mea culpa.

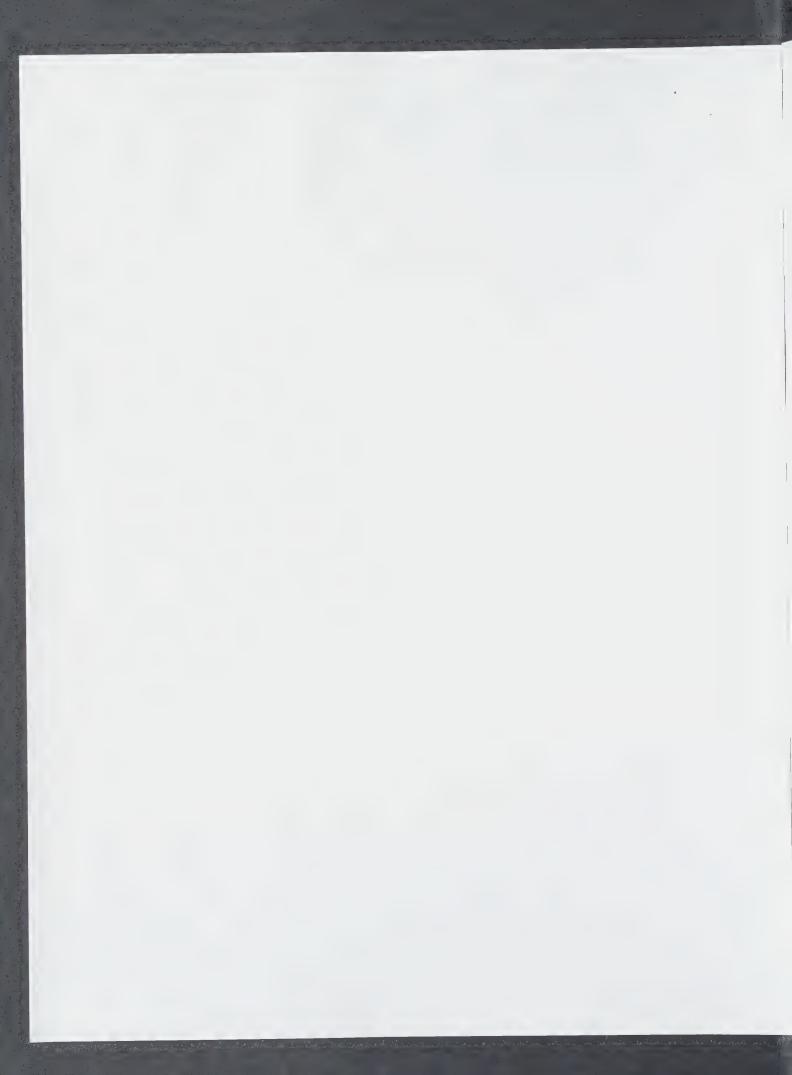
I should have looked into my records, specifically the Aldrich Chemical Company checkbooks, before giving you employee information. Now I see also information on p. 70 of my autobiography is mistaken.

My first salary at Aldrich for \$500 a month, was paid in November for October 1954.

We paid our first rent for our first laboratory on Booth Street, \$100 a month, in August 1954.

Lorraine Worby Hill Leitner started working part time at Jack Eisendrath's office on 161 W. Wisconsin Avenue much earlier.

The first chemist employee was not George Skeff, but Anthony D. Kontowicz, who was paid a gross of \$69.23 per week. He also earned overtime. He had a most curious salary agreement whereby he would get an additional \$10 a month for every increase of \$1,000 a



month in sales. In time this would have worked out to a really great salary, but he got discouraged and left Aldrich to join the post office.

Our second chemist, George Skeff, did not join us until 1955.

Danny joined us full time in January of 1955 at a salary of \$45 a week. Before that she had worked for a malting company, but I have forgotten the name.

In December 1954 we paid the first Christmas bonuses of \$20 each to Lorraine and Tony.

On December 15, 1954 we paid Gilbert Stork \$10 for two infrared spectra; payment for such spectra continued for quite a while because we of course did not have any equipment.

I have now found all the first stock certificates, a great many of the lists of first chemicals purchased, etc., etc., and also some really nice photographs.

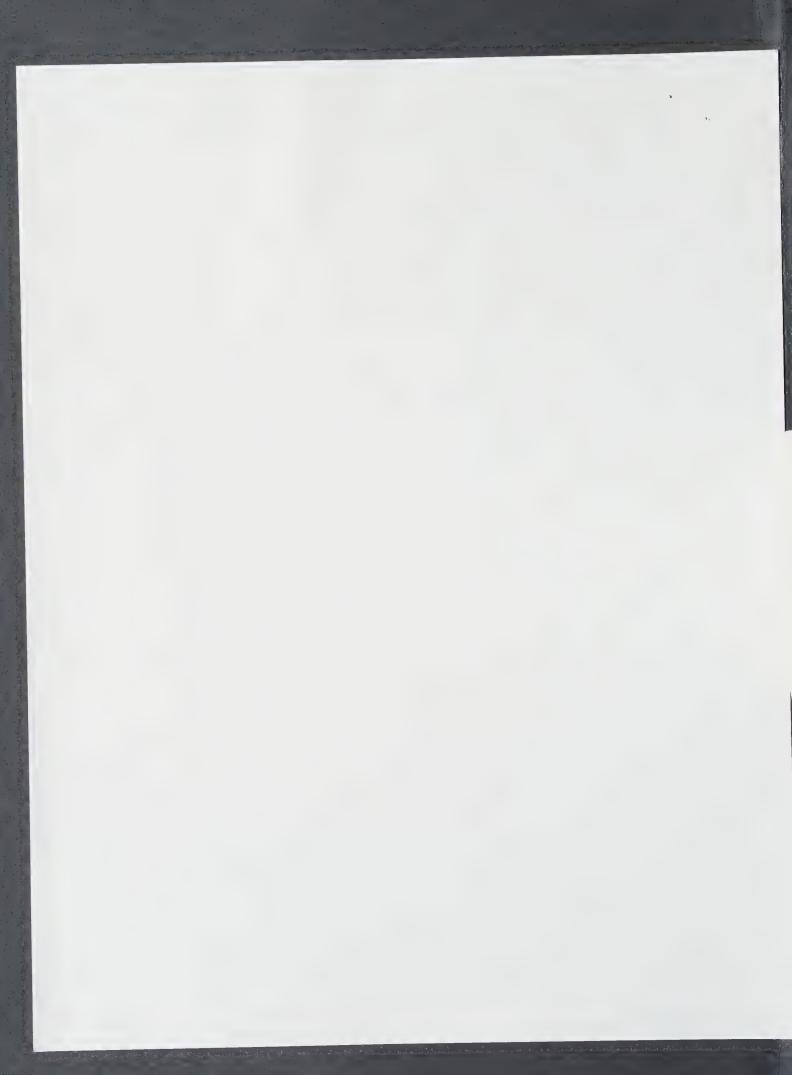
Do visit me if you would like to look at any of these.

Sorry for the mixup. Best regards.

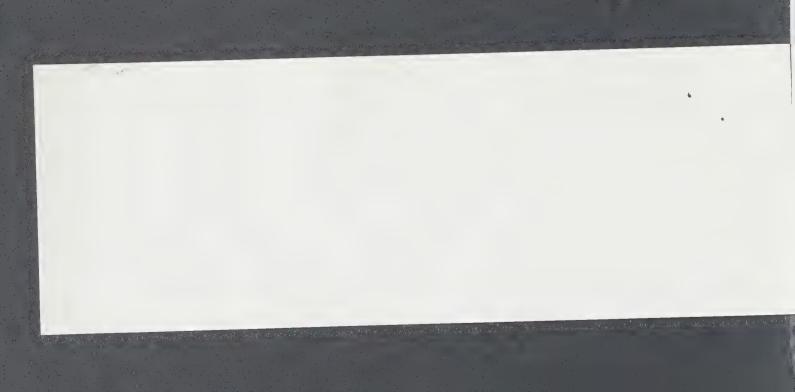
Yours sincerely,

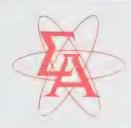
Alfred Bader

AB/az









# Sigma-Aldrich Company Ltd

The Old Brickyard - New Road - Gillingham - Dorset SP8 4XT - England **Tel:** (01747) 822211 **Telex:** 417238 AldrchG Fax: (01747) 823779

Dr A Bade CBE

22 July 1998

De flored. Whany Charles for you little encouring in plotocopy from ifiger and congratulations on

SALOR, RCL, ABC chemicals continue to sell pretty well here in the UK despite the name inange. : ontrese the customers.

Du te "blue field" front, I had been given to understand that I was twops it me were was the subject of an the farming substay. I enjoyed seeing the picture of Isabel

I yourself together at Herstynonceux i the De day Telegraph of A July 1998)

Hope you are bois well and was you receive this before you leave the UK of not it will probably be December! Rejusts

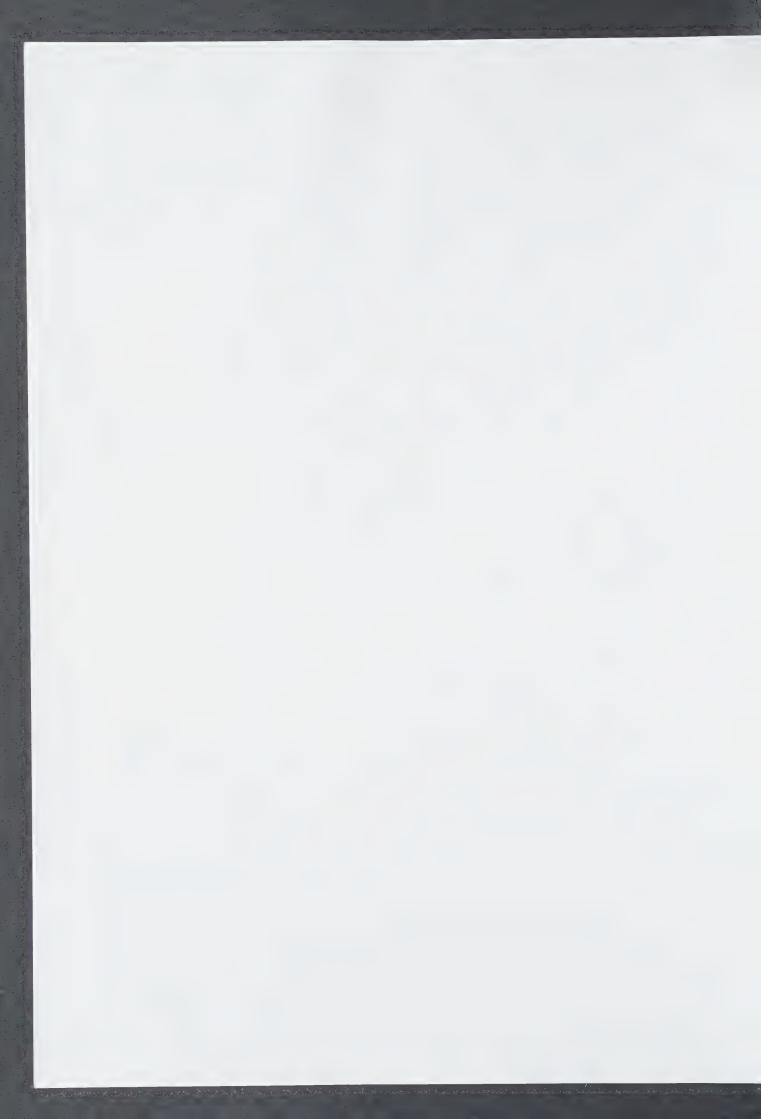














### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

## A Chemist Helping Chemists

March 6, 1998

Mr. John Powell, S.A.R. 700 Army-Navy Drive Arlington, VA 22202

Dear Mr. Powell:

I still remember your helpful response to my telephone call of January 5th, and I hope that my confirming letter of January 6th, copy enclosed, did not get lost.

I much look forward to hearing from you.

With many thanks for your help and best regards, I remain,

Yours sincerely,

AB/cw

Enclosure

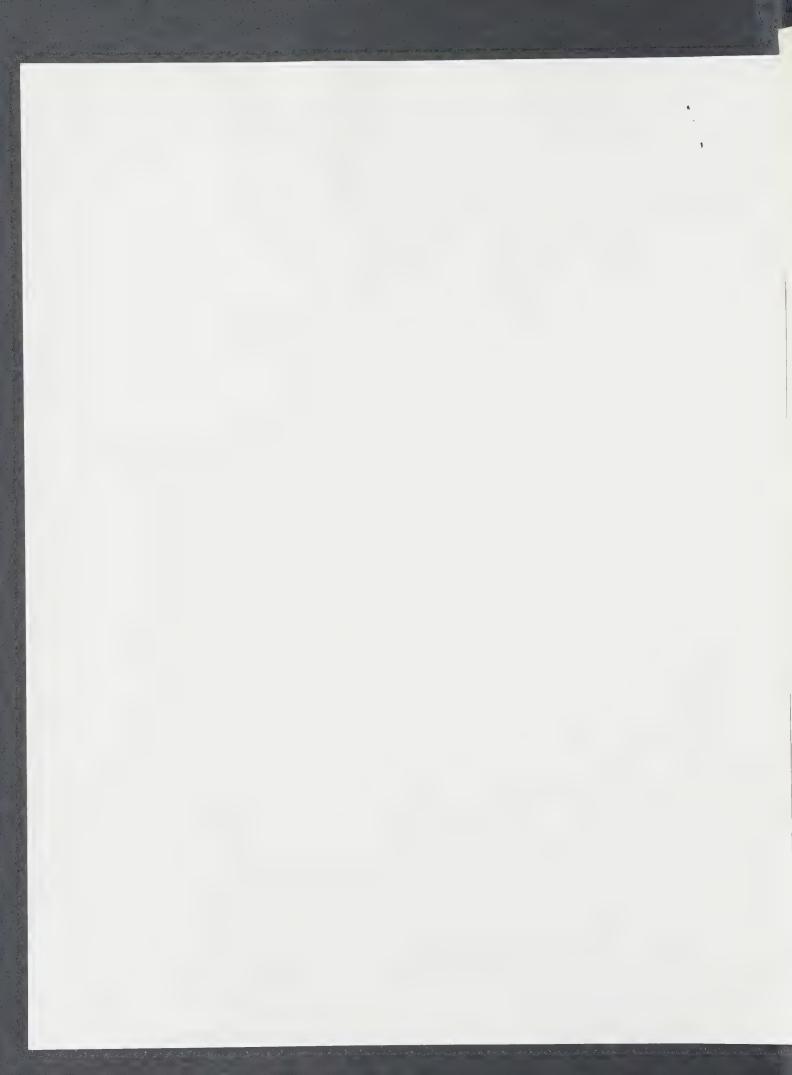


Arlington, VA 22202 Dear Mr. Powell: Thank you for your courteous and helpful response to my telephone call yesterday. I was, of course, particularly happy to learn that, as an agent, you were well-satisfied with Aldrich's performance. I understand that there are some serious problems between the DEA and Sigma in St. Louis, and this is being handled by the DEA office in Clayton, MO. I would very much appreciate receiving whatever information about this which you can send me under the Freedom of Information Act. You told me that this may involve some cost, but that in any case, if the cost should exceed \$250, you would inquire in advance whether you should proceed. I am certainly prepared to pay up to \$250 for your efforts. Perhaps more for your amusement than information, I enclose an article that was published recently in The Chemist, the publication of the American Institute of Chemists. That will, of course, explain my interest. With many thanks for your help and best regards, I remain, Yours sincerely, AB/cw Enclosure

January 6, 1998

Mr. John Powell, S.A.R. 700 Army-Navy Drive

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SIGMA-ALDRICH

Mr. Jeff Germana:

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email so aud@salcon

NewsRelease

THE THE TELEVISION OF THE

\* \* 1

Sigma-Aldrich Corporation is pleased to report micreased sales and earnings for the quarter ended March 31, 1998. Sales increased 9.7% to \$306.2 million from \$279.1 million in 1997. Net income grew by 6.3% to \$44.2 million from \$41.4 million, with diluted net income per share up 7.5% to \$.45 from 5.4.4.

Chemical sales for the quarter increased 11.6% to \$249.9 million, with the impact of the strong dollar reducing the gain by 4.2%. Both Research and Fine Chemicals grew at a faster pace as a result of new product introductions and aggressive sales and marketing efforts. Diagnostics sales declined signify as a result of very competitive market pressures. Intercational sales grew tables than domestic sales, in spite of the negative impact of the strong dollar, due in part to the addition of the Riedel-de Haen product time. Pretax margins of 23.0% of sales were slightly lower than 1997 levels as the incremental expense of additional facilities accelerated product development in the Molecular Biology area and of new information systems exceeded productivity gains

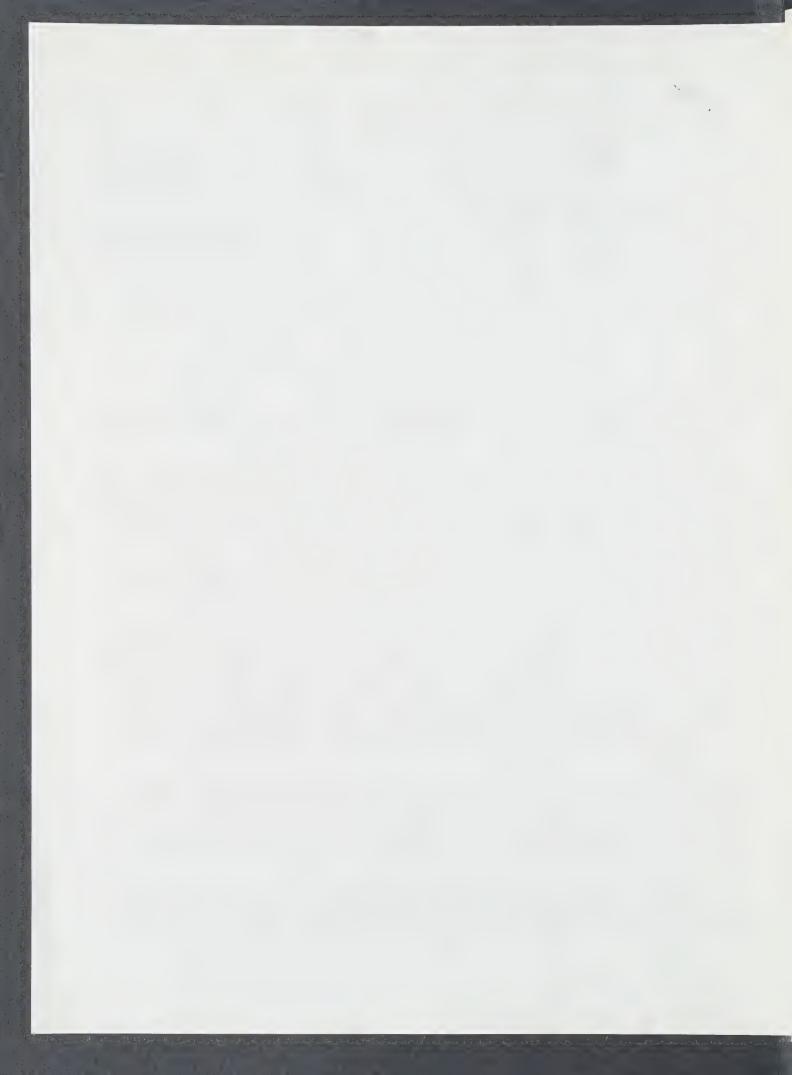
Metal sales for the quarter grew 2.0% to \$56.3 million, with the clower pace reflecting the impact of inclement wearest and delivery delays requested by several telecommunication customers. Pretax margins of 16.6% of sales were slightly harder than 1997 levels as a result of improved gross margins, communing process improvements and experies control.

March was a very strong sales month after January and early bebruary started with lower wowth. The first case for the green competed to continue during the remainder of the year. Various additions to our worldwide facilities are underway to meet future demand. A new automated distribution facility in Milwaukee was receptly completed and a similar production of any in the fast growing late Science sector will have the production plant for the fast growing late Science sector will have the first Milwaukee was receptly completed and a similar production plant for the fast growing late Science sector will have the first Milwaukee with the fast growing late Science sector will have the first Milwaukee of a production plant for the imperade to our information systems is proceeding on schedule and we receptly completed a conversion to SAF software at our main distribution center in St. Louis. These major systems changes will provide better service to all our customers well into the future and result in productivity gains. Worldwide emphasis communes to be placed on our process improvement program.

Overall profit margins for 1998 should commune at first quarter levels. We believe that our custom investments and initiative, will support our ruture growin and enhance shareaction value.

Sigma-Aldrich develops, manufactures and distributes the broadest range of high quality brochemicals organic chemicals, chromatography products and diagnostic reagents available in the would. These products are used to research and development in universities and industry, in the diagnosis of disease, and as specially chemicals for manufacturing purposes. The B-Line Systems subsidiary manufactures and markets a complete line of metal products are untailable, and retroiting of electrical, mechanical, and telecommunication applications. Sigma-Aldrich is communicated to the success of its customers through stream technology and service.

This release contains forward-looking statements which involve assumptions regarded. I pany operations and finding prospect Although the Company believes its expectations are based on reasonable assumptions, such statements are subject to risk uncertainty, including, among others, certain economic political and technology tactors. Company communications



SIGMA-ALDRICH CORPORATION

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CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

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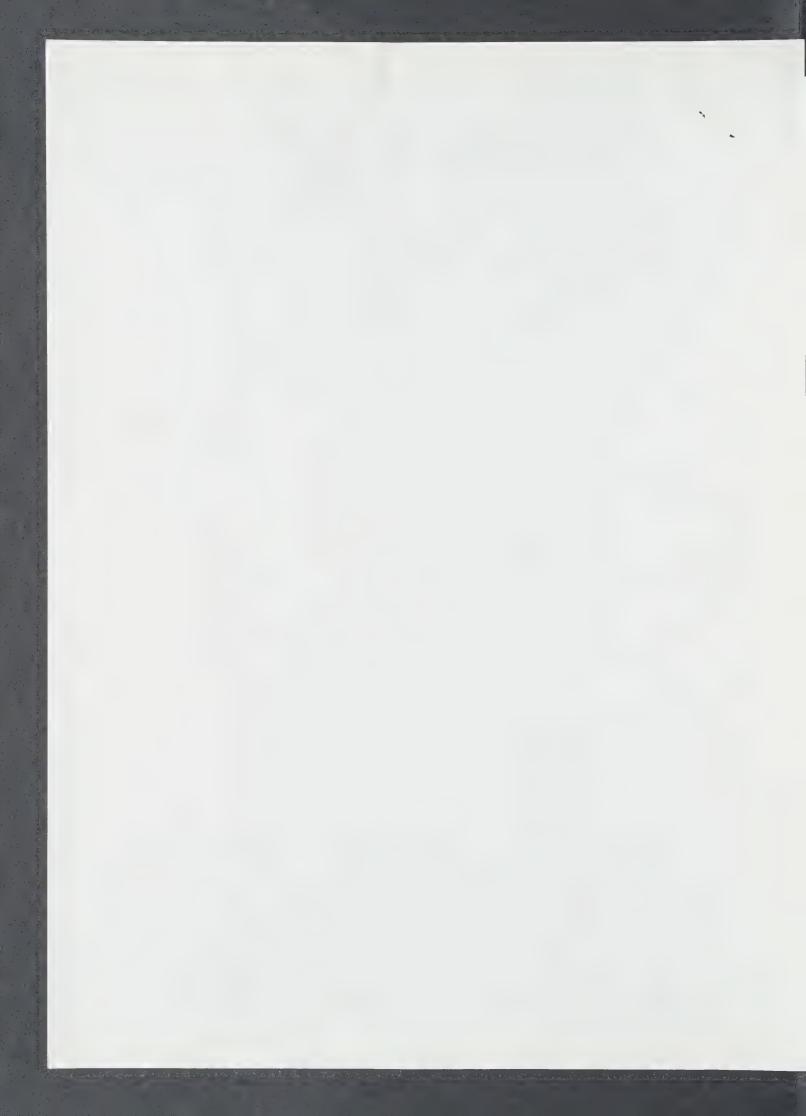
Effect of exchange rate changes on Lac." Net change in cash and cach equiva .... Cash and cash equivalents at January 1 Cash and cash equivalents at March 31

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#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

May 13, 1998

**Dr. Clinton F. Lane**4854 North Larkin Street
Whitefish Bay, WI 53217

#### Dear Clint:

Last week Isabel and I spent a delightful couple of days at the chemistry department at Ohio State University, which invited me to be their annual Meek lecturer.

During my meetings with professors, Gideon Fraenkel, an old friend of the company, asked me what happened to one of his students who came to Aldrich, I believe to Sheboygan. Do you know how long Harry Finkelstein stayed with us and where he is now? Also Professor Jon Parquette enquired whether there was any chance that he could obtain some more 15030-4, that interesting 2-aminophenyl-1,3-propanediol. If my memory serves me, this was discontinued many years ago but my memory just is not good enough to recall the circumstances.

Could you please let Dr. Jon Parquette at 4113 Newman Wolfram, know directly. Gideon Fraenkel's office is at 4040 Evans Laboratory.

There are two large collections of research samples dating back many years, which might be purchasable in time. One is that of Professor Leo Paquette (who won the Aldrich Award years ago), and the other is that of Professor Harold Shechter. I have let Bob know about these.

Best regards, as always,

AB/nik

ber Gid Frankel Jon Parquette





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709 E-mail: baderfa@execpc.com

A Chemist Helping Chemists

September 8, 1999

Personnel Department Aldrich Chemical Company 940 West St. Paul Avenue Milwaukee, WI 53233

Dear Madame or Sir,

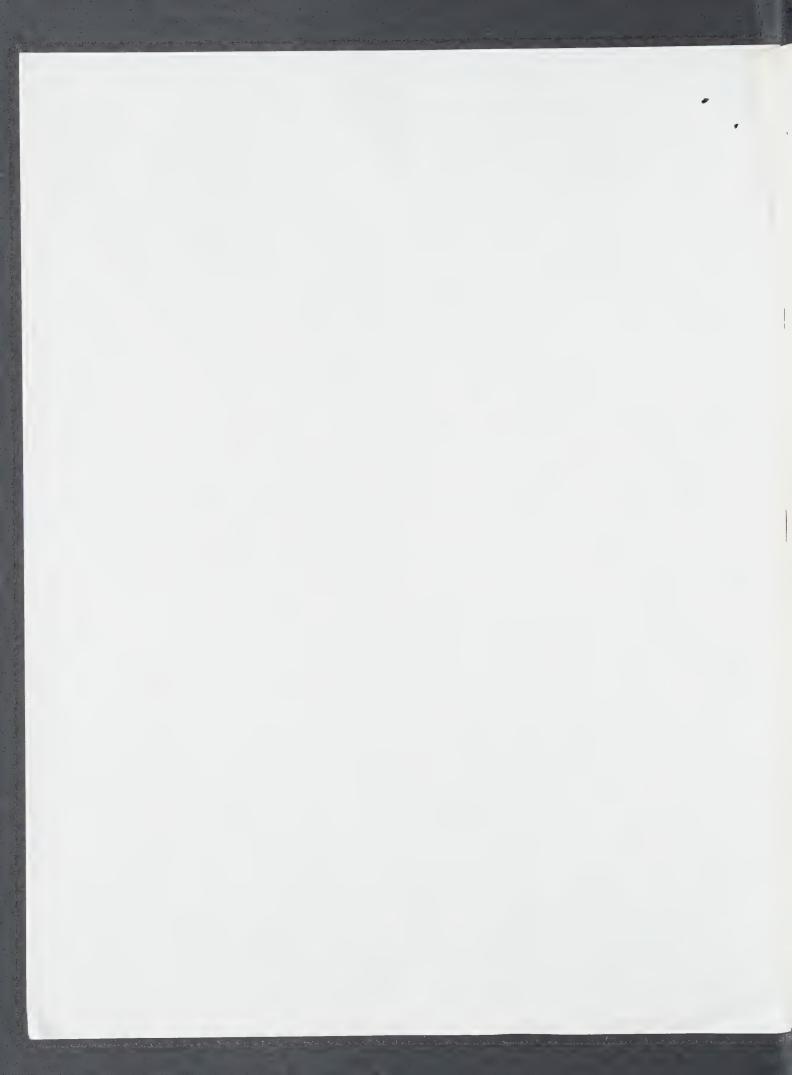
Some twenty odd years ago I received an undated letter from Aldrich stating that I had group life insurance for \$53,000 and a further accidental insurance for an additional \$53,000. A copy of the relevant material is enclosed.

Could you please tell me whether I am still covered under Aldrich's life insurance?

With thanks for your help I remain

Yours sincerely,

Alfred Bader AB/az Enc.





## Dear Dr Buder,

Attached is your Life Insurance Certificate for the insurance which you have obtained through Aldrich.

The basic amount of insurance, which is provided to you free by Aldrich, is \$3,000. If you purchased the optional coverage, this is also included in the amount of insurance shown on the front of the certificate. For example, if you elected to take out \$3,000 of insurance, then the amount of insurance will be \$6,000 (\$3,000 provided by Aldrich, plus the \$3,000 you purchased).

Pleace cramine your certificate and read the policy over. If there are any errors, please centact have woods at excession 295.

Yours very truly,

Michael W. Woods Poppoll Verages

MIN/ico Incl.



## THE Great-West Life ASSURANCE COMPANY



HEAD OFFICE . WINNIPEG, CANADA

#### GROUP INSURANCE INDIVIDUAL CERTIFICATE

Name of Employee BADER, ALFRED ROBERT

Individual Certificate

No. 8

Certificate Effective Date, if the Employee

is then at work, July 1, 1975 is then at work, otherwise the date of his return to work.

Group Policy Nos.

24756 GL,GH

issued to

Group Policyholder:

Aldrich Chemical Company

Beneficiary:

the person or persons so designated in the Employee's application or in a subsequent appointment or beneficiary change made in accordance with Group Policy Provisions.

Group Life Insurance

Amount \$ 53,000

Accidental Death, Dismemberment and Loss of Sight

Principal Sum \$ 53,000

THIS IS TO CERTIFY that the Employee named above became insured on the Certificate Effective Date for the amounts and benefits outlined in this Individual Certificate, in accordance with and subject to the terms of the Group Policies issued to the Group Policyholder named hereon by THE GREAT-WEST LIFE ASSURANCE COMPANY (herein called the Company).

For the Employee's information certain provisions of the Group Policies are described on the following pages of this Individual Certificate, but all of the provisions of the Group Policies apply to the insurance referred to herein.

The Group Policies are on file at the office of the Group Policyholder and may be inspected at any reasonable time on any business day.

The Group Health Insurance described in this Individual Certificate is not in lieu of and does not affect any requirement for coverage by workmen's compensation insurance.

This Individual Certificate supersedes and replaces any and all certificates previously issued to the Employee under the terms of the Group Policies.

Group Renewable Term Life Insurance and Group Health Insurance as described herein

Non-Contributory — Non-Participating

Individual Certificate Form No. 106NC

#### CHANGES IN THE AMOUNT OF GROUP LIFE INSURANCE:

- 1. If the sum of:
  - (a) the amount of an employee's insurance under the Group Policy, and
  - (b) the total amount of other group term insurance on the life of the employee under any other group life insurance policy or policies issued by the Company or any other insurance company,

#### exceeds

(c) the maximum amount of group term insurance permitted on any one life by the law of the province or state in which the Group Policy is issued,

then the amount by which said sum exceeds said maximum amount shall be deducted from the amount of such employee's insurance under the Group Policy.

- 2. Any change in the amount of an employee's insurance, consequent upon such employee changing from one Insurance Class to another stated in the Schedule of Insurance contained in the Group Policy, shall become effective,
  - (a) as to any decrease in his insurance, automatically on the date of his change to the new Insurance Class.
  - (b) as to any increase in his insurance, on the date as provided in the Group Policy.

Group Policy No. 24756

Group Policyholder: ALDRICH CHEMICAL COMPANY

Schedule of Subsidiary and/or Affiliated Companies ALDRICH-BORANES, INC.

#### TABLE OF BENEFITS

#### Insurance Classes

All Classes

ACCIDENTAL DEATH, DISMEMBERMENT AND LOSS OF SIGHT (Principal Sum)

An amount equal to the employee's amount of Life Insurance under Group Policy #24756GL issued by the Company to the Group Policyholder.

Notwithstanding anything to the contrary contained herein,

- (1) any change in an employee's Insurance amount under this Policy consequent upon a change in the factors which determine such Insurance amount, shall become effective automatically on the June 1 coinciding with or next following the date on which such factors change.
- (2) it is hereby provided that an employee's amounts of Life Insurance and Accidental Death, Dismemberment and Loss of Sight Benefit (Principal Sum) shall automatically terminate on the date on which he attains his 70th birthday.
- (3) in the Group Life Policy, it is hereby provided that an employee who rejects Supplementary Life Insurance when he first becomes eligible therefor shall not subsequently become insured in a New Insurance Class with Supplementary Life Insurance until the date on which the Company approves satisfactory evidence of his insurability furnished without expense to the Company.

Effective Date: July 1, 1975

SI24756



#### GROUP LIFE POLICY PROVISIONS

#### DEFINITIONS—In the Group Policy:

- (1) "employee" means
  - (i) an employee in the service of the Employer, and
  - (ii) a retired employee, if there is an amount of insurance for retired employees stated in the Schedule of Insurance contained in the AMOUNT OF INSURANCE provision.
- (2) "retired employee" means a person who is or has been retired on pension by the Employer.
- (3) "date of retirement" unless otherwise
  - (i) specified in the Schedule of Insurance which forms a part of the policy, or
  - (ii) required by law,
  - shall mean the date on which an employee attains his 65th birthday.
- (4) "employee contribution" means the amount, if any, which the Employer requires an employee to pay toward the premium for his insurance under the policy.
- (5) "Employer" means the Group Policyholder and/or any company named in the Schedule of Subsidiary and/or Affiliated Companies.
- (6) "service" in respect of
  - (i) an active employee, means employment with the Employer on an active, permanent, full-time and full pay basis, but does not mean
    - (a) employment on a temporary, seasonal or part-time basis, or
    - (b) employment where the employee works less than 30 hours per week with the Employer, or
  - (c) employment at a location other than the Employer's usual and customary place of business unless it is a location to which the Employer's business requires the employee to travel.
  - (ii) a retired employee, for the purposes of the provision entitled TERMINATION OF AN EMPLOYEE'S INSURANCE, shall mean the period during which the employee is retired on pension by the Employer.
- (7) "work" means, except in respect of a retired employee, active and full-time work in the service of the Employer. The term "work" shall have no meaning in respect of a retired employee.
- (8) "Basic Insurance" means the amount stated for the employee's Insurance Class in the column headed "Basic Insurance" in the Schedule of Insurance.
- (9) "Excess Insurance" means the amount stated for the employee's Insurance Class in the column headed "Excess Insurance" in the Schedule of Insurance.
- (10) "Total Insurance" means the sum of an employee's Basic Insurance and Excess Insurance as stated for his Insurance Class in the Schedule of Insurance.
- (11) "annual earnings" at any date of calculation shall mean 12 times the current basic monthly rate of pay, exclusive of overtime, bonuses and commissions, received by the employee from the Employer.

#### TERMINATION OF AN EMPLOYEE'S INSURANCE

The insurance of an employee under the policy terminates automatically on the earliest of the following dates:

- (1) the date of termination of the policy;
- (2) the due date of the first premium toward which the employee has failed to make a required employee contribution:
- (3) the date on which the employee ceases to be in a classification eligible under the EMPLOYEES ELIGIBLE FOR INSURANCE provision;
- (4) the date of termination of "service" (as defined in the DEFINITIONS provision) of the employee, provided that
  - (a) if he is absent from work by reason of injury or sickness, his insurance (in accordance with the Schedule of Insurance contained in the AMOUNT OF INSURANCE provision) and the payment of premiums therefor shall be continued until the earliest of the following dates:
    - (i) the date of termination of insurance determined by the Group Policyholder in accordance with a plan which precludes individual selection;
    - (ii) the date on which the employee becomes engaged in any occupation or employment for remuneration or profit other than with the Employer;
    - (iii) the date on which the employee attains his 65th birthday;
    - (iv) the date which is 12 months after the date his service terminates.
  - (b) if he is absent from work by reason of leave of absence or temporary lay-off, his insurance (in accordance with the Schedule of Insurance contained in the AMOUNT OF INSURANCE provision) and the payment of premiums therefor shall be continued until the earliest of the following dates:
    - (i) the date of termination of insurance determined by the Group Policyholder in accordance with a plan which precludes individual selection;
    - (ii) the date on which the employee becomes engaged in any occupation or employment for remuneration or profit other than with the Employer;
    - (iii) the date which is 6 months after the date of termination of his service (as defined in the DEFINITIONS provision).

#### GROUP LIFE POLICY PROVISIONS

#### GROUP TERM CONVERSION PRIVILEGE

An employee whose insurance

- (1) is not being continued under the DISABILITY WAIVER OF PREMIUM BENEFIT, shall be entitled to have issued to him by the Company, without the submission of evidence of his insurability, an individual policy of life insurance provided that he applies for such policy within 31 days after the date on which
  - (a) all or part of his Group Term Insurance under the policy terminates, while the policy is in force, as a result of
    - (i) termination of his service, or
    - (ii) cessation of his membership in a classification of employees eligible under the EMPLOYEES ELIGIBLE FOR INSURANCE provision,
  - (b) all of his Group Term Insurance under the policy terminates as a result of termination of the policy, provided he is then insured and has been insured under the policy for at least 5 years prior to the date of such termination,
  - (c) part of his Group Term Insurance under the policy terminates, while the policy is in force, due to age or retirement in accordance with the Schedule of Insurance contained in the AMOUNT OF INSURANCE provision which forms a part of the policy on the date of termination of such insurance.
  - (d) part of his Group Term Insurance under the policy terminates, while the policy is in force, due to any amendment to the policy, provided he has been insured under the policy for a period of at least 5 years prior to the date of such termination.
- (2) is being continued under the DISABILITY WAIVER OF PREMIUM BENEFIT, shall be entitled to have issued to him by the Company, without the submission of evidence of his insurability, an individual policy of life insurance provided that he applies for such policy within 31 days after the date on which
  - (a) all of his Group Term Insurance under the policy terminates, or
  - (b) part of his Group Term Insurance under the policy terminates, due to age or retirement in accordance with the Schedule of Insurance contained in the AMOUNT OF INSURANCE provision which formed a part of the policy on the date on which the employee's total disability commenced.

Such individual policy of life insurance shall be subject to the following conditions and provisions:

- (i) Such individual policy shall be in any one of the forms then customarily issued by the Company, including at the option of the employee single premium preliminary term insurance for a period of one year, but shall not include any other form of term insurance or a disability or double indemnity benefit;
- (ii) The premium for such individual policy shall be the premium applicable to the class of risk to which the employee belongs and to the form and amount of the individual policy at such employee's attained age on the date the insurance under such individual policy becomes effective;
- (iii) The amount of such individual policy shall be equal to or, at the option of the employee, less than the amount of his Group Term Insurance under the policy which terminates on the date he first becomes entitled to exercise this Conversion Privilege, except that if his right to exercise this Conversion Privilege is pursuant to (1) (b) or (1) (d) above the amount of such individual policy shall not exceed the lesser of
  - (a) the amount of the employee's Group Term Insuran 3 at the date of its termination under the policy less any amount of life insurance for which he may be or may become eligible under any group policy issued by the Company or by any other insurer within 31 days after such date of termination, and
  - (b) \$2,000.00;
- (iv) The first premium for such individual policy shall be paid to the Company within the period of 31 days during which application for such individual policy may be made.

Any individual policy issued to an employee under this Conversion Privilege shall become effective at the end of the 31-day period during which application for such individual policy may be made. (L12-10)

#### TENSION OF INSURANCE

an employee should die within the 31 day period after termination of all or part of his insurance during which he is entitled to apply for an individual policy under the CONVERSION PRIVILEGE provision, the total amount of insurance for which he was insured under the policy on the date of said termination shall be paid his beneficiary as a death benefit.

(L11-4)

#### CURRENCY

neys payable to or by the Company under the Group Policy shall be in lawful money of the United

#### RTICIPATI A.

roup Policy shall not be entitled to share in the surplus earnings of the Company.

(L16-1)

#### . II MIESTABI

#### -11

- It am nen it appears that the age of any employee has been misstated and
- triged a different premium rate had his true age been stated, the difference etween the premiums actually paid and the premiums which would have been charged by the Company wall be computed from the time the employee's insurance became effective and if his age had been the company and if overstated, such difference to the Group Policyholder;
- the employee would not have been insured under the Group Policy had his true age been stated, the lift refund to the Group Policyholder the premiums paid in respect of such employee, but ther liability under the Group Policy in respect of such employee. (L20-1)

#### ACHUAL-

- by an employee of his individual certificate and the insurance thereunder as collateral security
- the employee may absolutely assign all incidents of his ownership in respect of his individual and the insurance thereunder, including his right to convert to an individual policy under any and the insurance thereunder, including his right to convert to an individual policy under any and the insurance thereonership in respect of his individual policy under any and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual and the insurance thereonership in respect of his individual policy under any and the insurance thereonership in respect to an individual policy under any and the insurance thereonership in respect to an individual policy under any and the insurance thereonership in respect to the policy under the beneficiary under the BENEFICIARY provision.
- Company assumes no responsibility for the validity or effect of any assignment of an employee's inlividual certificate or of any interest in the insurance thereunder. The Company will not be charged with notice of an assignment until a duplicate original assignment has been delivered to the Company at its Head Office. (L15-2)

#### GROUP LIFE POLICY PROVISIONS

#### DISABILITY WAIVER OF PREMIUM BENEFIT

#### A. Waiver of Premium

An employee's insurance shall be continued and the Company agrees to waive further payment of premium therefor, if

(1) the employee becomes totally disabled either

(i) prior to his 60th birthday, or

- (ii) on or after his 60th birthday but prior to his 65th birthday, while insured and while the policy is in force, as a result of bodily injury or disease which wholly and continuously prevents him from engaging for remuneration or profit in any occupation for which he is or may become qualified by education, training or experience, and
- (2) such total disability continues for an uninterrupted period of at least 6 months, and
- (3) during such disability premiums cease to be payable in respect of the employee's insurance pursuant to the TERMINATION OF AN EMPLOYEE'S INSURANCE provision, and
- (4) proof of such total disability is furnished to the Company at its Head Office not more than 12 months after commencement of such total disability, and
- (5) any individual policy of lite insurance, for the amount of insurance in force on the life of the employee on the date on which he became totally disabled, which may have been issued to the employee on or after the date on which he became totally disabled under the terms of the GROUP TERM CONVERSION PRIVILEGE of

(i) the Group Policy, or

(ii) any other policy issued by the Company to replace the Group Policy or for which the Group Policy is issued by the Company as a replacement,

is surrendered to the Company in exchange for a refund to the employee of all premiums paid in respect of such individual policy.

#### B. Death Benefit

Upon receipt at its Head Office of proof of the employee's death, whether or not such death occurs while the policy is in force, the Company shall pay a death benefit to the employee's beneficiary, provided that

- (1) the employee's insurance was continued as indicated in Section A. above, and
- (2) he has provided such proof of the continuance of his total disability as the Company may have reasonably required from time to time during the first year of disability and thereafter annually demanded, and
- (3) his total disability continues without interruption,
  - (i) in respect of an employee who became totally disabled prior his 60th birthday, until his death, and
  - (ii) in respect of an employee who became totally disabled on or after his 60th birthday but prior to his 65th birthday, until his death, provided such death occurs prior to his 65th birthday.

The amount of such death benefit shall be the amount for which the employee was insured on the date of commencement of his total disability. It is provided, however, that such amount shall be subject to any reductions and/or termination due to age or retirement in effect under the terms of the policy on the date the employee's total disability commenced.

#### C. General Provisions

(1) If

- (a) there is failure to furnish proof as required under condition B(2) above or if the employee ceases to be totally disabled, all liability of the Company in respect of such employee shall cease, subject to paragraph C(2) below,
- (b) there is a reduction and/or termination of an employee's death benefit due to age or retirement, the liability of the Company with respect of the amount of such reduction and/or termination shall cease, subject to paragraph C(2) below.
- (2) Within 31 days after said failure, said cessation of total disability or said reduction and/or termination, whichever is the earliest, and it he is not then eligible and again insured under the policy, the employee shall be entitled to convert his Group Term Insurance to an individual policy under the GROUP TERM CONVERSION PRIVILEGE provision as though his insurance had terminated pursuant to the TER-MINATION OF AN EMPLOYEE'S INSURANCE provision.

#### . Change of Beneficial

The provisions of the policy relating to apply to the beneficiary of the beneficiary of the benefit under this provision and in the absense of a subsequent appointment or change pursuant thereto the beneficiary at the time of termination of the employee's service shall be the beneficiary under the suppose of the provision and in the absense of a subsequent appointment or change pursuant thereto the beneficiary at the time of termination of the employee's service shall be the beneficiary under the suppose of the provision and in the absense of a subsequent appointment or change pursuant thereto the beneficiary at the time of termination of the employee's service shall be the beneficiary under the suppose of the provision and in the absense of a subsequent appointment or change pursuant thereto the beneficiary at the time of termination of the employee's service shall be the beneficiary under the suppose of the provision and in the absense of a subsequent appointment or change pursuant thereto the beneficiary at the time of termination of the employee's service shall be the beneficiary under the suppose of the provision and the suppose of the su

#### ILLATH BENEFIT

Upon receipt at its Head Office of proof of the death of an employee while insured, the Company still, of to the provisions of the policy will pay at such Head Office to the beneficiary the amount of the employees.

#### BENEFICIARY

An employee may in his application for insurance designat any legal restriction or to the rights of any irrevocably appointed to the beneficiary.

An appointment or change of beneficiary must be in writin the Group Policyholder

If any legally designated beneficiary predeceases the employee, insurance moneys which such benefit living, would have received under the policy shall, unless of absence of any statutory provision as to the disposition thereof, be payable equally to the designated beneficiary or beneficiaries, if any, who survive the

If an employee has named two or more beneficiaries but has not specified moneys, the beneficiaries who survive the employee shall be entitled.

If no legally designated beneficiary survives the employee, or if the employee has a beneficiary, such insurance moneys shall, in the absence of any statutory provision as to the distribution be payable to

- (1) the employee's widow or widower, if surviving the employee, otl
- (2) the employee's surviving child or children in equal shares, but if none
- (3) the employee's surviving parent or parents in equal shares, but if neither of them surviving
- (4) the employee's surviving brothers and sisters in equal shares, but if none of them surviving
- (5) the employee's estate

If any beneficairy is a minor or is otherwise incapable of giving a valid release for any partition incompanys payable to such beneficiary shall be paid to his duly apportable for the sole benefit of such beneficiary and shall constitute a full discharge of the Company to the extent thereof

#### ACILITY OF PAYMENT

lotwithstanding anything to the contrary expressed or implied in the policy, the Company reserves
(1) to deduct from any sum becoming payable by reason of the death of the employed ing. \$500 and (2) to pay such amount to any person appearing to the Company to be thereto by reason of having incurred funeral or other expenses incident to the last illness or demployee. The receipt of any such payment shall be a valid discharge to the Company to the extension payment.

(L23)

#### GROUP LIFE POLICY PROVISIONS

#### MODES OF SETTLEMENT

Any employee, by notice to the Company, may elect (with the right reserved to revoke or change such election) to have the whole or any part of his insurance under the policy, which would otherwise be payable to the beneficiary in a single sum, paid in accordance with one of the following options:

- Option 1. Income for a Specified Period. The Company will pay an income annually, semi-annually, quarterly or monthly, for the number of years elected in accordance with Table 1. Amounts shown in Table 1 are based on an interest rate per annum as indicated in the Table. Payments subsequent to the first will be increased by application of any additional interest earnings which the Company may apportion from time to time for that purpose'
- Option 2. Life Annuity with Guaranteed Period. The Company will pay a monthly income for the guaranteed period elected and thereafter for the remaining lifetime of the beneficiary, in accordance with Table II.

The guaranteed period elected may be 10, 15, or 20 years, or the period referred to in the Table as Installment Refund. Under the Installment Refund Life Annuity, payments will be continued in any event until the total of the guaranteed payments equal the proceeds applied under this option. Payments subsequent to the first will be increased by application of any surplus earnings which the Company may apportion from time to time for that purpose.

Proof of age of the beneficiary satisfactory to the Company will be required before payment will be made under this option and proof of survival will be required for continued payment.

Option 3. Any other manner that may be agreed to by the Company. The amount and terms of payment and the rate of interest shall be in accordance with those customarily offered by the Company for group life insurance policies at the time of election.

Provided, however, where no election has been made prior to the death of the employee, the beneficiary may, by like notice, make such election after the employee's death.

The first payment under Options 1 and 2 will be due on the date the proceeds are applied. Payments under an option will not be made more frequently than annually unless the payments together with similar payments from any other policy or policies of the Company on the life of the employee and payable to the same beneficiary on the same dates would amount to at least \$25 on each payment date.

If the beneficiary dies after having become entitled to receive benefits but before all instalments shall have been paid under the mode of settlement selected, the unpaid instalments will be commuted on the basis of the interest rate originally used in determining the amount of each instalment and will be paid in one sum to the estate of such beneficiary.

(L25-1)

									SPECH h \$1,000			()		
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	To determine the amount
Payment	\$84.37	\$42.76	\$28.89	\$21.96	\$17.80	\$15.03	\$13.06	\$11.57	\$10.42	\$9.50	\$8.75	\$8,13	\$7.60	for quarterly payment, multiply the monthly
Years	14	15	16	17	18	19	20	21	22	23	24	25		payment by 2.99; for semi-annual by 5.97; and
Payment	\$7.15	86 75	\$6-41	86 11	35 85	\$5 61	\$5.39	\$5 20	\$5 02	\$1.86	84 72	\$1.50		for annual by 11.85

Age of Payee	Guaranteed Period									Guaranteed Period							
	10 Years		15 Years		20 Years		Instalment Refund		Age of 'ayee	10 Years		15 Years		20 Years			alment fund
	Male	Female	Male	Female	Male	Female	Male	Female	layee	Male	Female	Male	Female	Male	Female	Male	Femal.
31 32 33 34 35 36 37 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 55	\$3.30 3.34 3.38 3.46 3.51 3.56 3.61 3.66 3.72 3.78 3.84 4.04 4.12 4.19 4.27 4.35 4.45 4.42 4.72 4.83	\$3.10 3.13 3.16 3.23 3.26 3.32 3.34 3.34 3.35 3.46 3.51 3.66 3.72 3.78 3.84 3.91 3.91 3.94 4.20 4.20 4.20 4.37	\$3.29 3.33 3.41 3.45 3.49 3.59 3.64 3.69 3.75 3.81 3.89 4.05 4.19 4.26 4.36 4.450 4.58 4.65	\$3.09 3.12 3.15 3.22 3.25 3.25 3.33 3.37 3.41 3.50 3.50 3.54 3.50 3.54 3.70 3.70 3.71 3.81 3.87 3.81 4.07 4.15 4.22 4.30	\$3.27 3.31 3.35 3.39 3.43 3.54 4.7 3.55 3.60 3.75 3.85 3.85 3.89 4.02 4.02 4.02 4.33 4.33 4.33 4.34 4.33 4.34 4.33 4.34 4.34 4.35 4.35 4.35 4.36 4.36 4.36 4.37 4.38	\$3.09 3.11 3.14 3.18 3.21 -24 -31 -31 -31 -31 -31 -31 -31 -31	\$3.25 3.28 3.32 3.36 3.39 3.43 3.52 3.57 3.61 3.77 3.88 3.94 4.00 4.14 4.21 4.28 4.44 4.52 4.61	\$3.67 3.10 3.13 3.16 3.19 3.22 3.25 3.29 3.32 3.36 3.40 3.44 3.58 3.63 3.78 3.79 3.89 4.04 4.11 4.19	56 57 58 59 60 61 62 63 64 65 66 67 67 70 71 72 73 74 75 76 77 78 80	\$5.04 5.15 5.27 5.40 5.53 5.67 5.96 6.11 6.27 6.91 7.28 7.45 7.62 7.78 7.94 8.10 8.38 8.53	\$4.47 4.57 4.67 4.78 4.78 4.78 6.17 6.33 6.50 6.67 7.01 7.17 7.30 7.66 7.81	\$4 84 4.93 5.03 5.12 6.14 6.22 6.29 6.35 6.41 6.55 6.59 6.62	\$4.38 4.47 4.56 4.65 5.83 5.83 5.92 6.00 6.08 6.16 6.23 6.36 6.46 6.41 6.46	\$4.58 4.61 4.70 4.76 5.25 5.28 5.30 5.32 5.34 5.35	\$4.25 4.32 4.38 4.45 5.13 5.17 5.23 5.26	\$4.70 4.80 4.90 5.01 6.79 7.00 7.20 7.43 7.66 7.90 8.42 8.69 8.97	\$4.26 4.35 4.43 4.52 5.97 6.13 6.36 6.66 6.85 7.25 7.46 7.69

(Interest rate  $2\frac{3}{4}\%$ )

#### DESCRIPTION OF CERTAIN PROVISIONS OF THE GROUP HEALTH POLICY

#### **DEFINITIONS**

In the policy unless otherwise specifically provided

- (a) "dependent" means and shall include
  - (1) the employee's wife,
  - (2) the employee's children over 14 days but under 21 years of age, for whom the employee is entitled to an exemption for income tax purposes, and
  - (3) any children of the employee over 21 years of age, who are students at a university or similar institution of learning and for whom the employee is entitled to an exemption for tax purposes

but excluding any who are not resident within the States of the United States of America, the District of Columbia, or Canada or who are insured under the policy as an employee

The term "children" shall include step-children, adopted children and foster children;

- (b) "employee" means an employee in the service of the Employer
  - employee contribution" means the amount, if any, which an Employer requires an employee to pay toward the premiums for his insurance under the policy
  - : "Employer" means the Group Policyholder and includes each subsidiary company, if any, and each affiliated company, if any, named in the Schedule of Subsidiary and / or Affiliated Compani
- (e) "hospital" means an institution which is legally constituted as a hospital, which is open at all times and is operated primarily for the care and treatment of sick and injured persons as in-patients, which has a staff of one or more licensed physicians available at all times, which continuously provides twenty-four hour nursing service by graduate registered nurses, which provides organized facilities for diagnosis and major surgery and which is not primarily a clinic, nursing, rest or convalescent home or similar establishment, nor other than incidentally a place for alcoholics or drug addicts
- (f) "physician" means only a duly qualified physician who is legally licensed to practice medicine;
- (g) "service" means active and full time employment with the Employer
- (h) "surgeon" means only a duly qualified surgeon who is legally licensed to practice medicine;
- (i) "work" means active and full-time work in the service of the Employer

#### MISCELLANEOUS PROVISIONS

In the policy:

- (a) insurance months and insurance years shall be computed from the effective date of the policy;
- (b) the Group Policyholder is deemed to be the representative of the Employer and is deemed to be entitled to act on behalf of the Employer, and without limiting the generality of the foregoing any act (including non-compliance or failure to act) by the Group Policyholder is bin<sup>th</sup> ding upon the Employer, and notice by the Company to the Group Policyholder is deemed to be notice to the Employer;
- (c) any application, notice, report, proof or request to be made or given to or filed with the Company must be in writing and must be so made or given to or filed with the Company at its Head Office;
- (d) words implying the masculine gender include the feminine

#### **GENERAL LIMITATIONS**

The following General Limitation (a) is applicable to all Benefit Provisions other than the Accidental Death, Dismemberment and Loss of Sight Benefit Provision

#### GENERAL LIMITATION (a)

No benefits shall be payable for or on account of an accidental bodily injury arising out of or in the course of any employment for remuneration or profit or a sickness for which the person on whom the claim is presented is entitled to indemnity in accordance with the provisions of any Workmen's Compensation or similar law

The following General Limitation (b) is applicable to all Benefit Provisions other than the Weekly Indemnity Benefit Provision and the Accidental Death, Dismemberment and Loss of Sight Benefit Provision

#### GENERAL LIMITATION (b)

Under the policy, there is no insurance against the cost of and no Benefits shall be payable for

- (i) services received in a hospital owned or operated by the Government of Canada or the Government of the United States, or
- (ii) services provided by any provincial government hospitalization or health plan in which the employee or dependent is eligible to participate, or
- (iii) services rendered to the employee or to the dependent to which such person is entitled without charge pursuant to any law, or for which there is no cost to the employee or dependent except for the existence of insurance against such cost.

The Company shall be entitled to a refund of the amount of any benefits paid under the policy in respect of services and supplies not paid for by the employee or dependent or for which he was reimbursed otherwise than under the policy.

#### **EMPLOYEE'S INSURANCE CLASS**

An employee may only be insured in the Insurance Class to which he belongs. On the date on which the factors which determine to what Insurance Class an employee belongs change so as to move the employee from the Insurance Class in which he is then insured into another Insurance Class he shall become automatically insured in the new Insurance Class provided

- (a) he is then actively at work, otherwise on the date of his return to work, and
- (b) that payment in respect of any dependent for a Benefit Period which commenced prior to the date of the change in Insurance Class shall be made in accordance with the previous Insurance Class, and
- (c) that if the employee is required to make an employee contribution and the change in Insurance Class is due to the employee now having for the first time an eligible dependent, unless written notice of this change in Insurance Class is given to the Company by the Group Policyholder within 31 days of the date on which it occurred the employee shall not be insured in the new Insurance Class until the date on which the Company approves of evidence of insurability of each and every dependent of the employee.

#### **TERMINATION OF AN EMPLOYEE'S INSURANCE**

The insurance of an employee under the policy terminates automatically on

- (1) the date of termination of the policy, or
- (2) the due date of the first premium toward which the employee has failed to make a required employee contribution, or
- (3) the date of termination of service of the employee,

whichever date is the earliest, provided that

- (a) in the case of an employee who is absent from work by reason of injury or sickness, his insurance shall be continued until the date of termination of the Employer-employee relationship determined by the Group Policyholder in accordance with a plan which precludes individual selection,
- (b) in the case of an employee who is absent from work by reason of leave of absence or temporary lay-off, his insurance shall be continued until the earliest of the following dates:
  - (i) the date on which the employee becomes engaged in any occupation or employment for remuneration or profit other than with the Employer, or
  - (iii) the date of termination of insurance determined by the Group Policyholder in accordance with a plan which precludes individual selection, or
  - (iii) as to Weekly Indemnity Benefits, if any, the date which is 31 days after and as to Benefits other than Weekly Indemnity the date which is 90 days after the date of termination of service of the employee.

#### EXTENDED BENEFITS AFTER TERMINATION OF AN EMPLOYEE'S INSURANCE

If WEEKLY INDEMNITY BENEFITS FOR EMPLOYEES are provided under the policy and if an employee is wholly and continuously disabled by bodily injury or sickness and prevented from performing his regular work on the date his insurance terminates, he shall be entitled during the continuance of the disability to any Weekly Indemnity Benefits that would have been payable had the insurance not terminated.

If HOSPITAL, SURGICAL, MEDICAL, DIAGNOSTIC X-RAY AND LABORATORY TEST, ANAESTHESIA AND AMBULANCE EXPENSE BENEFITS or any of these Benefit Provisions are contained in the policy and if an employee or dependent is totally disabled and under the care of a physician on the date of termination of the employee's insurance and if the disability is not due in whole or in part to pregnancy, the employee shall be entitled to any benefits for the actual expense incurred by the employee as a result of the disabling injury or sickness

- (a) during the continuance of total disability and within 3 months after the date of termination of insurance, and
- (b) during a period of continuous hospital confinement as a registered bed-patient which began within 3 months after the date of ter mination of insurance and during the continuance of total disability

and which would have been payable under the above mentioned Benefit Provisions had the insurance not terminated.

Benefits payable under any other Benefit Provision, including any Pregnancy Benefit Provision, of the policy after termination of insurance shall be payable in accordance with the terms of such Benefit Provision.

#### GENERAL PROVISIONS

#### ENTIRE CONTRACT: CHANGES

The policy, the application of the Employer and the individual applications, if any, of the employees insured shall constitute the entire contract between the parties. All statements made by the Employer or by the individual employees shall, in the absence of fraud, be deemed representations and not warranties and no such statement shall be used in defense of a claim under the policy unless it is contained in the application therefor or in an individual application of an employee.

No change in the policy shall be valid until approved by an executive officer of the Company and unless evidenced by endorsement thereon or by amendment thereto signed by the Employer and by an executive officer of the Company.

No agent has authority to change the policy or to waive any of its provisions.

#### NOTICE OF CLAIM

Written notice of claim must be given to the Company within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured employee or the beneficiary to the Company at its Head Office, or to any authorized agent of the Company, with information sufficient to identify the insured employee, shall be deemed notice to the Company.

#### CLAIMS FORMS

The Company, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of the policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

#### PROOFS OF LOSS

Written proof of loss must be furnished to the Company at its said office in case of claim for loss for which the policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the Company is liable and in case of claim for any other loss within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

#### TIME OF PAYMENT OF CLAIM

Indemnities payable under the policy for any loss other than loss for which the policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which the policy provides periodic payment will be paid each two weeks during any period for which the Company is liable and any balance remaining unpaid upon the termination and liability will be paid immediately upon receipt of due written proof.

#### PAYMENT OF CLAIMS

Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed in the policy and effective at the time of payment. If no such designation or provision is then effective indemnity shall be payable to the estate of the insured employee. Any other accrued indemnities unpaid at the insured employee death may, at the option of the Company, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the insured employee.

If any indemnity of the policy shall be payable to the estate of the insured employee, or to an insured employee or beneficic is a minor or otherwise not competent to give a valid release, the Company may pay such indemnity, up to an amount not exc. \$1000.00, to any relative by blood or connection by marriage to the insured employee or beneficiary who is deemed by the Company to be equitably entitled thereto. Any payment made by the Company in good faith pursuant to this provision shall fully dis the Company to the extent of such payment.

Subject to any written direction of the insured employee in the application or otherwise all or a portion of any indemnities provided by the policy on account of hospital, nursing, medical or surgical services may, at the Company's option and unless the insured employer equests otherwise in writing not later than the time of filing proofs of such loss, be paid directly to the hospital or person rendering such services; but it is not required that the service be rendered by a particular hospital or person.

#### PHYSICAL EXAMINATION AND AUTOPSY

The Company at its own expense shall have the right and opportunity to see the second of the insured employee when and as often as it may reasonably require during the pendency of a claim hereuse it was to make an autopsy in case of death where it not forbidden by law.

#### LEGAL ACTIONS

No action at law or in equity shall be brought to recover on the policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the policy. No such action shall be brought after the expiration of 3 years after the time written proof of loss is required to be furnished.

#### CHANGE OF BENEFICIARY

The right to change of beneficiary is reserved to the insured employee and the consent of the beneficiary or beneficiaries shall not be requisite to any change of beneficiary or beneficiaries, or to any other changes in the policy.

#### CONFORMITY WITH PROVINCIAL OR STATE STATUTES

Any provision of the policy which, on its effective date, is in conflict with the statutes of the province or state in which the insured employee resides on such date is amended to conform to the minimum requirements of such statutes.



# ACCIDENTAL DEATH, DISMEMBERMENT AND LOSS OF SIGHT BENEFITS FOR EMPLOYEES

If bodily injury effected solely through accidental means is sustained by an employee while the employee is insured for this benefit and results directly and independently of all other causes, within ninety days after the date of the accident, in any one of the losses set forth in the Table of Losses, the Company shall pay, subject to the Limitations listed below, the amount of the Principal Sum shown in the Table of Benefits for the Insurance Class in which the employee is insured or the fraction thereof set forth in the following Table of Losses, but only one of the amounts, the largest so specified, shall be paid for all injuries resulting from any one accident.

#### TABLE OF LOSSES

For loss of			
Life	The	Principal	Sum
Both Hands or Both Feet or Sight of Both Eyes	The	Principal	Sum
One Hand and One Foot	The	Principal	Sum
One Hand and Sight of One Eye	The	Principal	Sum
One Foot and Sight of One Eye	The	Principal	Sum
One Hand or One Foot.	- 1/2	Principal	Sum
Sight of One Eye	. 1/2	Principal	Sum

Loss means with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints; with regard to eyes total and permanent loss of sight beyond remedy by surgical or other means.

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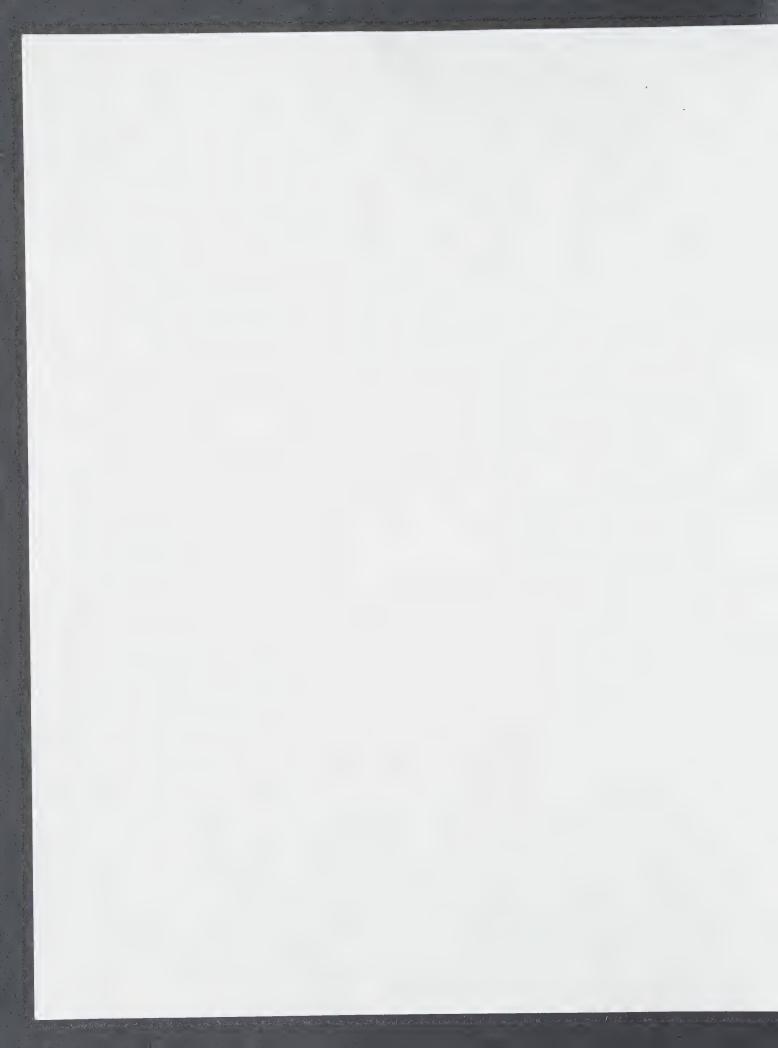
- (a) suicide while sane or insane;
- (b) intentionally self-inflicted injury;
- (c) ptomaines or bacterial infections (except pyogenic infections which occur with and through an accidental cut or wound);
- (d) war or any act incident thereto;
- (e) any form of disease or illness or physical or mental infirmity, or medical or surgical treatment thereof.



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#### REVISED Schedule for

#### Dr. Alfred Bader The 1998 Meek Lecturer Thursday, May 7, 1998

11:00	Dr. David Hart	3048 Evans Laboratory
11:30	Lunch with students	Faculty Club
1:00	Dr. Sheldon Shore	2040 Evans Laboratory
1:30	Dr. Gideon Fraenkel	4040 Evans Laboratory
2:00	Dr. Robert Coleman	4027 Evans Laboratory
2:30	Dr. Anne McCoy	2108 Newman Wolfrom
3:00	Meet the speaker	2136 Newman Wolfrom
3:30	Seminar: The History of the Aldrich Chemical Company	2004 Evans Laboratory
6:00	Dinner at the Refectory	Professor Todd Lowary, Dean Violet Meek, Professor Weldon Mathews, Professor Prabir Dutta, Professor Sheldon Shore

Friday, May 8, 1998

8:30	breakfast with Dr. Dutta	
9:30 - 12:15	Dr. Georg Heimdal, Chair Department of Art	146 Hopkins 128 N. Oval Mall
12:30	lunch at the Faculty Club	Professor James Cowan, Professor Gideon Fraenkel, Professor Harold Shechter, Professor Chris Hadad
1:30	Dr. Bruce Bursten	2050 Evans Laboratory
2:00	Dr. Mathew S. Platz, Chair, Department of Chemistry	1118 Newman Wolfrom
2:30	Dr. Leo Paquette	4068 Evans Laboratory
3:00	Dr. Jon Parquette	4113 Newman Wolfrom
3:30	The Meek Lecture: Richard Anshütz, Archibald Scott Couper and Josef Loschmidt: A Detective at Work	1008 Evans Laboratory
4:30	reception and poster session	2 <sup>nd</sup> floor, Celeste Laboratory





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Dr. Jai P. Nagarkatti President

January 19, 1998

Dr. Alfred Bader 924 East Juneau Avenue, Suite 622 Milwaukee, WI 53202

Dear Alfred:

Thank you for sending me the information on BDH. I was aware that Merck was planning to close it down.

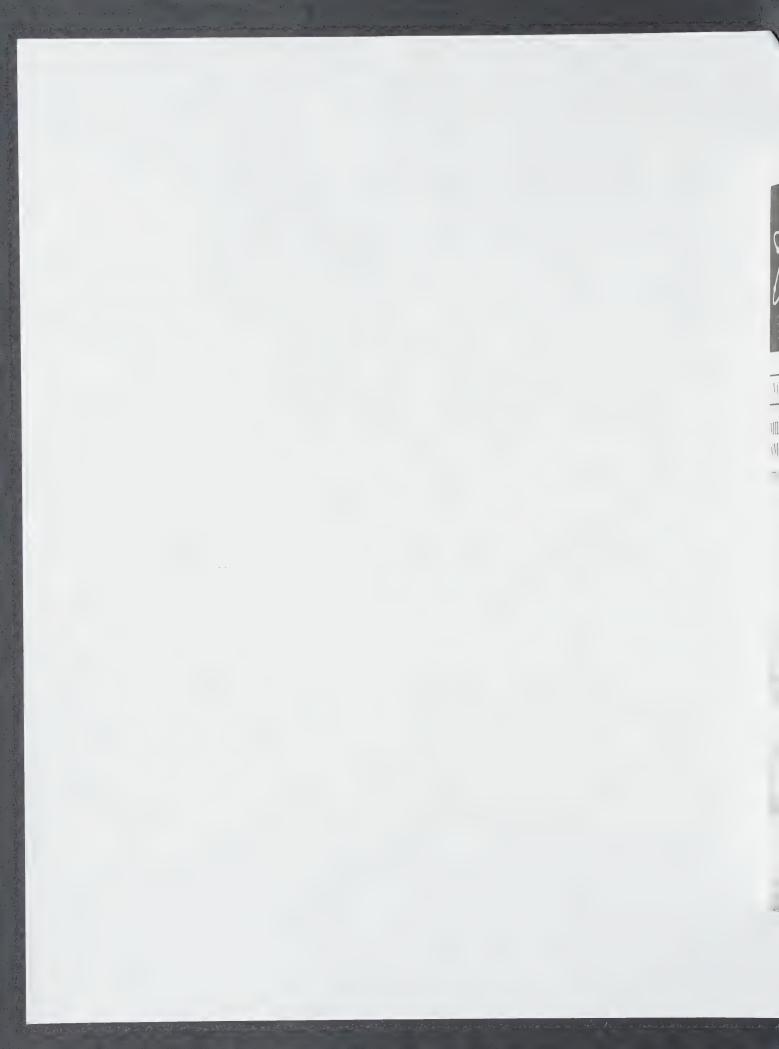
Please accept my congratulations on your selection to be included in the C&EN's Top 75 Distinguished Contributors to the Chemical Enterprise.

I feel proud to be associated with such a great person. Thank you, Alfred.

Sincerely,

Jai P. Nagarkatti

President





VOL. 52 NOVEMBER-DECEMBER 1997 NO. 5

# MILWAUKEE SECTION AMERICAN CHEMICAL SOCIETY

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**NOVEMBER MEETING** 

(Carroll College, Waukesha)

SOLID-STATE NMR: REBIRTH OF THE METHOD

By
Dr. Alexander Blumenfeld

MILWAUKEE SECTION AWARDEE

JOSE J. ERIPTAT

Distinguished Professor of Chemistry University of Wisconsin – Milwaukee

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#### MILWAUKEE SECTION CALENDAR

#### **FUTURE SPEAKERS & TOPICS**

January 15, 1998 THE JOY OF COLLECTING: HUNTING FOR OLD MASTERS
Dr. Alfred Bader, Alfred Bader Fine Arts

#### **BOARD MEETINGS**

#### November 18

All board meetings will be on Tuesdays at 6:30 P.M. in Room 103 of the Todd Wehr Chemistry Building on the Marquette University Campus.

# MATERIAL SUBMISSION DEADLINES FOR THE AMALGAMATOR

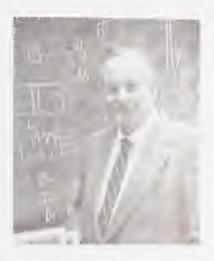
November 21, 1997 January 21, 1998 January-February (1998) Issue March-April (1998) Issue

#### MILWAUKEE SECTION AWARDEE

#### JOSE J. FRIPIAT

Distinguished Professor of Chemistry University of Wisconsin – Milwaukee

Professor Jose J. Fripiat obtained his B.A. (1943), M.Sc. (1945) and Ph.D. (1949) degrees (Physical Chemistry) from the University of Louvain in Belgium, A Postdoctoral Marshall Plan Fellowship allowed him to stay at Cornell University (1950-51), after which he held several professorship positions at the Universities of Louvain. Illinois-Urbana, National Center for Scientific Research (Paris, France), and the University of Wisconsin-Milwaukee. He is currently Distinguished Professor of Chemistry in the Department of Chemistry and Laboratory for Surface Studies (UWM).



Among numerous awards and memberships that he received during as long career are Franqui Award (Franqui Foundation, 1967). Associate membership in the French Academy of Agriculture (1967). Membership and the Belgium Royal Academy of Sciences (1969), National (US) "Frank Capetal Grant (1973), and the third International British Petroleum Prize that traces (1982).

He has published more than 400 scientific papers and is the author of two books in the fields of catalysis and material science.

#### **ACS SHORT COURSE**

The Milwaukee Section is sponsoring the ACS Short Course *Mixture Experiments: An Experimental Manage Symptometric Formulation* by Dr. Wendell Smith. The course will be offered at Marquette University on March 4-6, 1998. For more information, call Bob Goss at 847-634-3090.

#### NOVEMBER MEETING

## SOLID-STATE NMR: REBIRTH OF THE METHOD

Dr. Alexander Blumenfeld University of Wisconsin – Milwaukee

Friday, November 21, 1997

Ballroom, Campus Center Carroll College Waukesha

6:00 P.M. Social Hour/Networking 7:00 P.M. Dinner

8:00 P.M. Meeting and Program

Menu: Vegetarian entree available upon request

#### Prime Rib of Beef au Jus:

Members/Guests	\$15.00
Chemistry Students	\$7.00

#### California Stuffed Chicken Breast:

Members/Guests	\$12.00
Chemistry Students	. \$6.00

For dinner reservations, please call

Leslie Ross Marquette University 288-3515

By

**MONDAY, NOVEMBER 17, 1997** 

#### **ABSTRACT**

Although solid-state NMR has been applied in heterogeneous catalysis for many years, its potential in that area has not been exhausted. I will present a brief survey of the method and its applications in surface chemistry followed by the new ideas which evolved during the last decade. I will show how NMR can serve to characterize acid sites in solid catalysts quantitatively in terms of their strength, number, and local topology. The discussion will encompass numerous examples of NMR research that were performed in Professor Jose Empat's grants.

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From I-94: Exit Hwy 164 South. At Moreland Blvd., do not find Hwy 164, but cross Moreland Blvd. and continue south on Hog 45 (North St.) to Barstow St., which is 2.5 miles south of 1-94. Turn of on Barstow. Barstow will dead-end on College Avenue. Fam 2.4 At East Ave (one block), turn left (North), continue one block. Turn right (East) on Wright St. Campus Center pursuit 10.1.

From I-43: Exit Hwy 164 North. Continue straight into Wanke des (Hwy 164 becomes East Ave). Do not turn when Hwy 164 mas reduction but continue on East Ave. It is approximately 7 miles norther than the Avenue. Continue one block past College and turn right East and Wright St. Campus Center parking lot is on the capit.

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#### COUNCILOR'S REPORT LAS VEGAS ACS MEETING

Attendance at the 214th National ACS Meeting was 9,863, including the 1,462 exhibitors. In comparison, total attendance at the San Francisco meeting was 18,000 and broke a 40-year old record.

The Council passed the motion on Petition to Revise the Duties of the Committee on Membership Affairs. The Petition of Special Dues for Postdoctoral Chemists, which was recommitted to the Committee of Membership Affairs at the San Francisco meeting, will be available for Councilor vote at the Dallas, TX meeting in 1998. The Committee is working currently on the lifetime membership dues for chemists; this may require a Bylaw change and approval of the Council at the next meeting. The Committee's campaign to increase the membership to 175,000 by the year 2001 is underway, and each Local Section is encouraged to participate in the member recruitment/retention effort.

The Committee on Economic and Professional Affairs is revising the *Guidelines for Employment* to reflect recent trends in employment. Symposia are underway to address economic drivers of downsizing in industry and their effects on the lives of chemists. The book on the chemist's career has been published, and the PDB for all members will soon go on-line.

The 10th anniversary celebration of the National Chemistry Week,

may be visited at the <a href="http://www.acsorg/ncw">http://www.acsorg/ncw</a> web site. Many new publications related to the outreach program have been distributed. The "Planet Chemistry" booklet for school children, may be obtained from the NCW office.

Dimitri Gorjestani Chuck Wilkie



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## MILWAUKEE SECTION OF THE AMERICAN CHEMICAL SOCIETY

#### MINUTES OF THE BOARD MEETING

**September 16**, 1997 at 6:30 P.M. Todd Wehr Chemistry Bldg. – Marquette University

**Present**: Stan Flashinski, Dimitri Gorgestani, Tom Jones, Mike McKinney, Rob McLellan, Tom McLinn, Jennifer Runquist, Kristene Surerus.

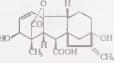
**Secretary's Minutes**: The minutes for the previous meeting were approved as amended.

Chairperson's Remarks: Mike McKinney reported that Mary Ellen

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Heus, a teacher at New Berlin High School, will receive a plaque for mentoring Wei Ho, a National Olympiad Finalist at the September meeting. Mike is still looking for a volunteer to coordinate National Chemistry Week.

Treasurer's Report: Tom Jones reported that income from the *Amalgamator* is up but expenses are higher than budgeted, primarily due to postage costs. The budget for Project SEED has been changed to \$6000. Dues, interest, meeting income and travel rebates are all on target. Tom changed the Section's checking and savings accounts from Firstar to M&I in order to minimize fees. Regarding the regional meeting to be hosted in Milwaukee this spring, the organizing committee wanted to know if the Section would front money for expenses to be reimbursed after the meeting. The board wanted to know how finances were handled in the past when the Section hosted a meeting and asked that a member of the organizing committee present their case at the next board meeting.

Chemical Education Committee: Ken Miller was unable to attend but had informed Mike McKinney that the committee had funded three proposals in the Minigrant Program for Chemistry teachers. They went to John A. Rhude on "Gel Electrophoresis", Linda Stenmark on "Cool Science", and Nancy L. Jacobson on "Technology Enhancement".

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- Continuing Education Committee: Rob McLellan reported that a short course is being set up for March 4-6 to be held at Marquette University. It will be publicized in the nextAmalgamator; they will also try to publicize it in the Chicago Section. A minimum of 10 people are needed to hold the short course with a maximum of 35. It was suggested that flyers be made up to be sent to local industries for posting as part of the publicity. Rob will look into it and report back at the next meeting.
- Councilor Report: Dimitri Gorgestani reported on the Las Vegas ACS Meeting with his report to appear in the next Amalgamano
- Section Award Nominating Committee: Stan Flashinski repaired that there are three nominees for the Milwaukee Section Award. The nominating material was given to Mike McKinney who will forward it to the members of the Milwaukee Section Award Committee.
- Milwaukee Section Award: Mike McKinney reported that two more members are needed on this committee to complete it. Next week the committee will decide which of the three nominees will receive the Milwaukee Section Award
- **Membership**: Tom McLinn reported that 1 new member has joined. the section over the summer.

New Business: Jennifer Runquist reported that Dr. Alfred Bader will

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be presenting a talk on "Collecting Old Masters" at the January meeting to be held at the Milwaukee Art Museum. The talk will be sponsored jointly with the Fine Arts Society. The meeting will be held on a Thursday evening when the museum is open late; she will ask for docents to give tours. The February meeting will be held at Miller Brewing Co. and will be given by Owen Griffith of MCW.

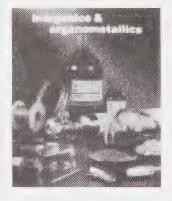
The meeting was adjourned at 8:25 P.M.

Respectfully submitted, Kristene Surerus Secretary

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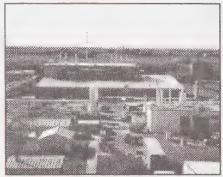
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#### MCW 1997 FALL SEMINAR SERIES

Speaker	Seminar Title	Date
Dr. K. Olsen Loyola Univ.	New Substitutes for Old Blood	Nov. 18
Dr. R. Jakobi MCW	Molecular and Biochemical Characterization of Casein Kinase II and p21-activated Protein Kinase I	Dec. 2
Dr. F.J. Rauscher, III Wistar Institute	Engineering Transcriptional Repressors which Revert the Malignant Phenotype: Unique Tools for Multiplex Analysis of Gene Expression in Transformed	Dag 0
	Cells	Dec 9

Seminars are held at 3:30 P.M. in the Biochemistry Library, Room 376. Refreshments are served at 3:15 P.M. For more information and updates to the seminar schedule, consult the Biochemistry calendar at <a href="http://www.biochem.mcw.edu">http://www.biochem.mcw.edu</a>.



#### PROFESSIONAL OPPORTUNITIES

#### ACS CONGRESSIONAL FELLOWSHIP

The ACS Office of Legislative and Government Affairs is seeking applicants for its Congressional Fellowship Program for the 1998-99 term. The Program places an ACS member in a congressional office to:

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- make scientific and technical expertise available to the government, and
- forge links between the scientific and government communities.

Applications are due January 1, 1998 and must include a letter of intent, a resume, and two letters of reference. The letter of intent should be two pages in length explaining your reasons for applying and

your background in science and public policy, as well as what you would seek to accomplish as a Fellow. The letters of reference are to be sent directly to ACS. ACS provides a stipend in the high \$40,000s and an

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additional allowance for relocation expenses. Support from other sources, such as a present employer, may be allowed. The position is available in the fall of 1998. Application materials should be sent to:

Congressional Fellowship Program
Office of Legislative and Government Affairs
American Chemical Society
1155 16th Street, NW
Washington, D.C. 20036

For more information, contact Margaret Carey at 202-872-4467 or *m\_carey@acs.org*.

#### PROFESSIONAL OPPORTUNITIES

#### OF USINE AND WARHARA MODSDON ULLYOT SCHOLARSHIP

The Chemical Heritage Foundation (CHF) is pleased to announce the availability of the Glenn E. and Barbara Hodsdon Ullyot Scholarship Fund. The goal of the Ullyot Scholarship is to advance public understanding of the importance of the chemical sciences to the public welfare.

The third annual Ullyot scholarship, which will be awarded for summer 1998, offers a stipend of the stipend is to support a minimum of four weeks research on the heritage of the chemical sciences utilizing the resources of CHF's Othmer Library of Chemical History in Philadelphia, other area libraries, and associated resources.

Interested applicants should send their curriculum vitae, a one-page description of their proposed research, an outline of a specific product as an outcome of the scholarship, and the telephone numbers or e-mail addresses of two references. The proposal should demonstrate how the resources of the Othmer Library are relevant to the applicant's project. Applications must be received as \$\int\_{\text{in}} \int\_{\text{in}} \int\_{\te

The Othmer Library houses primary sources from the sixteenth century through the midtwentieth century, with emphasis on the last 100 years. The Library maintains a wide array of reference books and secondary literature on the history of the chemical sciences and technologies, personal papers of outstanding chemists and industrialists; and the archives of professional organizations. The core of the Library–over 40,000 volumes that span the era from the Civil War through World War II– forms an unrivaled resource for the history of American chemical business and technology.

The Chemical Heritage Foundation was established in 1982 by joint action of the American Chemical Society and the American Institute of Chemical Engineers. The Foundation seeks to advance the heritage of the chemical sciences by collecting and disseminating information

about historical resources; encouraging research, scholarship, and popular writing; publishing resource guides and historical materials; conducting oral histories; creating traveling exhibits; and taking other appropriate steps to promote the achievements of chemical scientists and the chemical process industries.

For more information on the Chemical Heritage Foundation, visit our Internet pages at http://www.chemheritage.org.

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Literally thousands of members have used this career service. If you would like to participate in the program, contact Elaine Diggs at 800-227-5558, ext. 4436, or 202-872-4436. You may also send hermail at ACS, Dept. of Career Services, 1155–16th St., N.W., Washington, D.C. 20036 or e-mail at e\_diggs@acs.org.

#### CAREER MANAGEMENT PROGRAMS FOR LOCAL SECTIONS

ACS Career Services offers programs designed to enhance the career management of chemists. Career Services is pleased to offer the following programs for Local Section sponsorship:

- Conducting an Effective Job Search Workshop
- Strategies for Job/Career Transitioning Workshop
- Resume Preparation Presentation (90 minutes)
- Resume Review and Career Assistance (Half or Full Day)
- Job Security and Employment Outlook (1 hour)

ACS Career Services provides all materials and handles most of the cost of operating these programs. The Local Section is responsible for providing publicity, room, technical equipment, and nominal fee (Full Day \$345; Half Day \$155, One Hour \$75). For more information contact Frank Walworth at 1-800-227-5558, ext. 6076, or *f walworth@acs.org*.

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The Amalgamator is published bimonthly, September through May, by the Milwaukee Section of the American Chemical Society. The Milwaukee Section and the American Chemical Society are not responsible for individual opinions printed in this publication. Correspondence for the Amalgamator should be addressed to the section officers listed on page 16. Other correspondence should be sent to:

#### Editor:

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Milwaukee, WI 53233

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Institutions that employ chemists and are located in the geographical area covered by the Milwaukee Section are invited to submit a half-page to one-page description of themselves. The description will be run in the *Amalgamator* free of charge only once, and on a first-come, first-serve basis. *Please do not advertise specific products*. Just tell us (i) who you are, (ii) where you are located, (iii) how long you have been in business in the area, (iii) how you employ chemists, and (iv) what your main chemistry-related line(s) of business is(are).

vis. Cheryl Weiss

Alfred Bader Fine Arts
324 East Juneau Avenue, Suite 622

viilwaukee, WI 53202





Des Menschen Seele gleicht dem Wasser; vom Himmel kommt es, zum Himmel steigt es, und wieder nieder zur Erde muß es, ewig wechselnd.

Plötzlich und für uns alle unfaßbar verstarb mein geliebter Mann, unser lieber, lieber Vater, Bruder und Schwager

## Dr. Alfred Griesinger

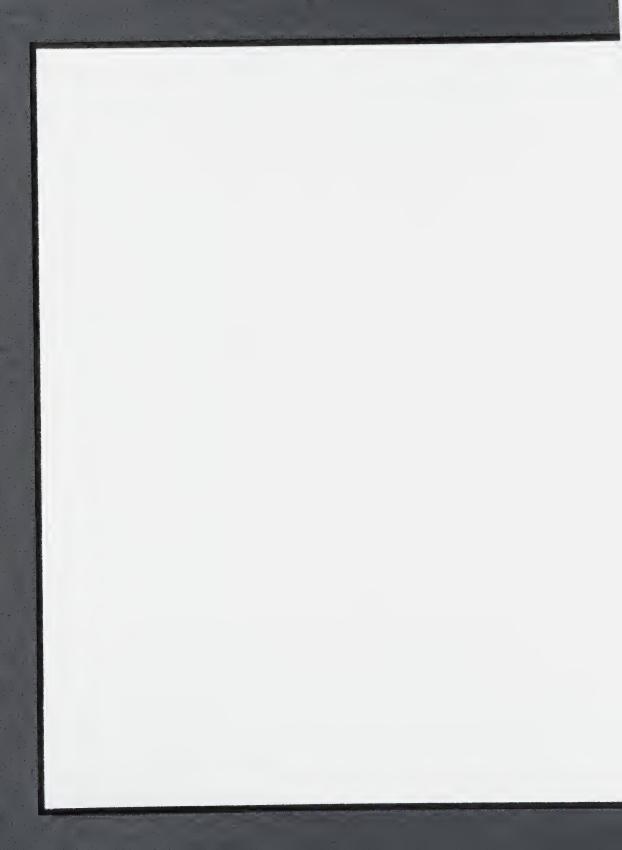
**\*** 18.7.1933 **†** 25.8.1997

In Liebe und Dankbarkeit trauern um ihn:

Erika Griesinger, geb. Jung mit Felix, Camilla und Claudius sowie alle Verwandten

89555 Steinheim, Mittelrain 51

Beerdigung am Montag, dem 1. September 1997, um 11.00 Uhr auf dem Ulmer Friedhof.





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

February 27, 1998

Mr. C. Ellison Beck 3636 Eager Road Jamesville, NY 13078-9457

Dear Becky:

Your kind note has given Isabel and me such pleasure, and it will do the same when Barry Young sees it.

I do not have to tell you that you were one of the most helpful stockroom managers I have ever known. Regarding the Rembrandt and Rubens, please congratulate me when these two paintings are sold.

With all good wishes and fond regards, I remain,

Yours sincerely,

AB/nik

c: Barry Young



2/7/98 Dear Dr. Bader So glad to see your mine on enclosure, AND that you renture to enjoy John love of General HART. Well romember your kinduess to 'Fussy' stocknewn person at ESE. Our ready 77 and walk 4 Miles daily early morning. - Roturd 14 'S Freu ESF, Morked again as 'courie for lundscape arelutet from 89 to get. Went back to B-19 base in 92 Fast child was married in Scattle in '45, and we drove and visited bute, parks careture. bet you august be interested that lice lower was in our paper - Been hore. for He's years on 2,5 acres, old 1815 house, Thust you are well and take cure The best to you. appartionately, / secky



## Rembrandt, Rubens art sells for \$14 million

NEW YORK — One collector has spent more than \$14 million for two paintings by Rembrandt and Peter

くつからるた

ERUD-JOURNIAL

Paul Rubens.

Milwaukee chemistturned-collector Alfred Bader bid \$9.1 million for a recently rediscovered 1633 painting by Rembrandt. "Portrait of a Bearded Man in a Red Coat."

That was more than twice Sotheby's presale estimate of

\$3 million to \$4 million

Bader also had the winning bid of \$5.5 million for Rubens' "The Head of John the Baptist Presented to Salome," which probably was painted in 1609.

That price was within the auction house's estimate of \$5 million to \$7 million.

- The Associated Press





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

February 9, 1998

Ms. Patricia Carr 3650 South Utah Place St. Louis, MO 63116

Dear Pat:

I am sorry that a trip to Arizona to give seven lectures has delayed my thanking you for your letter of January 30th.

You may well be wise to want to stay away from offering those chemicals needed in the dog pseudo product line. I only suggested that I might be able to help when I understood you to say that Sigma had specifically told you that they had no interest.

Obviously you could help the DEA enormously and I hope that they understand this.

Please do let me know whether I can help you in any way.

With all good wishes from house to house, I remain,

Yours sincerely,

AB/nik



Patricia Carr 3650 South Utah Place Saint Louis, Missouri 63116

January 30, 1998

Dr. Alfred Bader 924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202

Dear Alfred:

I hope this letter finds you and Isabel well!

After our telephone discussion much thought was given to what I am going to say.

Although you mean very well, and I am flattered with your concern for me, I have decided that both of us have endured enough pain from the Sigma-Aldrich organization. It is not wise for us to encourage anymore by taking the dog pseudo product line to the next step. After all the products do really belong to Sigma.

Hopefully, at some later date, Sigma will negotiate the product line to me.

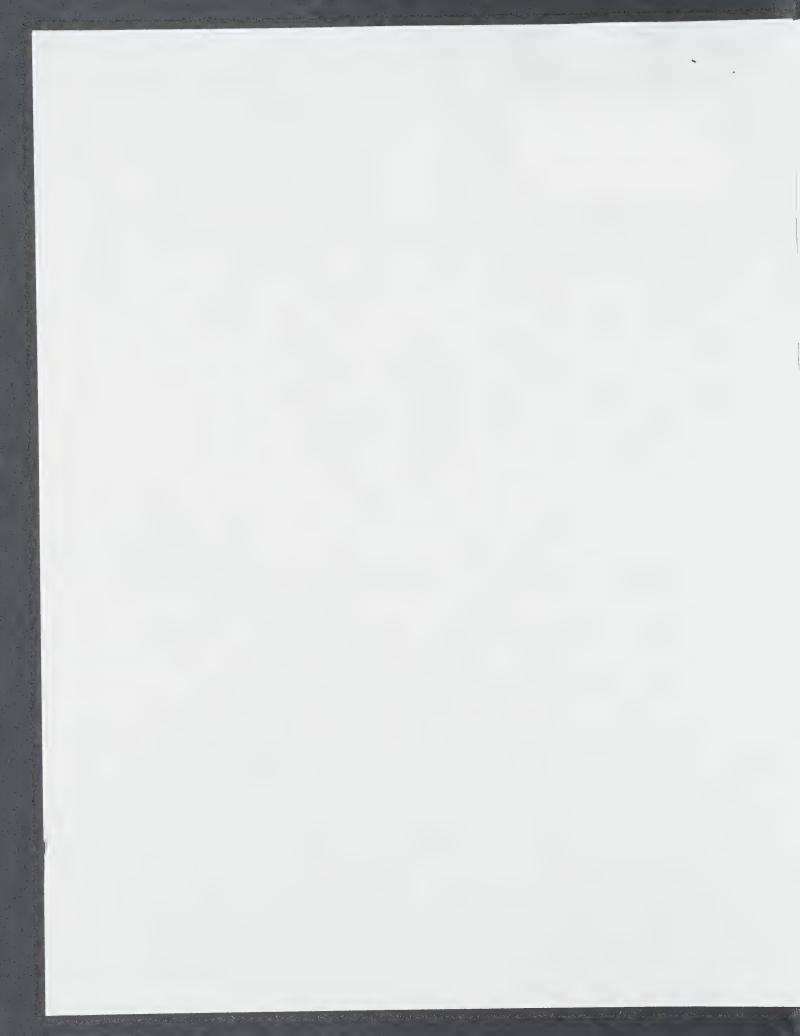
I have retirement status with Sigma as well as a release of my non-compete contract. I do not want to work a 40 hour a week anymore. I was kept on retainer by Sigma from May until the end of October, 1997 as a Regulatory Consultant. It is my intention to continue to pursue work in this area. Although I have retirement status, I am not old enough to gain the monetary value of this status.

I have gone to the DEA in Washington under FOI requesting inspection reports of Manufacturers and Distributors in selected states. We will see what this brings!

I promise, I will stay in touch!

Patricia Parr Par

Patricia Carr



January 7, 1998

Dear Alfred:

I hope that you had a very good Holiday season. We spent Christmas in Dallas - with two active teenagers there was never a dull moment.

I just talked to Pat Carr and she sounded as bubbly as usual - according to her everything is okay.

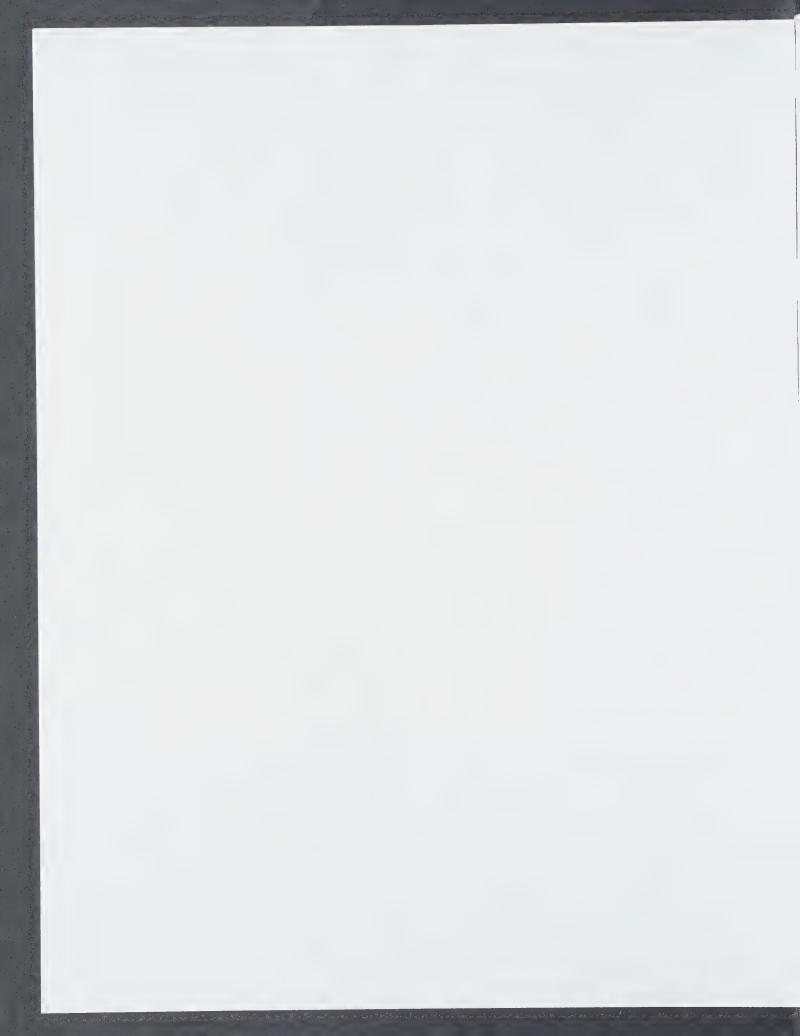
The atorney general is still pursuing Sigma. Pat received a call from Jerry Kaskowitz asking her to let him know when the feds would interview her. She told Jerry "no, thanks". She is free of any obligation and would not inform Sigma.

Pat has talked to Dan Fagan, they are cutting back and he could not help. She also mentioned that Sigma is not doing anything with their dog training chemicals. She is looking for someone to manufacture them. Could you be of any help? The DEA is still interested in her but cannot do much until the Sigma matter is resolved.

What are your ideas on the retirement of Peter Gleich next June?

With fond regards to you and Isabel,

lours,



December 26, 1997

Mr. David Griffiths Aldrich P.O. Box 355 Milwaukee, WI 53201

Dear David:

As you will be able to imagine I look at Aldrich's advertisements very carefully and found the ad on *New Heterocycles*, copy enclosed, particularly interesting.

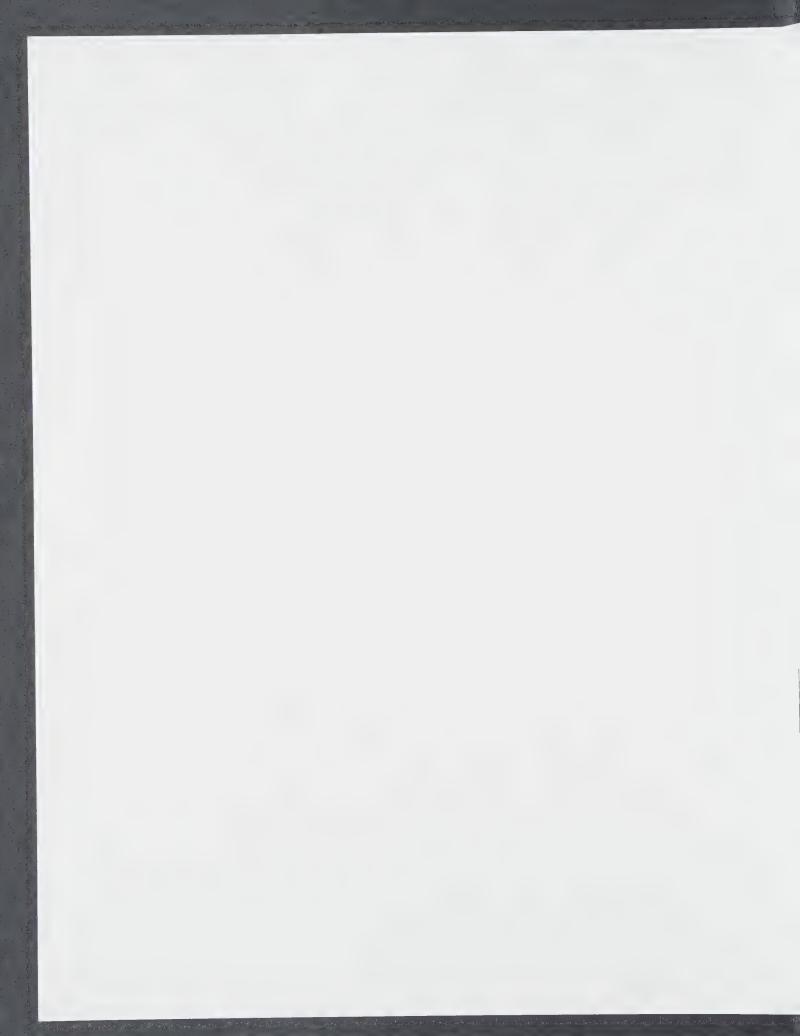
But I am certain that you were not asked to proofread the name of 44,895-8 and perhaps you should suggest that you be allowed to look at every advertisement before it appears.

With all good wishes for 1998, I remain,

Yours sincerely,

AB/nik

Enclosure





Dr. Alfred Bader 924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

July 31, 1997 Via Fax: 800/325-5052 and U.S. mail

Mr. Kirk A. Richter Sigma-Aldrich Corporation 3050 Spruce Street St. Louis, MO 63103

Dear Kirk:

As you know, I am still a substantial stockholder in Sigma-Aldrich.

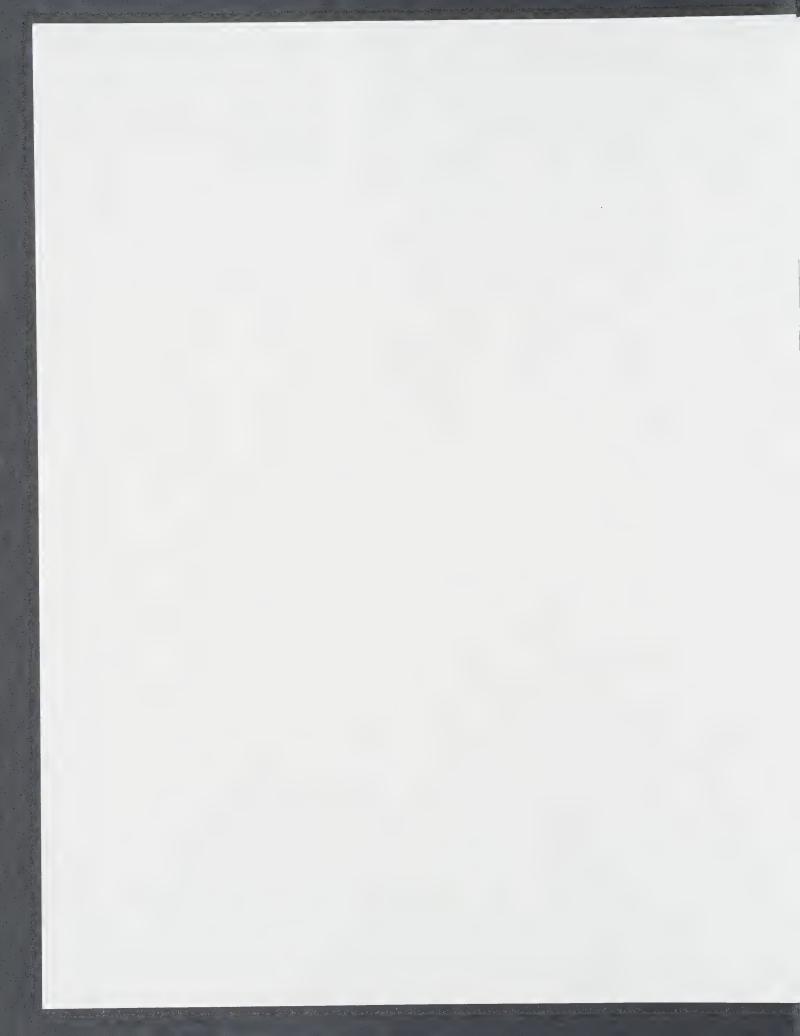
Please send me the latest 10-Q and arrange routinely to send me the 10-Q's as they appear.

With many thanks and best personal regards, I remain,

Yours sincerely,

AB/cw

bc: Bill Schield





Chemists Helping Chemists in Research and Industry

## aldrich chemical company, inc.

August 25, 1997

Dr. E. James Bradford Awards Administrator American Chemical Society 1155 - 16th Street, N.W. Washington, D.C. 20036

Dear Dr. Bradford:

It gives me great pleasure to second the nomination of Professor Herbert C. Brown to be the first recipient of the Herbert C. Brown Award for Creative Research in Synthetic Methods. It is well known that Professor Brown has made exceptional contributions in many areas of chemistry over the last 60+ years. However, his discovery and development of numerous new synthetic methods are undoubtedly the most significant. Even if this Award was not named for him, Dr. Brown would be, without question, a very deserving recipient of the Award.

I feel it is very appropriate for the American Chemical Society to recognize this living legend for his many contributions to synthetic chemistry. Also, I know Dr. Brown very well and can assure the Award Committee that the awarding of the first HCB Award to HCB will be greatly appreciated by Dr. Brown. I know it is very important to him to be recognized for his work. Dr. Brown took great interest in all aspects of the establishment of this Award, and I know he would be honored to be the first recipient.

Finally, I think it is noteworthy that Dr. Brown, even at age 85, continues to be very active and still displays a creative flair for developing important new synthetic methods. For example, over the last month, he has worked closely with one of his postdoctoral students, and they have discovered and are now developing an exciting new synthetic route to one of Aldrich's key boron based reagents. We will soon file a patent application to cover this major breakthrough.

Professor Herbert C. Brown's many contributions to the development of synthetic methods have been and continue to be original and creative. I strongly support his nomination for the Herbert C. Brown Award.

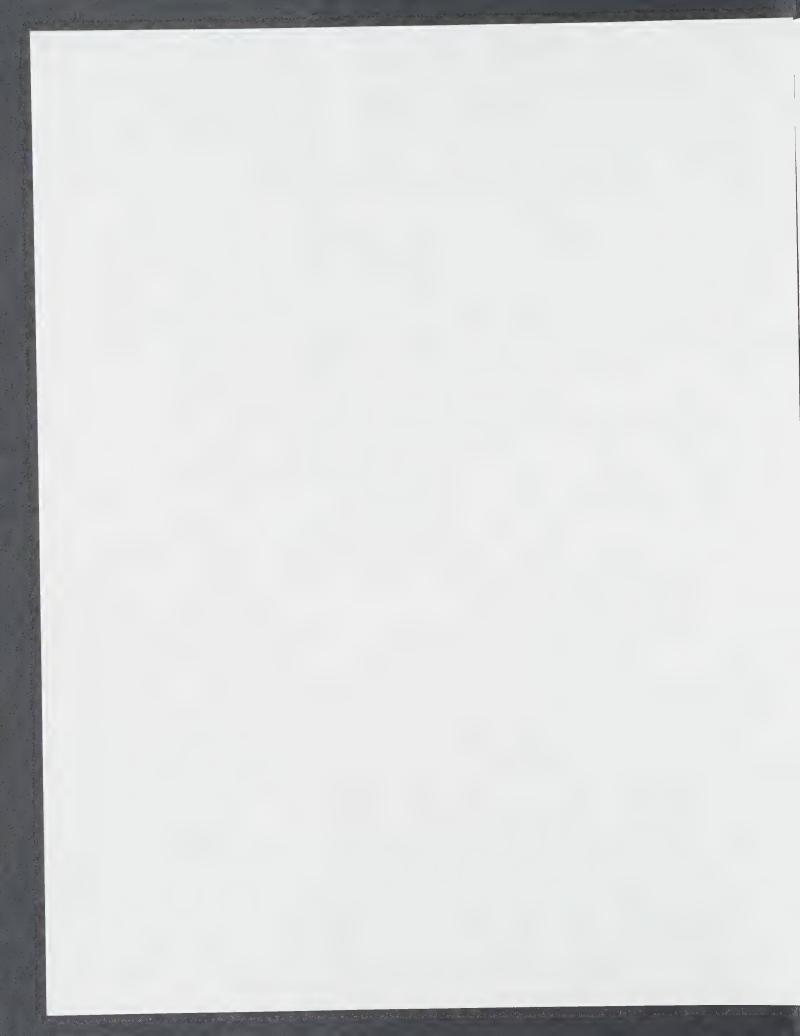
Sincerely,

Clinton F. Lane, Ph.D. Executive Vice President

Executive vice r resident

c: Dr. Alfred Bader

Alfred, Thank you for your help.



Section: BUSINESS

Wednesday, May 7, 1997

# FINES, COMPENSATION LINK REJECTED FOR SIGMA-ALDRICH

By Robert Steyer Of The Post-Dispatch Staff

Shareholders of Sigma-Aldrich Corp. on Tuesday rejected a proposal that would have reduced top executives' compensation if the company paid fines for violating federal, state or local laws.

The proposal was offered by Alfred R. Bader, the company's former chairman, who was denied renomination for the board of directors five years ago.

Bader, who owns 5.6 percent of the company's stock and is the second largest shareholder, has continued to criticize Sigma-Aldrich's management.

But his proposal received only 14 percent of votes cast during an annual meeting that contained more drama than the usual get-together of shareholders, securities analysts and executives.

When Chairman Tom Cori introduced Bader to make his proposal, Bader declined to speak from the audience. Instead, he strode to the lectern where Cori was conducting the meeting.

As Bader began to discuss his proposal, he asked Cori to sit down. Cori remained standing, just a foot away from his former colleague.

And as Bader delivered his speech, he periodically addressed and glared at Cori, who kept silent and returned his stare.

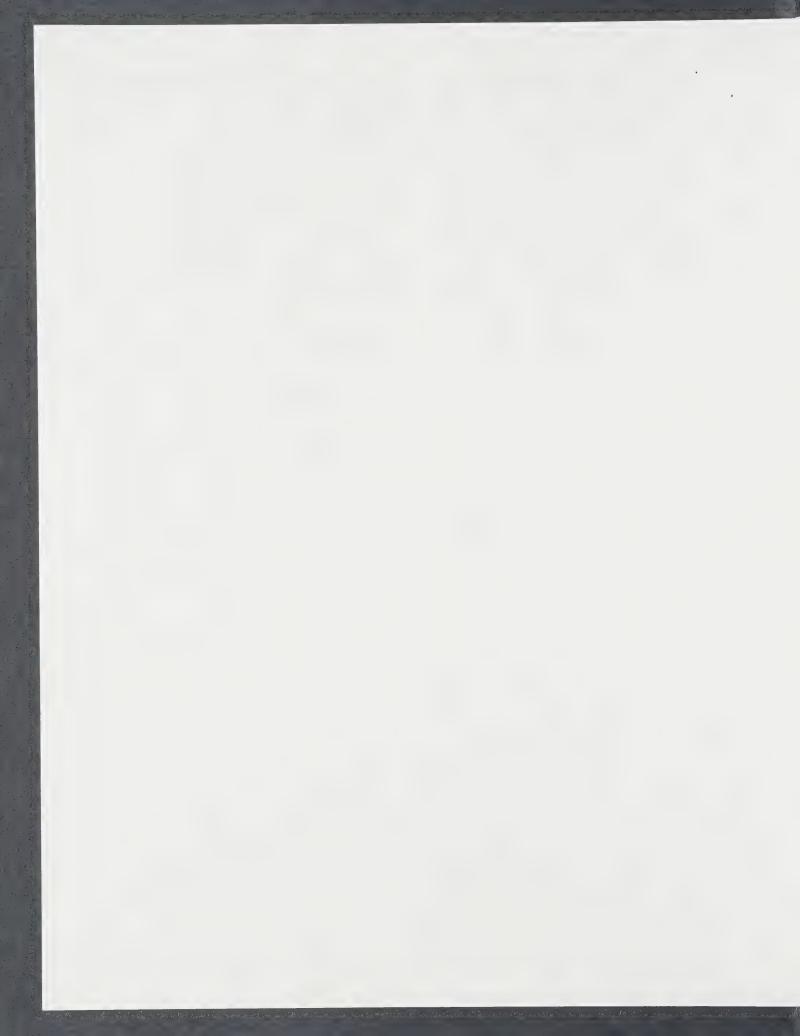
Cori made no comments about the proposal or Bader's remarks.

Bader wanted Sigma-Aldrich to adopt a policy in which top executives' pay would be cut in proportion to fines paid to any government agency in the previous year.

To support his proposal, Bader pointed to the \$480,000 federal fine that Sigma-Aldrich paid last summer.

The company settled allegations by the federal government that it had i llegally exported toxic substances that could have been used in chemical warfare.

The government said there was no evidence that the substances were misused. Sigma-Aldrich said it had "inadvertently violated" U.S. export laws.



In its proxy statement, the company opposed Bader's proposal. It said Bader's plan would "severely impair" Sigma-Aldrich's ability to hire and retain executives.

Bader's proposal, the company added, could penalize executives without regard to their individual responsibilities.

"If adequate measures have been taken, then of course management has nothing to fear from my motion," Bader said at the annual meeting. "If not, then management - not shareholders - should bear the burden."

Company executives have "failed to pay sufficient attention to the nitty-gritty of . . many regulations," Bader alleged. "My position is that qualified management should prevent such violations, and we should not try to attract management that will fail to do so."

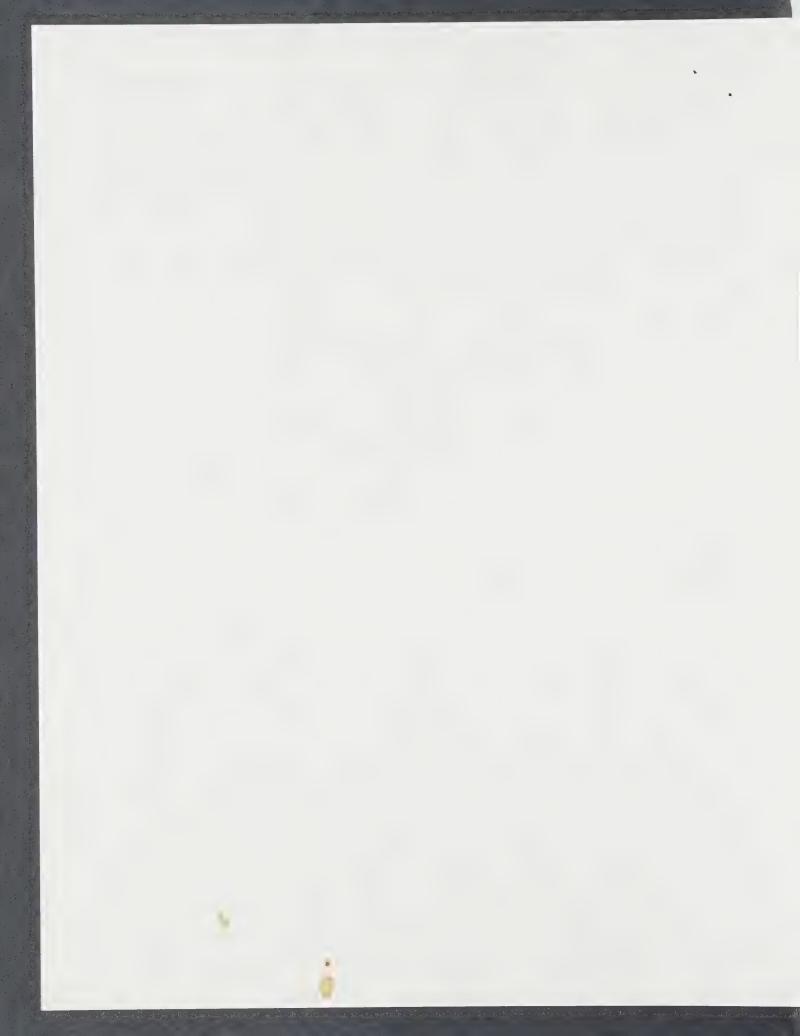
In related matters, the company said it expects to open in the third quarter a 70,000 square-foot expansion of its 30,000 square-foot plant at 3506 South Broadway. Sigma-Aldrich expects to hire 10 to 60 more people over the next four years at the plant.

A company spokesman added that Sigma-Aldrich expects by late June to complete its purchase of 14 acres in St. Louis for a new corporate headquarters.

The company is buying land on the old LaClede Town housing project bounded by Ewing Avenue, Olive Street and Laclede Avenue. Sigma will continue to use its current headquarters at 3050 Spruce Street.

Publication Details

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Saturday, February 15, 1997

Section: BUSINESS

# SIGMA DECISION TO STAY IN CITY WINS PRAISE BOSLEY SAYS SIGMA-ALDRICH'S NEW HEADQUARTERS IN LACLEDE TOWN WILL HELP STABILIZE THE CITY

By Robert Steyer Of The Post-Dispatch Staff

Mayor Freeman R. Bosley Jr. praised Sigma-Aldrich Corp. Friday for deciding to build a new St. Louis headquarters and helping to "stabilize and improve" the city.

"We've been hearing a lot lately in the media about businesses who are not happy with St. Louis," said Bosley, without identifying any companies.

"Well, I've got two words for all those negative naysayers and prophets of doom and Chicken Littles," Bosley said. "Those words are Sigma-Aldrich."

Bosley spoke at a press conference accompanied by Tom Cori, chief executive of Sigma-Aldrich, which has been based in St. Louis since 1946.

Cori said his company never looked elsewhere to build a headquarters to replace the home office at 3050 Spruce Street.

The new headquarters and an employee training center will be built on 14 acres bounded by Ewing Avenue, Laclede Avenue and Olive Street.

"This is a good place to be," said Cori, whose company makes chemicals for medical and scientific research as well as metal products for several industries.

Sigma-Aldrich employs 1,813 people in the metropolitan area, including 325 who live in St. Louis.

The company's announcement came two days after Ralston Purina Co. said it might move its headquarters out of the city.

Bosley dismissed the suggestion that the press conference was timed to soften the news emanating from Checkerboard Square



Friday, March 28, 1997

# Section: BUSINESS

# SIGMA CHIEF'S PAY CUT AS PROFIT RISES

By Robert Steyer Of The Post-Dispatch Staff

For the second year in succession, the chairman and chief executive of Sigma-Aldrich Corp. took a pay cut, even though his company produced record earnings and sales.

Tom Cori earned \$1.04 million last year, down 10 percent from 1995. Sigma-Aldrich, a St. Louis-based chemical and metal manufacturing company, reported a 12 percent gain in earnings and an 8 percent increase in revenue.

Sigma-Aldrich's proxy statement, issued Thursday, offered no specific comments on why Cori and several other officers received modest pay cuts.

Cori's total compensation - like that of other top executives - combines salary, bonus, long-term incentive payments and miscellaneous items such as corporate contributions to the company's retirement savings plan.

The long-term incentive component is a delayed stock payment based on previous corporate performance. Last year, this payment was based on Sigma-Aldrich's 1990 results.

Other top executives include:

David A. Harvey, president and chief operating officer, who earned \$653,219, a decrease of 2 percent over 1995.

Peter A. Gleich, vice president and chief financial officer, who received \$384,609, down 5 percent.

Kirk A. Richter, controller, who received \$223,083, down 9 percent.

Thomas M. Tallarico, vice president and corporate secretary, who earned \$261,000, a gain of 4 percent.

In a related matter, the company's former chairman, Alfred M. Bader, has asked shareholders to support a resolution at the May 6 annual meeting to cut executives' pay if the company pays government fines.



Negotiations with Sigma-Aldrich "have been going on for several months," he said.

For at least a year, Sigma-Aldrich, A.G. Edwards Inc., St. Louis Uni versity and Harris-Stowe State College have been identified as prime candidates for occupying the LaClede Town site.

LaClede Town was a middle-income housing area that deteriorated in the 1970s and was eventually taken over by the U.S. Department of Housing and Development. HUD sold the site to the city for \$10 and has been demolishing buildings.

City officials said that Sigma-Aldrich hasn't acquired the land even though the city's Land Clearance for Redevelopment Authority approved the transaction Jan. 28.

The sale should be completed "in just a few weeks," said Maureen McAvey, the city's executive director of development.

Several minor issues, including "a glitch in a survey document," must be addressed, she said.

McAvey said the purchase price will be made public after the deal is closed.

One person familiar with the negotiations said Sigma-Aldrich would pay approximately \$2.4 million.

Harris-Stowe State College paid \$10 in November for 17 1/2 acres on the LaClede Town site. McAvey said agreements with St. Louis University and A.G. Edwards should be completed by year-end.

Sigma-Aldrich decided to build a new headquarters because the company had outgrown its existing one, which has 250,000 square feet.

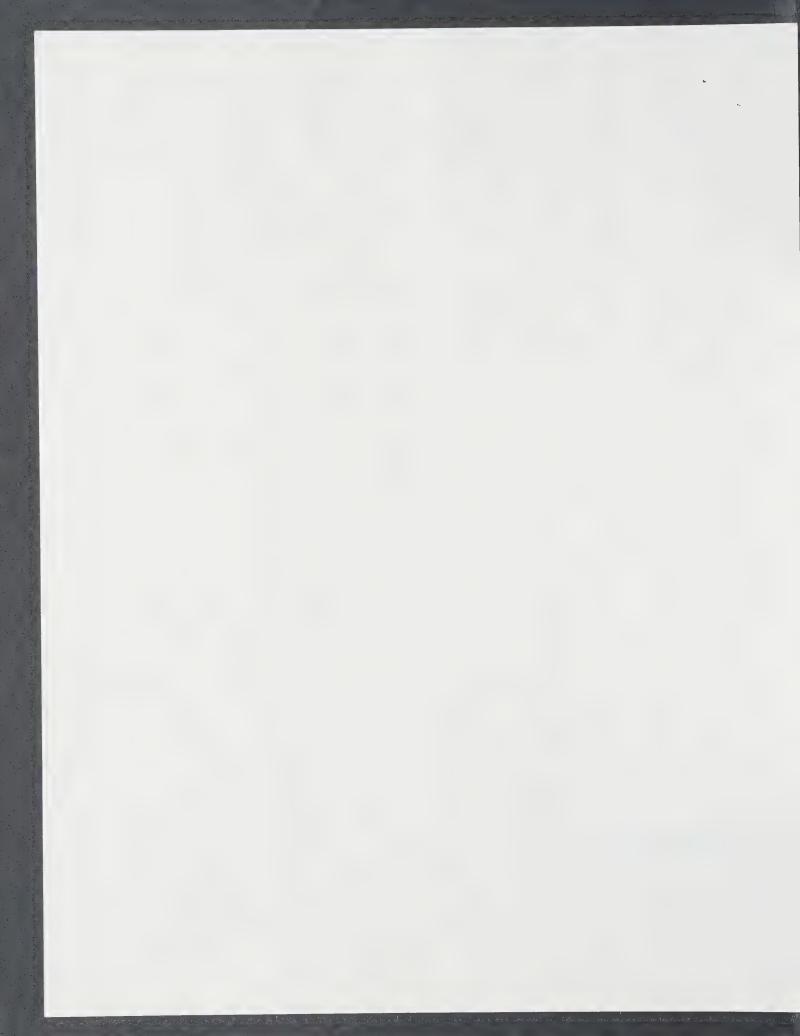
The company will continue to use the building.

Construction of the new headquarters and training center - totaling 116,000 square feet - should cost \$15 million and should be completed in 1999.

Cori noted that his company had invested nearly \$200 million within the city during the last 15 years and expects to invest another \$200 million in the next five years. That future investment should add more than 300 jobs, he said.

Publication Details

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# CUSTOM MANUFACTURING

MATTHEW LERNER

# Sigma-Aldrich Strengthens Role as Pharma Supplier

SIGMA-ALDRICH Fine Chemicals is expanding its cGMP capabilities with a flurry of projects aimed at enhancing its role as a supplier to the pharmaceutical industry. The division of Sigma-Aldrich Corporation hopes that a new cGMP facility and a host of other additions throughout its matrix of plants will mean capturing a bigger piece of the outsourcing pie being served up by the pharma sector.

Construction is virtually complete at the company's grassroots cGMP facility in Gillingham, Dorset, UK, according to Bill Szabo, manager of sales and marketing for custom manufacturing.

The new plant was designed and built for the scaleup and production of pharmaceutical intermediates and actives. "The Gillingham plant was designed specifically for custom work," he says. "It will only be used for custom manufacturing."

The brand-new, 55,000-square-foot facility can take a project from the bench top through the kilo lab and pilot stages and then onto commercial production in quantities up to several hundred kilos. While targeting advanced intermediates, the company will look at projects from pre-clinical stages through Phase III as well as commercial launch projects on a selected basis.

"We are positioning ourselves as a single source for multistep cGMP processes," says Dr. Szabo. In addition to having fewer vendors to qualify, he says, clients also benefit from simpler logistics and greater control over documentation.

The plant features glass-lined and Hastellov vessels from 50 to 2500 liters as well as fully segregated isolation and drying modules. Reactions can be carried out from minus 65 to 225 degrees C.

The company is also upgrading capabilities within its existing production infrastructure, with many of the improvements geared squarely toward the pharmaceutical industry.

Aldrich Chemical is adding a 13,000square-foot pilot plant to its production site in Sheboygan Falls, Wis, Dr. Szabo says that between 85 and 95 percent of the site's total capacity is used for custom work, although this percentage varies from plant to plant, and the company's overall average is lower.

Featuring glass-lined reactors up to 200 gallons, the new unit will be used for the development of pharmaceutical compounds. The pilot plant is currently undergoing validation and should go on line shortly thereafter, complementing the existing commercial production unit.

Aldrich has also just approved plans for a new \$26 million facility for the production and packaging of air sensitive products, such as organometallics. Scheduled to be on line during 1999, the site will feature vessels from 100 to 4,000 gallons and reaction temperatures from minus 100 to 175 degrees C.

Sheboygen Falls will also get a mediumpressure hydrogenation facility. Again, come mainly from the pharmaceutical sector. In addition to its expertise in air-sensitive chemistries and hydrogenation capa-



Pilot plant at Sigma-Aldrich's new cGMP facility in Gillingham, Dorset, UK.

bility, Sigma Aldrich Fine Chemicals also has core skills with chiral compounds.

The company's Fluka brand, based in Buchs, Switzerland, is ISO 9001 certified and registered with the Swiss IKS for pharmaceutical manufacture.

Pharmaceutical customers will see still more improvements at Sigma Chemical in St. Louis, which supplies the biochemical | Aldrich Fine Chemicals.

says Dr. Szabo, clients for this service will | side of the parent company's business. Recently completed is a 12,000-square-foot, cGMP aqueous purification facility with clean rooms, which features a custombuilt, 2,200-liter lyophilizer in an HEPA filtered environment.

For multi-purpose organic synthesis, the company is adding a Class 100,000 cGMP unit featuring 750 gallon reactors and a 3,000 gallon crystallizer. Dr. Szabo says the company will be looking for validation of the unit by second quarter 1998.

Sigma is also undertaking a 70,000square-foot expansion of its tissue culture manufacturing facility, which will feature new equipment for customized formulation and packaging. Dr. Szabo says the facility will be highly flexible and hopes to have it validated by fourth quarter of 1997.

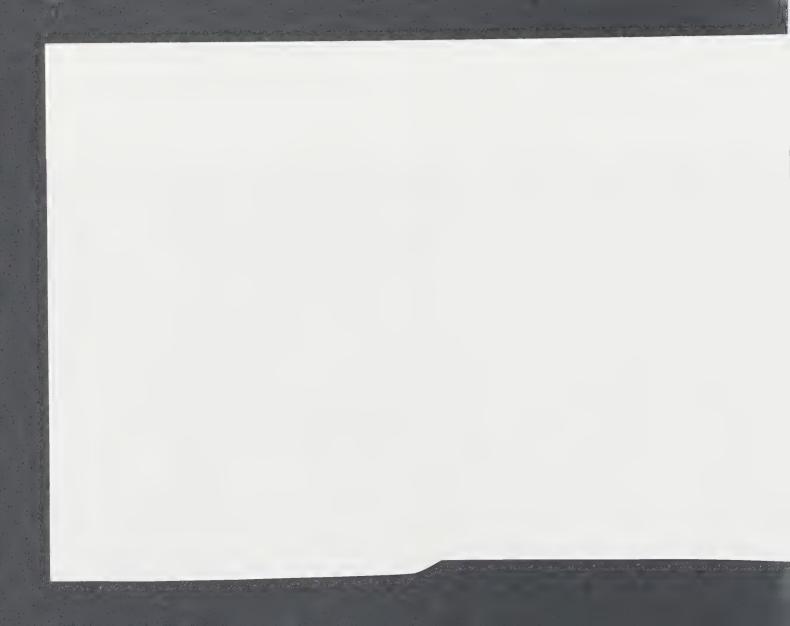
All the new construction is meant to complement Sigma-Aldrich's existing 2.3 million square feet of production space, says Dr. Szabo, who is quite upbeat about his company's prospects.

"I've got every reason to be optimistic about our custom business," he says. "I can't think of a better time to be in custom manufacturing."

He says the growing move toward outsourcing, smaller bulk drug volumes, a push to shorten drug development times and a record number of new chemical entities (NCEs) have all worked to his company's advantage.

"We are well equipped to capitalize on these trends," he says.

Sigma-Aldrich Corporation topped \$1 billion in sales for the first time in 1996, \$136 million of which came from Sigma-





### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

October 1, 1997

Mrs. Erika Griesinger Mittelrain 51 D89555 Steinheim am Albuch GERMANY

Dear Erika:

I hope that the Company has sent you the enclosed sad announcement.

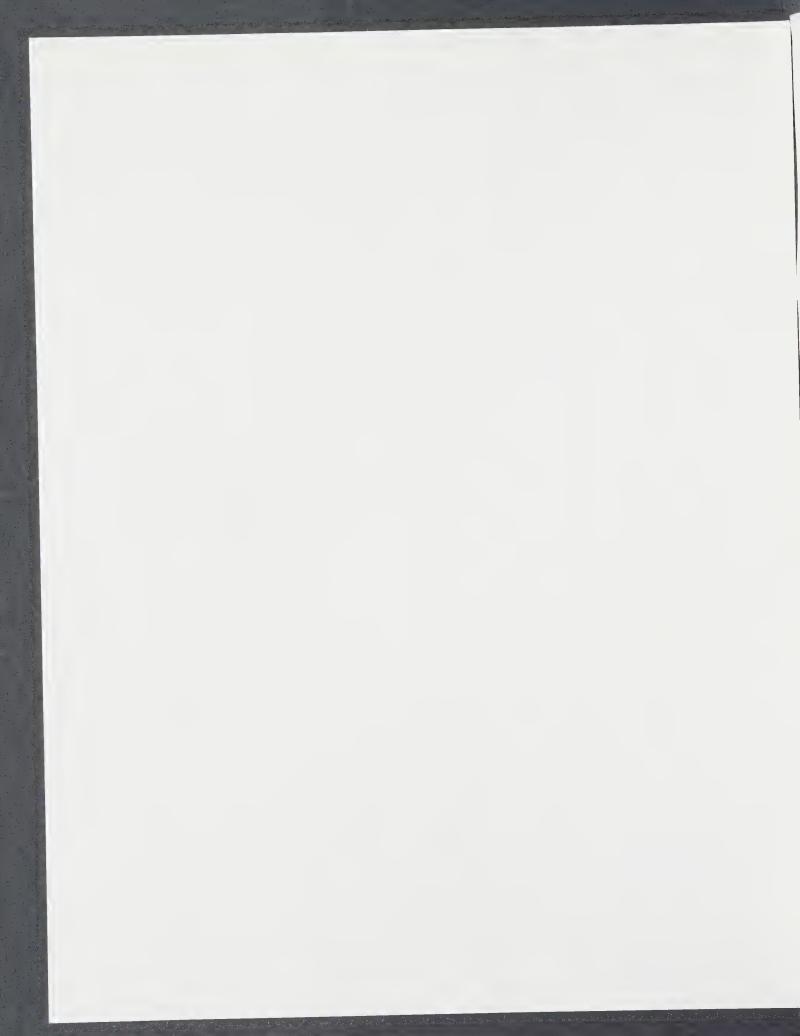
I was happy to hear, during our conversation earlier this week, how supportive your family is, but of course that is no surprise.

You know that Alfred was my best friend in Germany and how Isabel and I miss him.

With fond regards,

AB/nik

Enclosure



### **FAX FROM**



### DR. ALFRED BADER

Suite 622

924 East Juneau Avenue Milwaukee, Wisconsin 53202 Telephone: 414/277-0730

Fax: 414/277-0709

A Chemist Helping Chemists

September 16, 1997

Page 1 of \_\_2\_

TO:

Ing. Alex Faasse

Sigma-Aldrich Chemie BV

FAX:

31-78-620-5421

Dear Ing. Faasse:

In response to your fax of today, please, first of all, give my very best regards to Professor Arne van der Gen.

Before you order 20 copies of my Adventures of a Chemist Collector, you better look at one to make certain that you like it.

Max van Laare in Belgium probably has a copy that he could show you, or you could order a copy through the Royal Society of Chemistry, whose advertisement I attach.

The publisher, Weidenfeld & Nicolson, allows me to supply as many copies to friends as I like at half price, that is, at £7.50, and I have copies at our English home, where I will be from November 7th to December 18th. My address there is 2A Holmesdale Road, Bexhill-on-Sea, East Sussex, TN39 3QE, and my phone/fax number is 44-1424-222223.

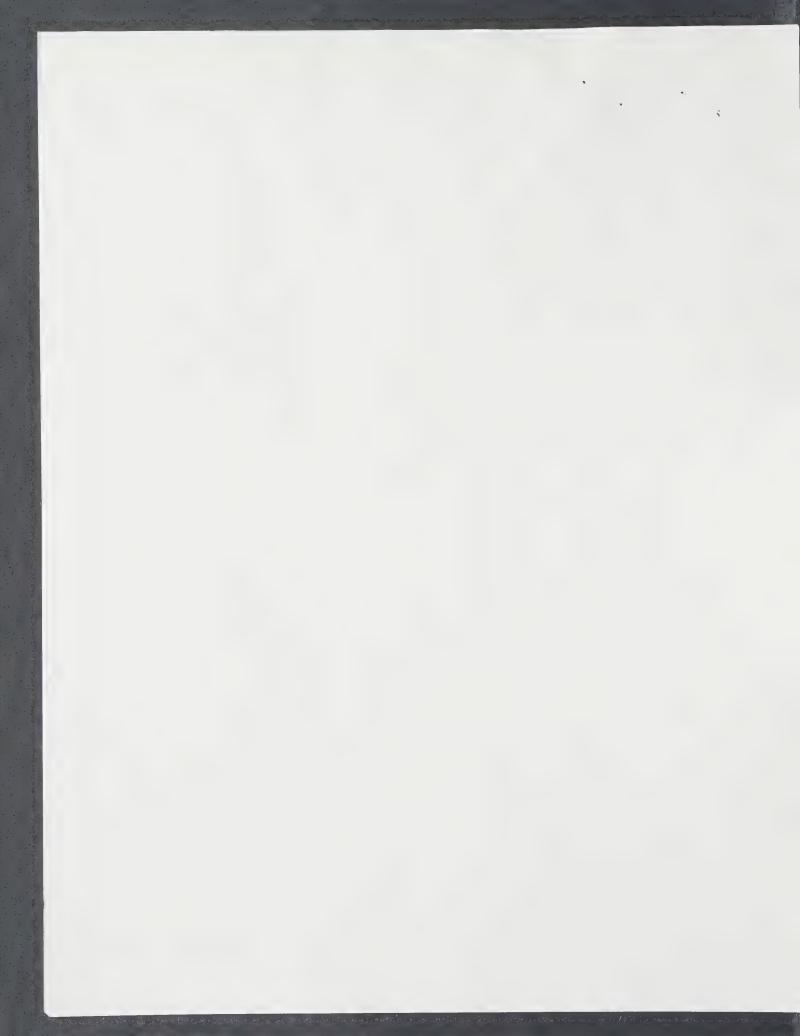
Of course, if you ordered them from me in England, you would not have to pay any customs duties and probably no VAT. And shipping from England to Holland by parcel post would be simple because the books are packed in sturdy packages of 10.

Much more important is the following: Tom Cori is a most vindictive person, and if he knew that you are ordering any copies for distribution, he might well fire you.

With all good wishes, I remain,

Yours sincerely,

AB/cw





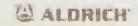




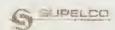
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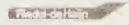
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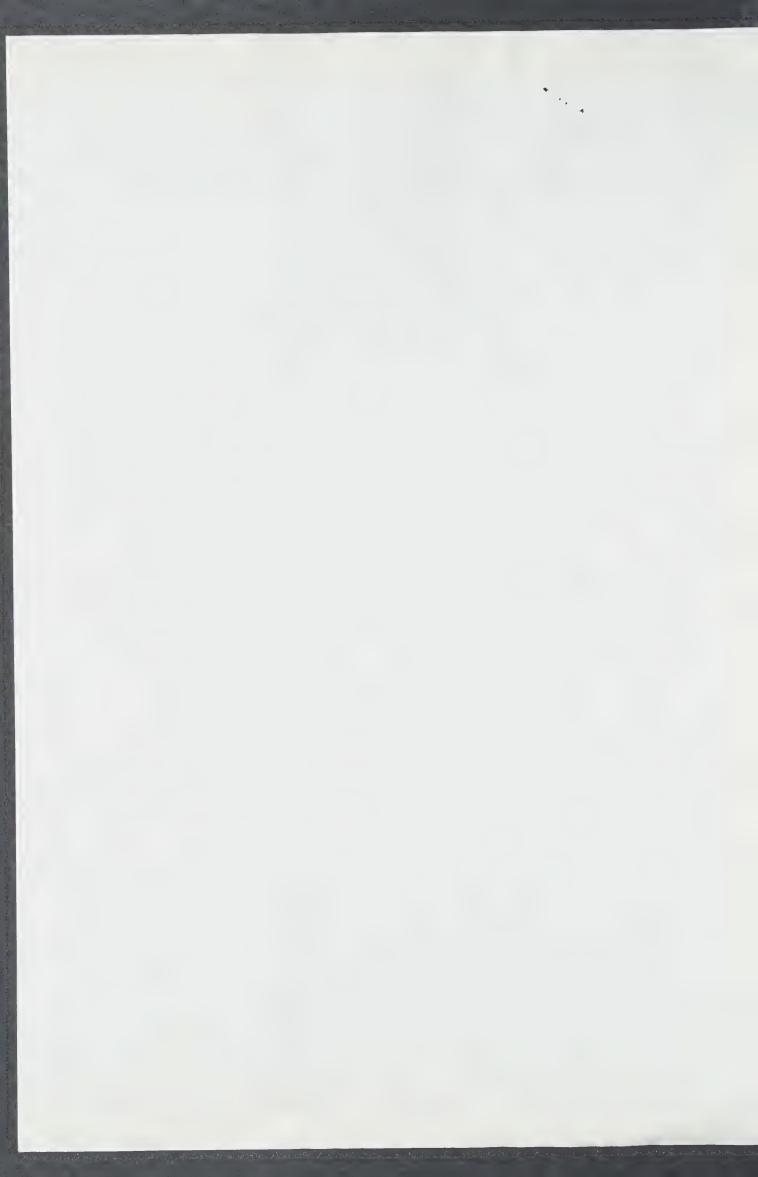












### SECURITIES AND EXCHANGE COMMISSION

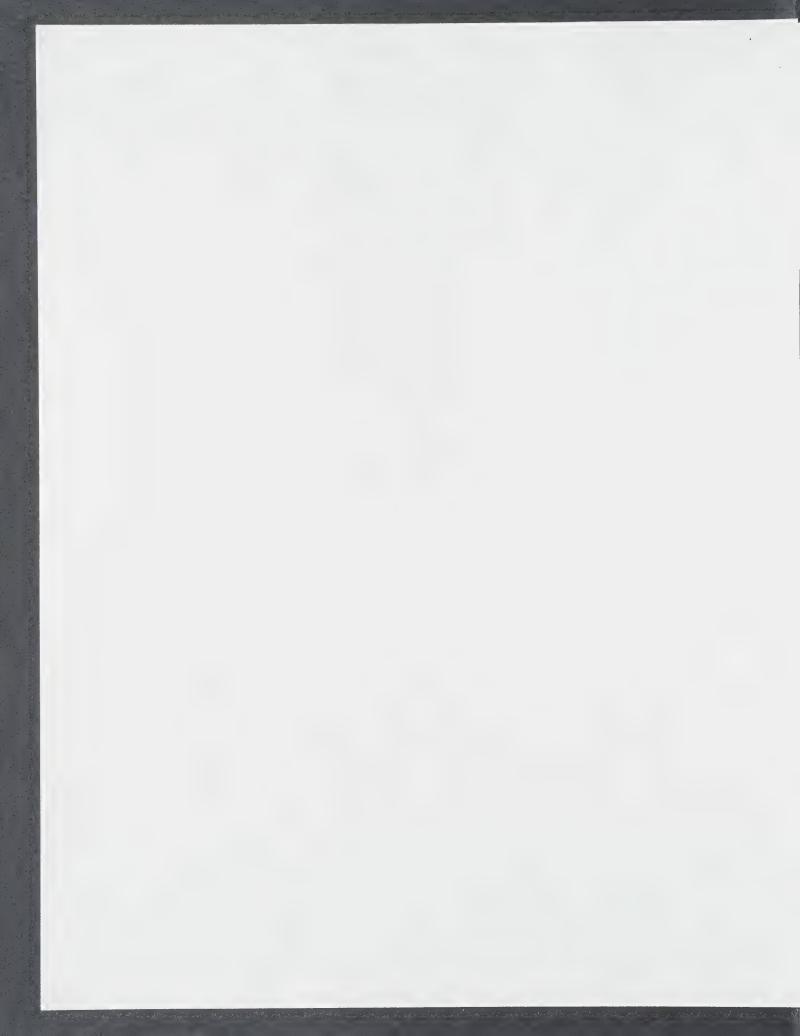
Washington, D.C. 20549

### **FORM 10 - Q**

(Mark one)			
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 1 ACT OF 1934	15(d) OF THE SECURITIES EXCHANGE		
For the quarterly period ended June 30, 1997			
OR			
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 1 ACT OF 1934	5(d) OF THE SECURITIES EXCHANGE		
For the transition period from to			
Commission file number0-8135 SIGMA-ALDRICH CORPORATION			
(Exact name of registrant as specified in its charter)			
Delaware	43-1050617		
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)		
3050 Spruce Street, St. Louis, Missouri (Address of principal executive office)	63103 (Zip Code)		
(Registrant's telephone number, including area code) 314-771-5765			
Indicate by check mark whether the registrant (1) has filed all or 15(d) of the Securities Exchange Act of 1934 during the preciperiod that the registrant was required to file such reports), and requirements for the past 90 days.	eding 12 months (or for such shorter		

There were 100,253,135 shares of the Company's \$1.00 par value common stock outstanding on July 31, 1997.

Yes\_X\_ No\_\_\_



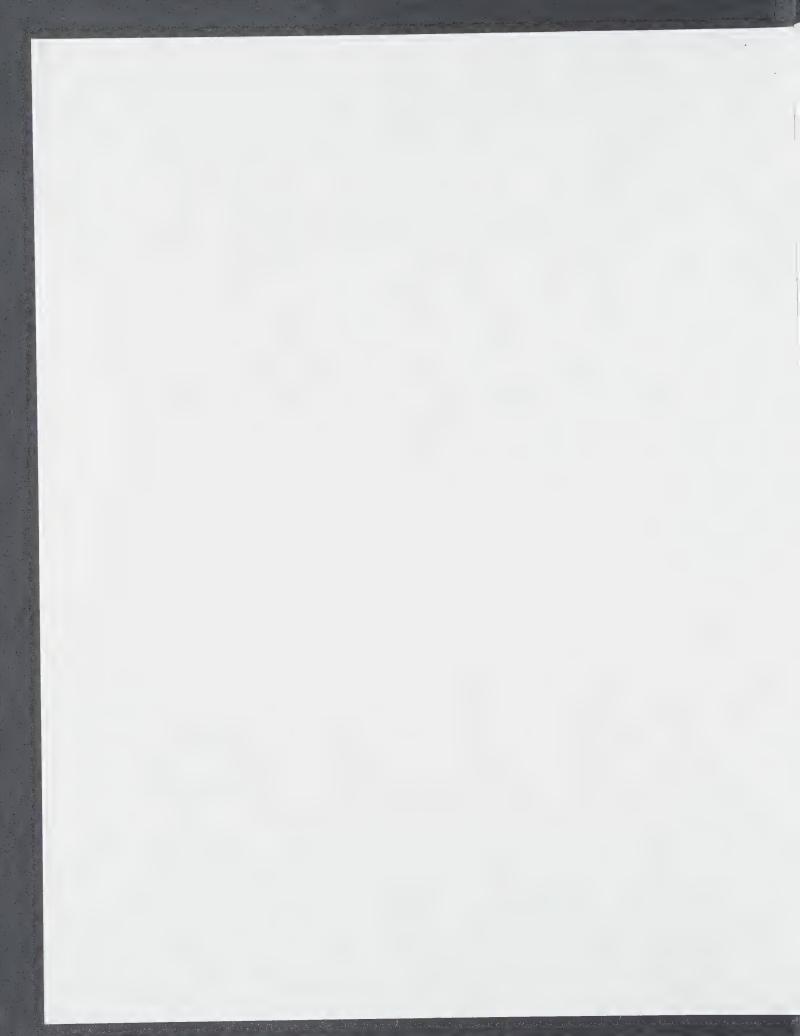
### **PART 1 - FINANCIAL INFORMATION**

Item 1. Financial Statements

# Sigma-Aldrich Corporation Consolidated Statements of Income (unaudited) (in thousands except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
Net sales	\$278,575	\$258,832	\$557,635	\$521,231
Cost of products sold	126,865	120,598	255,462	241,593
Gross profit	151,710	138,234	302,173	279,638
Selling, general and administrative expenses	89,722	80,925	177,239	165,388
Income before income taxes	61,988	57,309	124,934	114,250
Provision for income taxes	21,263	20,345	42,853	40,559
Net income	\$40,725	\$36,964	\$82,081	\$73,691
Net income per share	\$0.41	\$0.37	\$0.82	\$0.74
Weighted average number of shares outstanding	100,142	99,906	100,116	99,884
Dividends per share	\$0.0625	\$0.0550	\$0.1250	\$0.1100

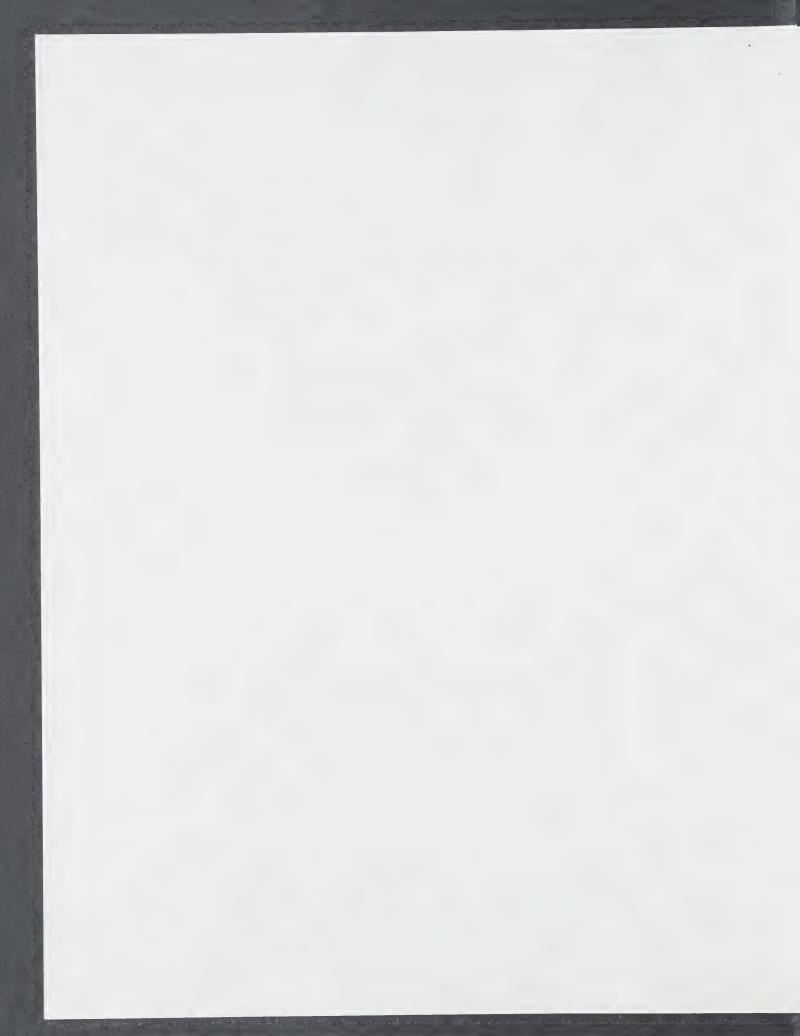
See accompanying notes to consolidated financial statements.



### Sigma-Aldrich Corporation Consolidated Balance Sheets (in thousands)

Assets	June 30, 1997	December 31, 1996
Assets	(unaudited)	
Current assets:		
Cash and temporary cash investments	\$37,154	\$103,685
Accounts receivable, net of allowance for doubtful accounts	199,410	165,511
Inventories	386,106	362,784
Other current assets	35,179	34,657
Total current assets	657,849	666,637
Property, plant and equipment:		
Land	30,854	32,276
Buildings and improvements	237,804	233,684
Machinery and equipment	344,085	338,531
Construction in progress	85,868	54,927
Less - Accumulated depreciation	(298,078)	(280,323)
Net property, plant and equipment	400,533	379,095
Other assets	95,227	54,226
	\$1,153,609	\$1,099,958
11.1.77	Ψ1,100,000	
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	\$3,504	\$2,615
Current maturities of long-term debt	3	9,454
Accounts payable	50,622	60,881
Accrued payroll and other expenses	38,496	28,260
Accrued income taxes	4,478	9,107
Total current liabilities	97,103	110,317
Long-term debt	3,458	3,787
Deferred postretirement benefits	35,360	32,918
Deferred compensation	11,047	10,662
Other liabilities	10,468	40-40
Stockholders' equity:		
Common stock, \$1.00 par value, 200,000 shares authorized,		
100,208 and 100,044 shares outstanding, respectively	100,208	100,044
Capital in excess of par value	20,530	17,002
Retained earnings	889,032	819,467
Cumulative translation adjustments	(13,597)	5,761
Total stockholders' equity	996,173	942,274
	\$1,153,609	\$1,099,958

See accompanying notes to consolidated financial statements.



### Sigma-Aldrich Corporation Consolidated Statements of Cash Flows (unaudited) (in thousands)

	Six Months Ended June 30,	
	1997	1996
Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash	\$82,081	\$73,691
provided by operating activities:  Depreciation and amortization Postretirement benefits expense Deferred income taxes Deferred compensation expense Deferred compensation payments Increase in accounts receivable Increase in inventories Increase in other current assets Decrease in accounts payable Increase in accrued payroll and other expenses Decrease in accrued income taxes	25,168 1,870 704 1,630 (538) (40,213) (21,848) (1,348) (8,956) 14,572 (5,103)	23,174 1,843 1,281 1,918 (331) (27,181) (1,059) (3,171) (14,647) 10,093 (3,589)
Net cash provided by operating activities	48,019	62,022
Cash flows from investing activities: Property, plant and equipment additions Acquisition of businesses Other, net  Net cash used in investing activities	(47,229) (46,589) ————————————————————————————————————	(30,467) (13,629) (1,500) (45,596)
Cash flows from financing activities: Repayment of notes payable Issuance of long-term debt Payment of dividends Exercise of employee stock options	(9,061) 469 (12,516) 2,987	(4,627) 57 (10,989) 3,058
Net cash used in financing activities	(18,121)	(12,501)
Effect of exchange rate changes on cash	(2,611)	(1,566)
Net change in cash and cash equivalents	(66,531)	2,359
Cash and cash equivalents at January 1	103,685	83,969
Cash and cash equivalents at June 30	\$37,154	\$86,328
Supplemental disclosures of cash flow information: Income taxes paid Interest paid, net of capitalized interest	\$47,742 \$434	\$38,2 <b>14</b> \$531

See accompanying notes to consolidated financial statements.



# Sigma-Aldrich Corporation Notes to Consolidated Financial Statements

### **Basis of Presentation**

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X and, accordingly, do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996. In the opinion of Management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the six months ended June 30, 1997, are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

### Net Income per Share

Net income per share is based on the weighted average number of shares outstanding during each period. All share and per share data for 1996 has been restated to reflect the December 1996 stock split.

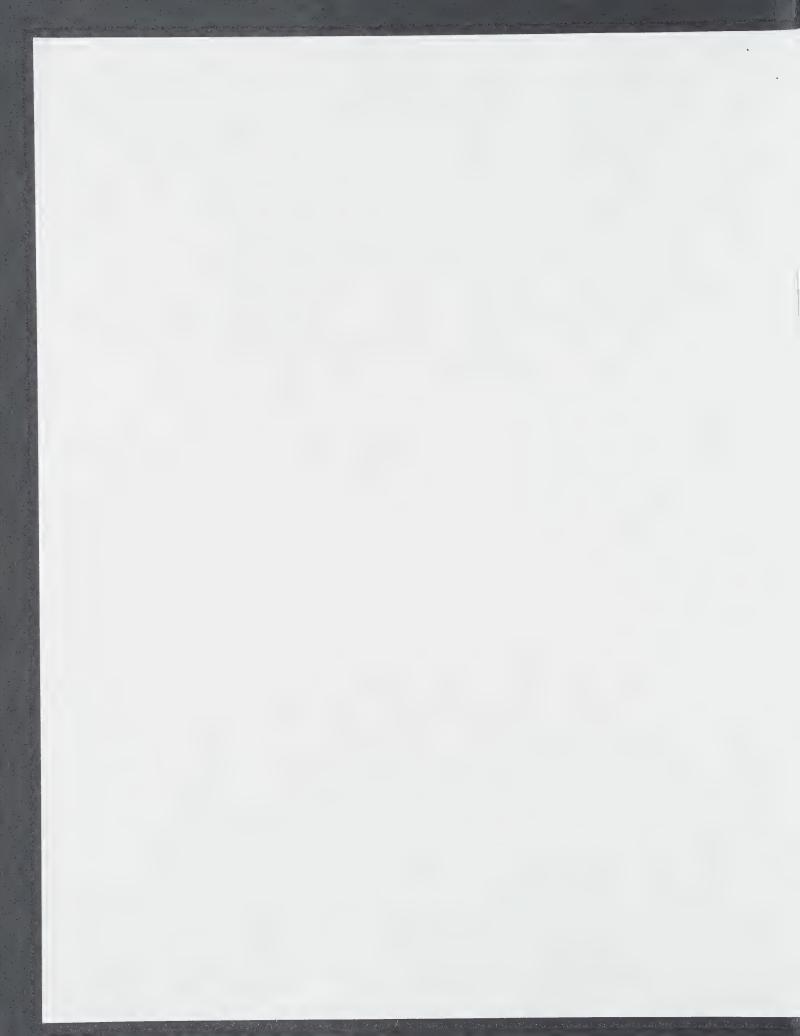
# Inventories (in thousands)

The principal categories of consolidated inventories were:

	June 30, 1997	December 31, 1996
Finished goods	\$306,529	\$288,293
Work in process	24,195	22,132
Raw materials	55,382	52,359
	<u>\$386,106</u>	\$362,784

### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements and notes thereto. This Quarterly Report on Form 10-Q may be deemed to include forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risk and uncertainty, including financial, business environment and projections. Although the Company believes its expectations are based on reasonable assumptions, it can give no assurance that its goals will be achieved. The important factors that could cause actual results to differ materially from those in the forward looking statements herein include, without limitation, reduced growth in research funding, uncertainties surrounding possible government health care reform, government regulation applicable to the Company's business, the highly competitive environment in which the Company competes and the impact of fluctuations in foreign currency exchange rates.



### **Results of Operations**

For the quarter ended June 30, sales increased 7.6% to \$278.6 million from \$258.8 million in 1996. Chemical sales increased 6.2% to \$222.3 million in the second quarter and 5.3% to \$446.2 million for the first six months. Changes in currency exchange rates reduced the quarterly and year-to-date gains by 3.9% and 3.7%, respectively, and may continue to moderate our chemical sales growth. The underlying growth pace in Research sales increased due to aggressive sales and marketing programs in a competitive marketplace. Sales in the second quarter benefitted from the April acquisition of Research Biochemicals, Inc., a small but leading supplier of neuroscience research products, and the June partnership with AlliedSignal (75% Sigma-Aldrich, 25% AlliedSignal), whereby Sigma-Aldrich will sell and market Riedel-de Haën laboratory chemicals. Riedel-de Haën, located in Seelze, near Hannover, Germany, is a major European supplier of laboratory products with sales of approximately \$40 million annually. These products will complement the Company's existing range of high quality research products and are expected to strengthen its market position. Year-to-date Fine Chemical sales continued to grow worldwide, in spite of competitive market pressures. Diagnostic sales reflected above average gains from the expansion of our coagulation program into Europe. Metal sales grew 13.6% to \$56.3 million in the second guarter and 14.1% to \$111.4 million for the first six months, reflecting a continuing strong demand for our electrical, mechanical and telecommunication support products and enclosures.

Cost of sales was \$255.5 million, representing 45.8% of sales, compared to \$241.6 million, or 46.4% of sales for the first six months of 1996. For the quarter, cost of sales was 45.5% of sales compared to 46.6% in 1996. Cost of sales for the first quarter of both 1997 and 1996 was 46.1% of sales. The change in cost of sales in the second quarter resulted from improved productivity and sales mix changes in the chemical business which offset the additional cost of a new plant and sales mix changes in the metal business. The cost of chemical and metal products sold increased by 2.3% and 14.8%, respectively, in the second quarter compared to sales increases of 5.3% and 13.6% for chemical and metal products.

Selling, general and administrative expenses for the six months ended June 30, 1997, were \$177.2 million, or 31.8% of sales compared to \$165.4 million, or 31.7% of sales in 1996. The slight increase in selling, general and administrative expenses as a percentage of sales was attributable to the Company's expansion of foreign operations with new offices opening in Argentina, Ireland and Greece.

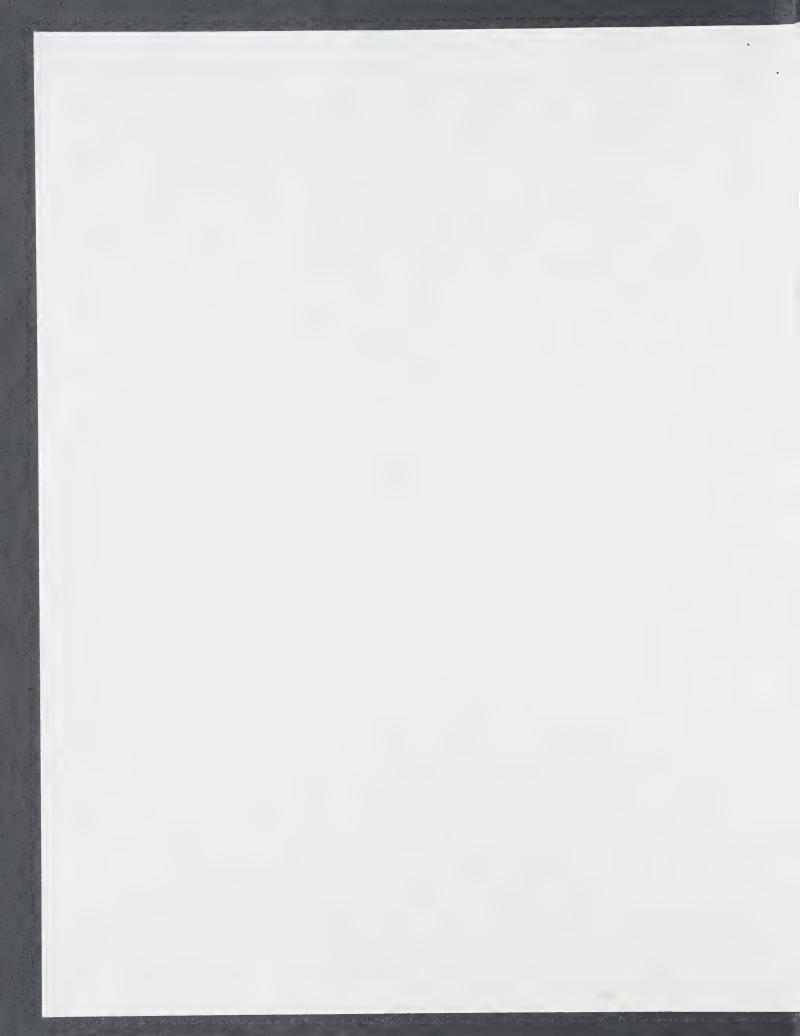
Net income for the second quarter grew by 10.2% to \$40.7 million from \$37.0 million in 1996, while net income for the first half of 1997 grew by 11.4% to \$82.1 million from \$73.7 million in 1996. Net income grew at a greater rate than sales as the effect of currency exchange rates were more than offset by productivity gains and an ongoing lower effective tax rate.

### Liquidity and Capital Resources

Cash balances declined \$66.5 million in the six months ended June 30, 1997 as presented in the Consolidated Statement of Cash Flows (unaudited). The primary source of cash was net cash provided by operating activities of \$48.0 million, a decrease of \$14.0 million from 1996. The decrease resulted from higher net income of \$8.4 million being offset by changes in working capital accounts, primarily increases in accounts receivable and inventories. The major uses of cash were net property, plant and equipment additions of \$47.2 million, acquisition of businesses for \$46.6 million and payment of dividends totaling \$12.5 million. Although net cash flows vary from year to year, it is anticipated that future increases should be in line with sales growth.

### **Financial Instruments - Derivatives**

The Company uses forward exchange contracts to hedge certain receivables and payables denominated in foreign currencies. Substantially all of the contracts are single currency. Gains and losses on hedges of existing assets and liabilities based on the difference in the contract rate and the spot rate at the end of each month for all contracts still in force are typically offset by transaction gains and losses, with net gains and losses included in selling, general and administrative expenses. While contract terminations are infrequent, gains and losses on terminations are recognized in the month of execution in the same manner.



### **PART II - OTHER INFORMATION**

### Item 4. Submission of Matters to a Vote of Security Holders

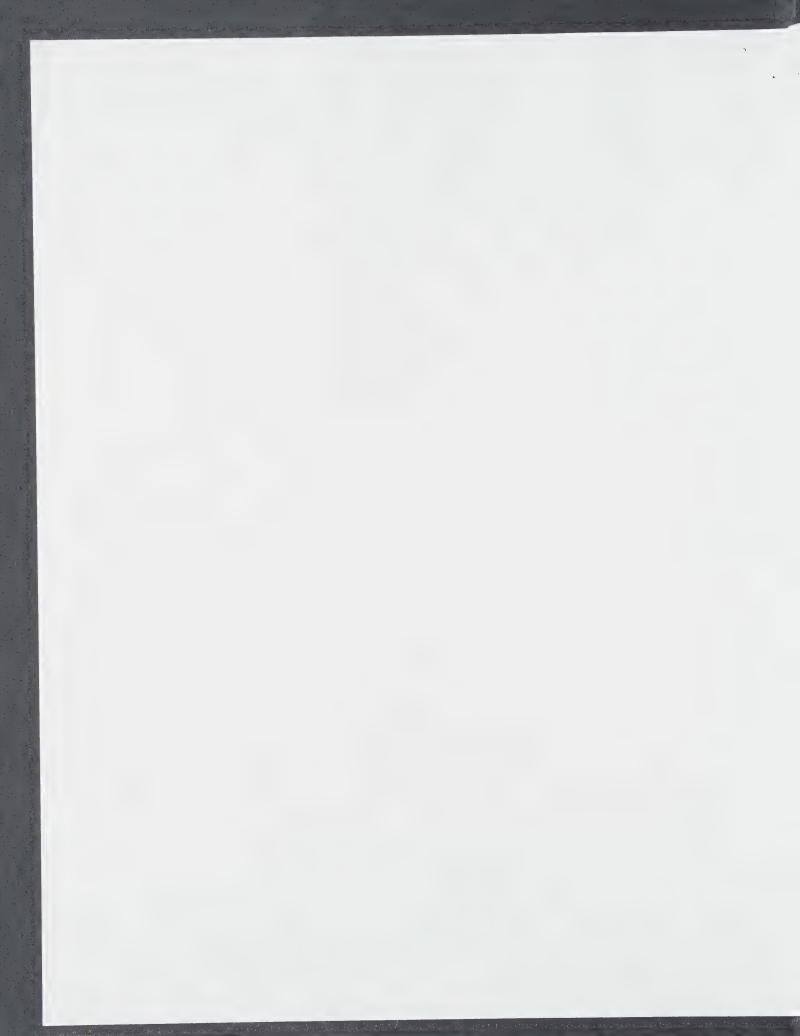
The Company held its Annual Meeting of Shareholders on May 6, 1997. The matters for which a vote of security holders was held included election of the Board of Directors and a shareholder proposal on executive compensation.

Following are the results of the votes for the election of the Board of Directors:

Nominee	Votes For	Votes Withheld
Carl T. Cori	77,066,729	6,700,285
Nina V. Fedoroff	82,991,461	775,553
David R. Harvey	83,043,990	723,024
David M. Kipnis	76,021,725	7,745,289
Andrew E. Newman	76,667,064	7,099,950
William C. O'Neil, Jr.	76,480,740	7,286,274
Jerome W. Sandweiss	75,908,010	7,859,004
D. Dean Spatz	83,040,408	726,606
Thomas N. Urban	75,518,638	8,248,376

Following are the results of the votes for the shareholder proposal on executive compensation:

Votes	Votes	Abstain	Broker
For	<u>Against</u>		Non-Votes
10.358.748	63.739.636	1,347,615	8,321,015



### Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits
  - (3) Certificate of Incorporation and By-Laws:
    - (a) <u>Certificate of Incorporation and Amendments</u> Incorporated by reference to Exhibit 3(a) of Form 10-Q filed for the quarter ended September 30, 1996, Commission File Number 0-8135.
    - (b) <u>By-Laws as amended June 1996</u> Incorporated by reference to Exhibit 3(b) of Form 10-K filed for the year ended December 31, 1996, Commission File Number 0-8135.
  - (27) Financial Data Schedule
- (b) No reports were filed on Form 8-K during the period for which this report is filed.

#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

# SIGMA-ALDRICH CORPORATION

(Registrant)

By /s/ Peter A. Gleich

Peter A. Gleich, Vice President and Chief Financial Officer
(on behalf of the Company as Principal Financial Officer)

August 13, 1997 Date





# Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

August 11, 1997

Mr. Kirk A. Richter, Treasurer Sigma-Aldrich Corporation 3050 Spruce Street St. Louis, MO 63103

Dear Kirk:

Thank you for sending me the 10-Q for the quarter ending March 31.

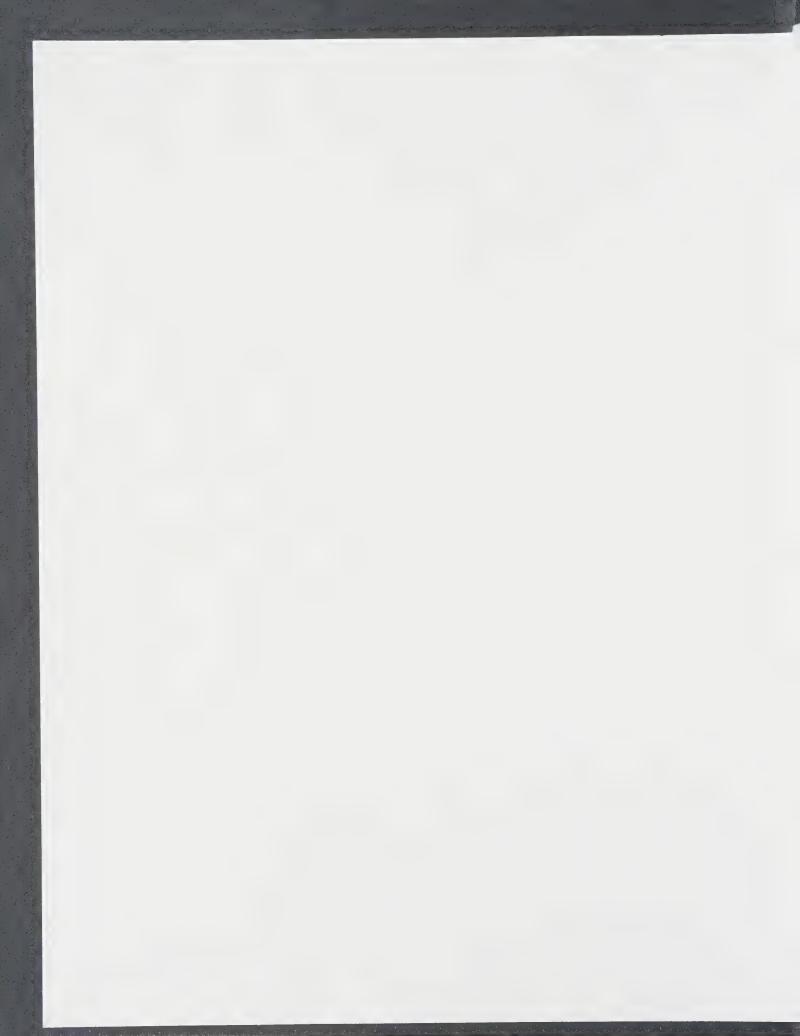
Actually I had asked for the second quarter 10-Q and I would appreciate you sending me that.

Then could you please also automatically send me the 10-Q's as they appear for each quarter.

Best personal regards,

Sincerely,

AB/nik





3050 Spruce Street Saint Louis, Missouri 63103 USA Telephone (314) 771-5765 Fax (314) 286-7874 email: sig-ald@sial.com

### CORPORATION

# From: Tom Cori, Chairman David Harvey, President

# **NewsRelease**

For questions contact: Kirk A. Richter, Treasurer 3050 Spruce Street St. Louis, MO 63103 (314) 771-5765

#### FOR IMMEDIATE RELEASE

July 24, 1997

Sigma-Aldrich Corporation is pleased to report increased sales and earnings for both the second quarter and the first six months of 1997. For the quarter ended June 30, sales increased 7.6% to \$278.6 million from \$258.8 million in 1996. Net income grew by 10.2% to \$40.7 million from \$37.0 million with net income per share up 10.8% to \$.41 from \$.37. Sales for the six month period ended June 30 increased 7.0% to \$557.6 million from \$521.2 million in 1996. Net income grew by 11.4% to \$82.1 million from \$73.7 million, with net income per share up 10.8% to \$0.82 from \$0.74.

Chemical sales increased 6.2% to \$222.3 million in the second quarter and 5.3% to \$446.2 million for the first six months. Changes in currency exchange rates reduced the quarterly and year-to-date gains by 3.9% and 3.7%, respectively. The underlying growth pace in Research sales increased due to aggressive sales and marketing programs in a competitive marketplace. Sales in the second quarter benefitted from the April acquisition of Research Biochemicals, Inc., a small but leading supplier of neuroscience research products, and the June partnership with AlliedSignal, whereby Sigma-Aldrich will sell Riedel-de Haën laboratory chemicals. Year-to-date Fine Chemical sales continued to grow worldwide, in spite of competitive market pressures. Diagnostic sales reflected above average gains from the expansion of our coagulation program into Europe. Pretax profit margins were 24.2% of sales for the second quarter and 24.4% for the first six months of 1997 as a result of continuing process improvements and control of other expenses.

Metal sales grew 13.6% to \$56.3 million in the second quarter and 14.1% to \$111.4 million for the six months, reflecting a continuing strong demand for our electrical, mechanical and telecommunication support products. Pretax margins were 14.6% and 14.4% of sales for the second quarter and the first six months of 1997, respectively. These margins are slightly lower than 1996 levels as additional costs of a new plant and reduced profit margins due to sales mix exceeded productivity gains.

Looking ahead, we continue to develop sales and marketing programs to enhance the worldwide growth of the Company's existing product lines. In addition, we expanded our geographical presence with the addition of offices in Argentina, Ireland and Greece during the second quarter. Future chemical sales will benefit from our participation in the recent Riedel-de Haën partnership (75% Sigma-Aldrich, 25% AlliedSignal), whereby Sigma-Aldrich will sell and market their laboratory chemicals and reagents for research and analysis on a worldwide basis. Riedel-de Haën, located in Seelze, near Hannover, Germany, is a major European supplier of laboratory products with sales of approximately \$40 million annually. These products will complement our existing range of high quality research products and strengthen our market position. Currency exchange rates may continue to moderate our chemical growth rates. New facilities and equipment are being added to support the growing demands for our chemical and metal product lines. Overall profit margins for the remainder of 1997 are expected to be consistent with first six month levels as we continue to improve productivity and control costs. We believe our current efforts and investments will support long-term growth.

Sigma-Aldrich develops, manufactures and distributes the broadest range of high quality biochemicals, organic chemicals, chromatography products and diagnostic reagents available in the world. These products are used in research and development in universities and industry, in the diagnosis of disease, and as speciality chemicals for manufacturing purposes. The B-Line Systems subsidiary manufactures and markets a complete line of metal products used in the installation and retrofitting of electrical, mechanical and telecommunication applications. Sigma-Aldrich is committed to the success of its customers through science, technology and service.

This release contains forward-looking statements which involve assumptions regarding Company operations and future prospects. Although the Company believes its expectations are based on reasonable assumptions, such statements are subject to risk and uncertainty, including, among others, certain economic, political and technology factors. Caution should be taken that these factors could cause the actual results to differ from those stated or implied in this and other Company communications.

We are Committed to the Success of our Customers through Science, Technology and Service.



#### SIGMA-ALDRICH CORPORATION

CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

(in thousands except per share amounts)

	Six Months Ended June 30,		Three Months Ended June 30,	
	1997	1996	1997	1996
Net sales	\$ 557,635	\$ 521,231	\$ 278,575	\$ 258,832
Cost of products sold	255,462	241,593	126,865	120,598
Gross profit	302,173	279,638	151,710	138,234
Selling, general and administrative expenses	177,239	165,388	89,722	80,925
Income before income taxes	124,934	114,250	61,988	57,309
Provision for income taxes	42,853	40,559	21,263	20,345
Net income	\$ 82,081	<u>\$ 73,691</u>	\$ 40,725	\$ 36,964
Net income per share	\$ .82	\$ .74	\$ .41	\$ .37
Weighted average shares outstanding	100,116	99,884	100,142	99,906

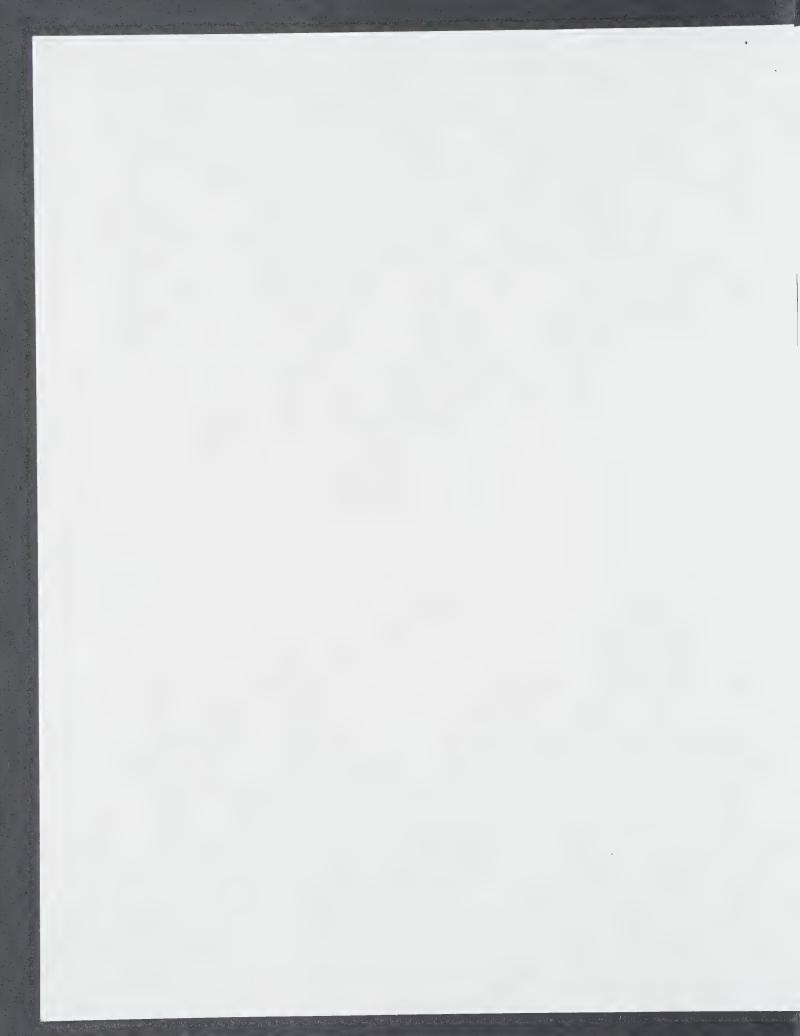
#### CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	June 30,	December 31,		June 30,	December 31,
	1997	1996		1997	1996
ASSETS	(Unaudited)		LIABILITIES AND STOCKHOLDERS' EQUITY	(Unaudited)	
Cash and temporary cash investments	\$ 37,154	\$ 103,685	Notes payable	\$ 3,507	\$ 12,069
Accounts receivable, net	199,410	165,511	Accounts payable	50,622	60,881
Inventories	386,106	362,784	Accrued expenses	38,496	28,260
Other current assets	35,179	34,657	Accrued income taxes	4,478	9,107
Total current assets	657,849	666,637	Total current liabilities	97,103	110,317
Property, plant and equipment, net	400,533	379,095	Long-term debt	3,458	3,787
Other assets	95,227	54,226	Other liabilities	56,875	43,580
			Stockholders' equity	996,173	942,274
	\$1,153,609	<u>\$1,099,958</u>		\$1,153,609	\$ 1,099,958

# CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) (in thousands)

Six Months Ended June 30, Cash flows from operating activities: 1997 1996 Net income \$ 82,081 \$ 73,691 Adjustments: Depreciation and amortization 25,168 23,174 Net increase in current assets and liabilities (62,896)(39,554)Other 3,666 4,711 Net cash provided by operating activities 48,019 62,022 Cash flows from investing activities: Net property additions (47,229)(30,467)Acquisition of businesses (46,589)(13,629)(1,500)Other Net cash used in investing activities (93,818)(45,596)Cash flows from financing activities: Net repayment of debt (8,592)(4,570)(12,516) (10,989)Payment of dividends 2,987 3,058 Other (12,501) (18,121) Net cash used in financing activities (2,611)(1,566)Effect of exchange rate changes on cash (66,531) 2,359 Net change in cash and cash equivalents 103 .685 Cash and cash equivalents at January 1 83,969 Cash and cash equivalents at June 30 \$ 37,154 \$ 86,328



# SECURITIES AND EXCHANGE COMMISSION

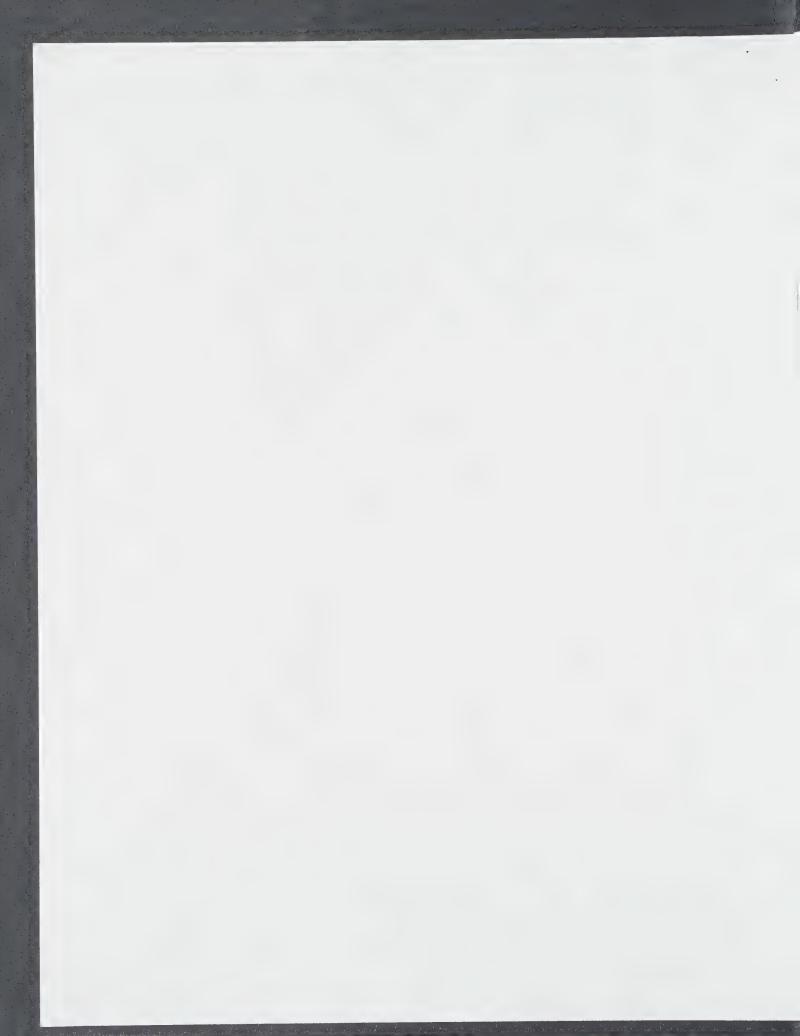
Washington, D.C. 20549

# FORM 10 - Q

(Mark one)	
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 1 OF 1934	5(d) OF THE SECURITIES EXCHANGE ACT
For the quarterly period ended March 31, 1997	7
OR	
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 1 OF 1934	5(d) OF THE SECURITIES EXCHANGE ACT
For the transition period fromto	
SIGMA-ALDRICH COI  (Exact name of registrant as specification)	
(Exact name of registrant as specif	fied in its charter)
(Exact name of registrant as specif	fied in its charter)
(Exact name of registrant as specif	fied in its charter)
(Exact name of registrant as specification)  Delaware (State or other jurisdiction of incorporation or organization)	fied in its charter)  43-1050617  (I.R.S. Employer Identification No.)
(Exact name of registrant as specification)  Delaware (State or other jurisdiction of incorporation or organization)  3050 Spruce Street, St. Louis, Missouri	43-1050617 (I.R.S. Employer Identification No.) 63103 (Zip Code)

There were 100,117,715 shares of the Company's \$1.00 par value common stock outstanding on April 30, 1997.

Yes\_X\_No\_\_



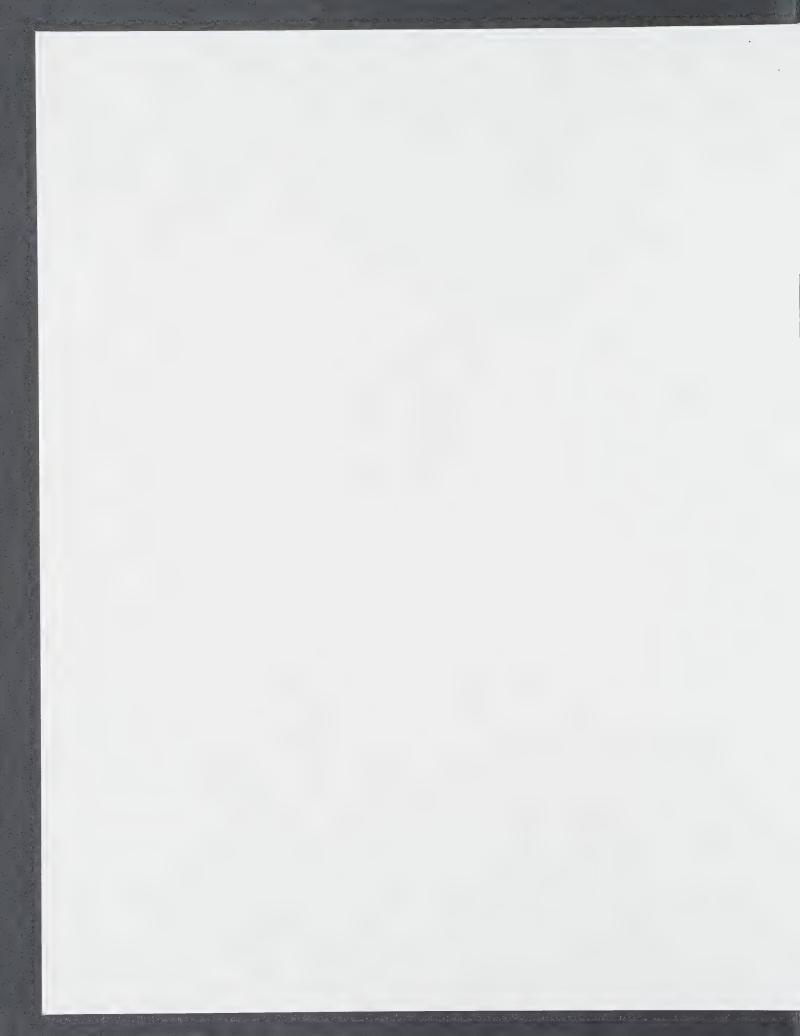
### PART 1 - FINANCIAL INFORMATION

### Item 1. Financial Statements

# Sigma-Aldrich Corporation Consolidated Statements of Income (unaudited) (in thousands except per share amounts)

		Three Months Ended March 31,	
	1997	1996	
Net sales	\$279,060	\$262,399	
Cost of products sold	128,597	120,995	
Gross profit	150,463	141,404	
Selling, general and administrative expenses	87,517	84,463	
Income before income taxes :	62,946	56,941	
Provision for income taxes	21,590	20,214	
Net income	\$41,356	\$36,727	
Net income per share	\$0.41	\$0.37	
Weighted average number of shares outstanding	100,090	99,839	
Dividends per share	\$0.0625	\$0.0550	

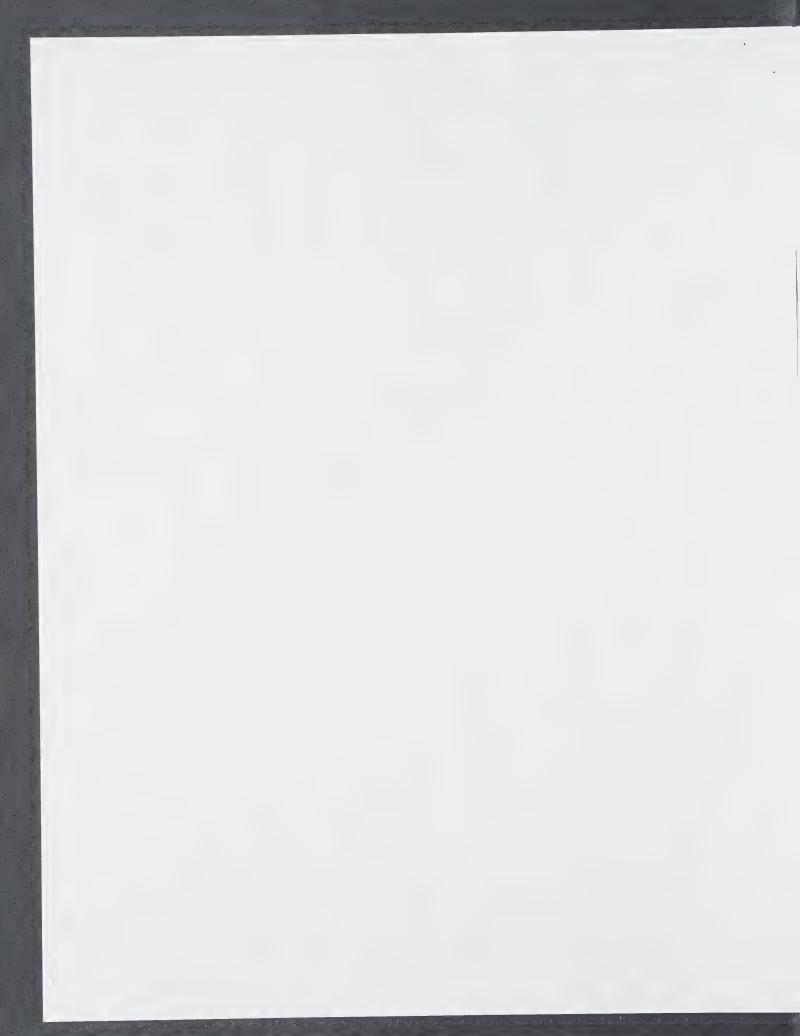
See accompanying notes to consolidated financial statements.



#### Sigma-Aldrich Corporation Consolidated Balance Sheets (in thousands)

Assets	March 31, 1997 (unaudited)	December 31, 1996
·	(4114441164)	
Current assets:  Cash and temporary cash investments  Accounts receivable, net of allowance for doubtful accounts	<b>\$</b> 94,266 196,630	\$103,685 165,511
Inventones Other current assets	359,103 39,951	362,784 34,657
Total current assets	689,950	666 637
Property, plant and equipment  Land	30,910	32,276
Buildings and improvements	234,118	233,684
Machinery and equipment	335,153	338.531
Construction in progress	64,295	54,927
Less-Accumulated depreciation	(286,646)	(280,323)
Net property, plant and equipment	377,830	379.095
Other assets	51,335	54.226
	\$1,119,115	\$1,099,958
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	\$2,632	\$2,615
Current maturities of long-term debt	3,610	9,454
Accounts payable	48,009	60.881
Accrued payroll and other expenses	32,454	28,260
Accrued income taxes	20,012	9,107
Total current liabilities	106,717	110,317
Long-term debt	4,174	3,787
Deferred postretirement benefits	34,669	32.918
Deferred compensation	10,502	10.662
Stockholders' equity:  Common stock, \$1.00 par value, 200,000 shares authorized,		
100,112 and 100,044 shares outstanding, respectively	100,112	100,044
Capital in excess of par value	18,466	17,002
Retained earnings	854,566	819,467
Cumulative translation adjustments	(10,091)	5,761
Total stockholders' equity	963,053	942,274
	\$1,119,115	\$1.099,958

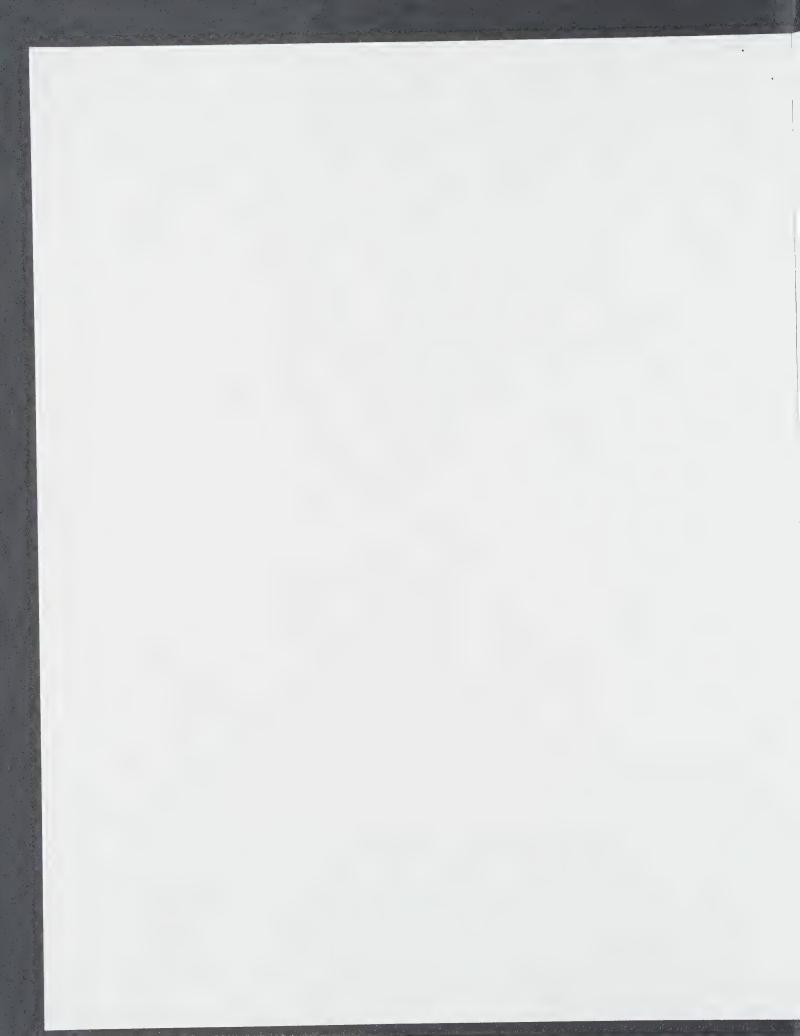
See accompanying notes to consolidated financial statements.



# Sigma-Aldrich Corporation Consolidated Statements of Cash Flows (unaudited) (in thousands)

	Three Months Ended March 31,	
	1997	1996
Cash flows from operating activities:		
Net income  Adjustments to reconcile net income to net cash provided by operating activities:	\$41,356	\$36,727
Depreciation and amortization	12,512	11,503
Postretirement benefits expense Deferred income taxes	935 1,470	921 1,016
Deferred compensation expense	1.066	1,209
Deferred compensation payments	(520)	(293)
Increase in accounts receivable	(36,576)	(23, 106)
Decrease in inventories	713	364
Increase in other current assets	(5,125)	(3.367)
Decrease in accounts payable	(11,760)	(14,488)
Increase in accrued payroll and other expenses	5,371	7,081
Increase in accrued income taxes	11,442	12.490
Net cash provided by operating activities	20,884	29.557
Cash flows from investing activities:		
Property, plant and equipment additions	(17,329)	(12,838)
Other, net	-	(2,492)
Net cash used in investing activities	(17,329)	(15,330)
Cash flows from financing activities:		
Repayment of notes payable	(5,414)	(2,014)
Issuance of long-term debt	123	441
Payment of dividends	(6,256)	(5,492)
Exercise of employee stock options	824	2,618
Net cash used in financing activities	(10,723)	(4,447)
Effect of exchange rate changes on cash	(2,251)	778
Net change in cash and cash equivalents	(9,419)	10,558
Cash and cash equivalents at January 1	103,685	83.969
Cash and cash equivalents at March 31	\$94,266	\$94,527
Supplemental disclosures of cash flow information: Income taxes paid Interest paid, net of capitalized interest	\$8,671 \$406	<b>\$1</b> ,999 <b>\$1</b> 20

See accompanying notes to consolidated financial statements.



### Sigma-Aldrich Corporation Notes to Consolidated Financial Statements (in thousands)

#### Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X and, accordingly, do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996. In the opinion of Management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 1997, are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

#### Net Income per Share

Net income per share is based on the weighted average number of shares outstanding during each period.

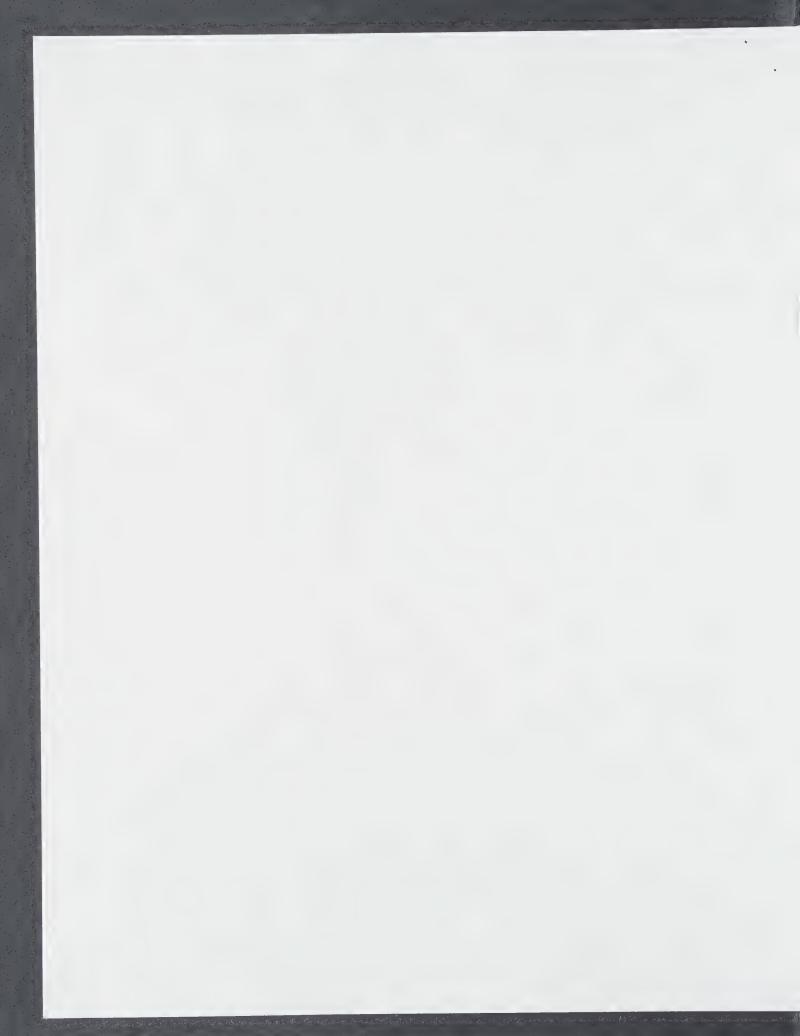
#### Inventories

The principal categories of consolidated inventories were:

	March 31, 1997	December 31, 1996
Finished goods	\$284,244	\$288,293
Work in process	23,153	22,132
Raw materials	51,706	52,359
	\$359,103	\$362,784

#### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements and notes thereto. This Quarterly Report on Form 10-Q may be deemed to include forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risk and uncertainty, including financial, business environment and projections. Although the Company believes its expectations are based on reasonable assumptions, it can give no assurance that its goals will be achieved. The important factors that could cause actual results to differ materially from those in the forward looking statements herein include, without limitation, reduced growth in research funding, uncertainties surrounding possible government health care reform, government regulation applicable to the Company's business, the highly competitive environment in which the Company competes and the impact of fluctuations in foreign currency exchange rates.



#### Results of Operations

For the three months ended March 31, 1997, sales increased 6.3% to \$279.1 million from \$262.4 million in 1996. Chemical sales for the quarter increased 4.5% to \$223.9 million, with the impact of the strong dollar reducing the gain by 3.4%. Both domestic and international sales volume exceeded levels achieved in 1996 due to our increased worldwide sales and integrated marketing efforts. Our Research and Fine Chemicals divisions both contributed to the sales growth, while Diagnostic sales reflected above average gains from the expansion of our coagulation program into Europe. Metal sales for the quarter grew 14.7% to \$55.2 million, reflecting continuing demand for our electrical, mechanical and support products and enclosures with higher growth for our telecommunications products.

Cost of sales for the quarter totaled \$128.6 million, compared to \$121.0 million for the first three months of 1996, each representing 46.1% of sales. The gross profit percentage was unchanged from the first quarter last year as the impact of improved productivity and sales mix changes in the chemical business were offset by the additional cost of a new plant and sales mix changes in the metal business.

Selling, general and administrative expenses for the three months ended March 31, 1997, were \$87.5 million, or 31.4% of sales, compared to \$84.5 million, or 32.2% of sales in 1996. The decrease in selling, general and administrative expenses as a percentage of sales are attributable to the Company's continued managing of staffing levels and control of other expenses.

Net income for the quarter grew by 12.6% to \$41.4 million from \$36.7 million in 1996. Net income grew at a greater rate than sales as the effect of currency exchange rates were more than offset by productivity gains and an ongoing lower effective tax rate.

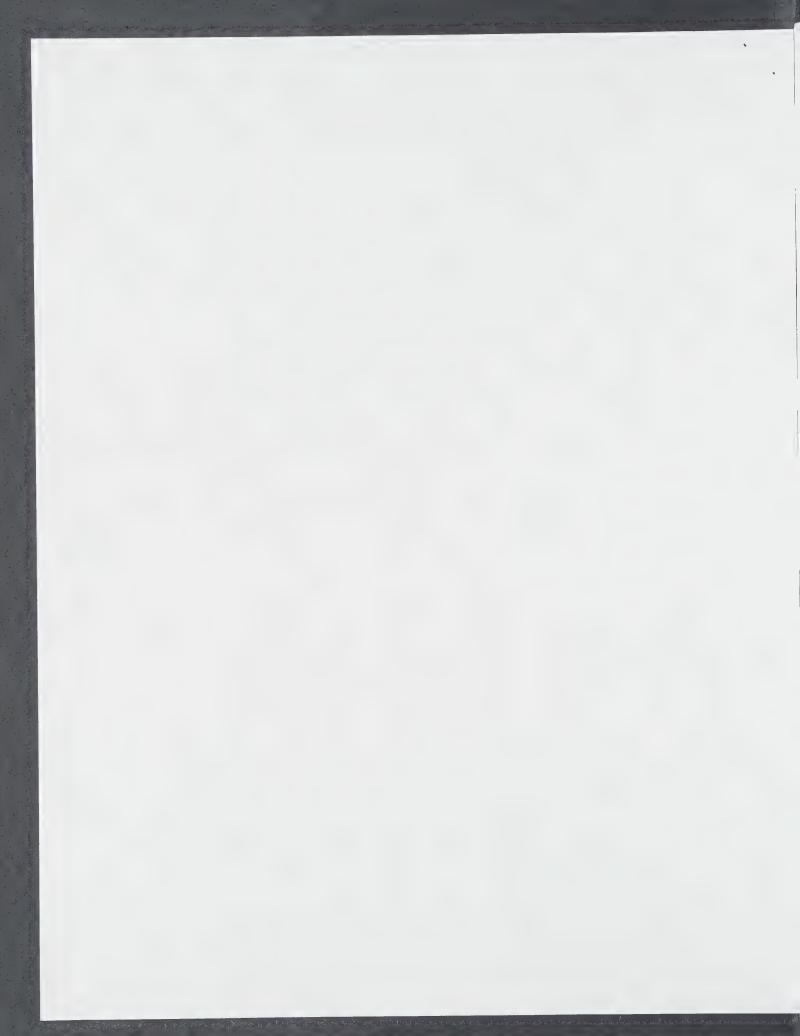
#### Liquidity and Capital Resources

Cash balances declined \$9.4 million in the three months ended March 31, 1997 as presented in the Consolidated Statements of Cash Flows (unaudited). The primary source of cash was net cash provided by operating activities of \$20.9 million, a decrease of \$8.7 million from 1996. The decrease resulted from higher net income being offset by changes in working capital accounts. The major uses of cash were property, plant and equipment additions of \$17.3 million and payment of dividends totaling \$6.3 million. Although net cash flows vary from year to year, it is anticipated that future increases should be in line with sales growth.

#### PART II - OTHER INFORMATION

#### Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits
  - (3) Certificate of Incorporation and By-Laws:
    - (a) <u>Certificate of Incorporation and Amendments</u> Incorporated by reference to Exhibit 3(a) of Form 10-K filed for the year ended December 31, 1991, Commission File Number 0-8135.
    - (b) <u>By-Laws as amended June 1996</u> Incorporated by reference to Exhibit 3(b) of Form 10-K filed for the year ended December 31, 1996, Commission File Number 0-8135.
  - (27) Financial Data Schedule
- (b) No reports were filed on Form 8-K during the period for which this report is filed.



### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

# SIGMA-ALDRICH CORPORATION

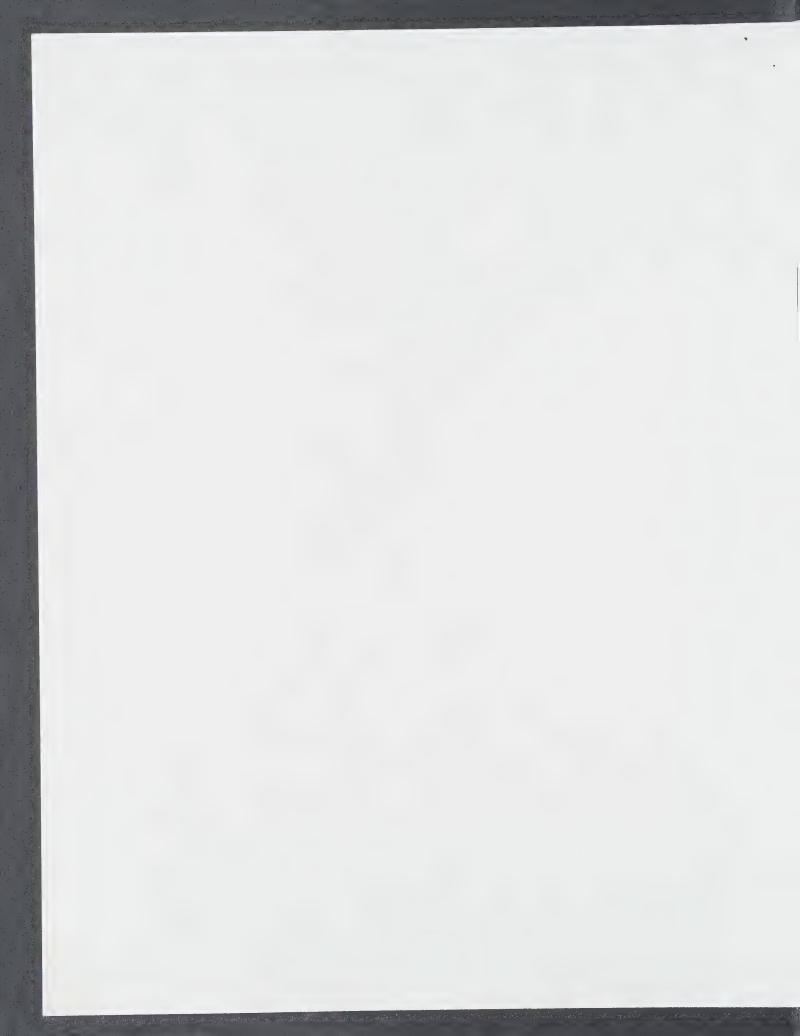
(Registrant)

By /s/ Peter A. Gleich

Peter A. Gleich, Vice President and Chief Financial Officer
(on behalf of the Company as Principal Financial Officer)

May 14, 1997

Date





Chemists Helping Chemists in Research and Industry

# aldrich chemical company, inc.

November 4, 1996

Professor Ei-ichi Negishi Department of Chemistry 1393 Brown Building Purdue University West Lafayette, Indiana 47907-1393

Dear Ei-ichi:

As you know, I have learned about your efforts to establish an ACS National Prize in honor of Professor Herbert C. Brown. Please accept this letter as a commitment by Aldrich Chemical Company, Inc. to provide all the required funding for this Award. It will be a great honor for all of us here at Aldrich to be associated with this Medal / Award.

Please let me know if there is anything I can or need to do to help move this project along to completion.

Sincerely,

Clinton F. Lane, Ph.D.

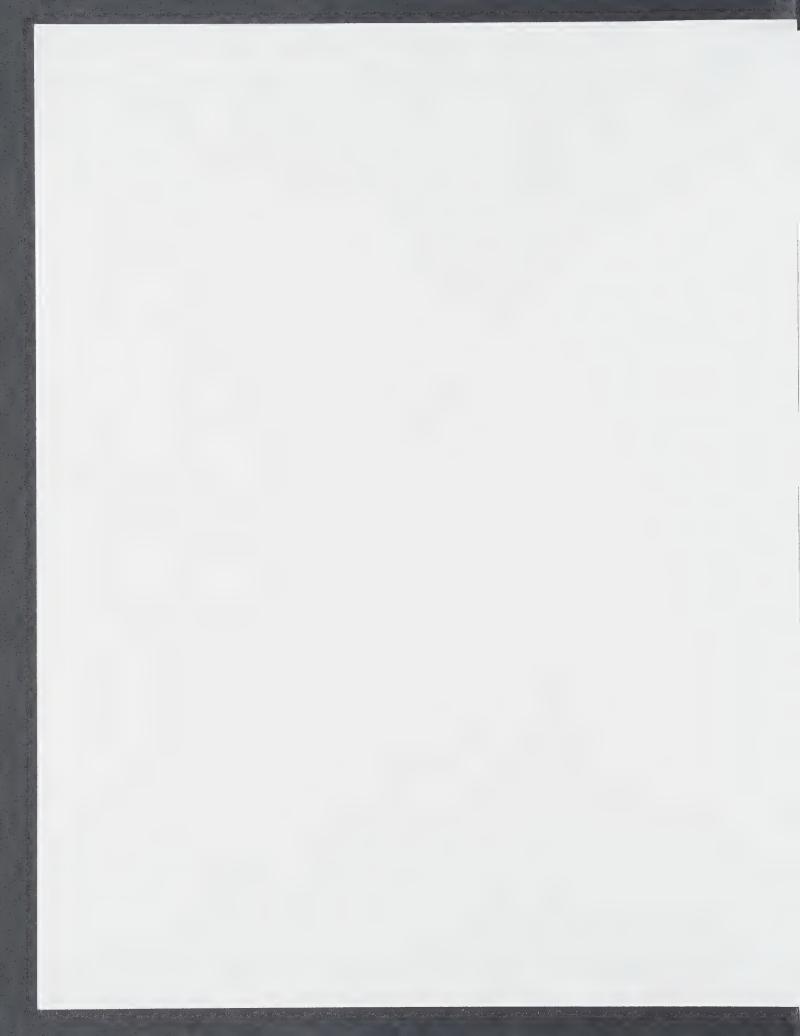
Executive Vice President

Dr. Alfred R. Bader Professor Herbert C. Brown

Pear Clint: Congratulations & many, many fant. I much rather have you as my good frend!

Two evening at EA

P.O. Box 355, Milwaukee, Wisconsin 53201 USA, Telephone (414) 273-3850, FAX (414) 273-4979



# **FAX FROM**



# DR. ALFRED R. BADER

White Gables
2A Holmesdale Road
Bexhill-on-Sea
East Sussex TN39 3OE

Telephone/Fax: 0424-22-22-23

A Chemist Helping Chemists

Date: 1 4 4 5

Page 1 of \_\_\_\_

To: By many sla friends Fax: If thick.

Isabel & I are deeply preduced by he dook

of Process processing

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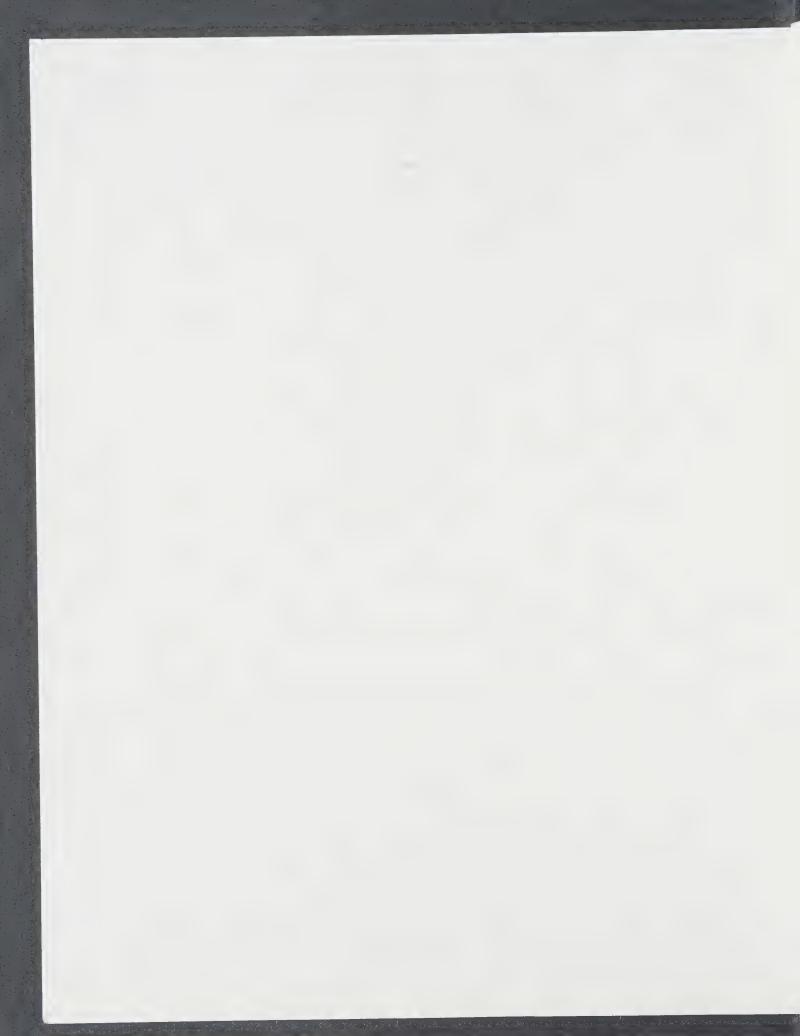
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Se Started as an employee; he poon because

our good friend.

Altitle & Milwankee will not be the poon.

Isabel C Depa



# DIRECTOR'S

APRIL 1997 VOLUME 1 NUMBER 4

YOUR NEWS FROM OTHER BOARDROOMS

# WHAT'S INSIDE

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doors"

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#### AUDITING COMMITTEE REPORT

SEC on auditor independence crusade

#### NOMINATING COMMITTEE REPORT

# Adobe and Altera boards get spooked

Gone—but not forgotten. That's how directors of two California-based high-tech computer companies view Proposition 211.

Although 211 was soundly defeated last November, the boards of both Adobe Systems Inc. and Altera Corp. aren't taking any chances. They're rushing to join a list of California corporations seeking to reincorporate in Delaware. Adobe just got the go-ahead from shareholders at its annual meeting. Altera hopes to get a green light in early May.

Prop 211 is synonymous with shareholder class action pitbull Bill Lerach of law firm Milberg Weiss Hynes Bershad & Lerach. Its mission was to put directors' personal assets

on the line when shareholders bring securities fraud suits. Supporters, led by Lerach, reportedly shelled out \$10-\$15 million to lobby for its passage. But they were outgunned by a Silicon Valley coalition which spent \$40 million to crush the proposal.

"The Delaware issue came up a few times before," says Adobe director **Robert Sedgewick**, a **Princeton University** professor.

"But last fall we began to take it seriously."

Adobe directors and Adobe brass fear 211 will rear its head again in California. When it does, the board of this software company, that boasts \$186 million in revenue, wants to be safely

CONTINUED ON PAGE 11

# Executives put on line for company fine

Wisconsin Energy executives' wallets are a little lighter this year. The Milwaukee-based utility was forced to pay more than \$400,000 in environmental fines last year. And management bonuses have been cut as a result. The compensation committee took the initiative and agreed to cut executives' incentive awards for 1996 to cover the costs of the penalties. As a result, all awards under the company's short-term bonus plan were reduced by 12.2 percent.

For CEO **Richard Abdoo**, that meant a cut of about \$37,000. Awards for participants employed in the affected nuclear business units were reduced by another 50 percent.

This news comes on the heels of a call from California State Treasurer **Matt Fong** for executives of **Texaco** to share part of the cost of its \$115 million anti-discrimination settlement. Fong, who sits on the board of the California

CONTINUED ON PAGE 12

# Teamsters "hit list" draws director fire

Frank Carlucci can breathe a little sigh of relief. The former secretary of defense is no longer the worst director in the country. He's the second worst. The Teamsters announced their second annual list of the country's "Least Valuable Directors." Carlucci was unseated by another Washingtonian, Tony Coelho, former House Majority whip.

Going by the Teamsters list, the recent trend to beef up boards with beltway insiders and prestigious academics is foolhardy. The num-

ber-three ranking went to former secretary of state Lawrence Eagleburger. Wharton dean Tom Gerrity and Harvard business school professor Walter Salmon also made the list. In addition, the Teamsters singled out for humiliation such corporate heavy hitters as Autodesk CEO Carol Bartz, CSX CEO John Snow, and for the second time Westinghouse CEO Michael Jordan.

As expected, the union used many of the CONTINUED ON PAGE 12

# Investor's gripe gets chiefs' attention

There is a new player in the shareholder resolution game. **Dr. Paul Sheehan**, a neurologist from St. Louis, wants boards to index to inflation the stock options they grant executives. Sheehan's proposal went to 19 companies. Soon after, he found his phone ringing off the hook.

Coca Cola, Eli Lilly and Wisconsin Energy sent emissaries down to visit him. Lawyers from Airtouch and Motorola spoke with him at length on several conference calls. Colgate Palmolive CEO Reuben Mark picked up the phone himself and called Sheehan.

"I think I've struck a chord," he quips.

Sheehan wants compensation committees to grant all stock options at the market price, and to index the grant price for inflation using the Consumer Price Index. Management would not profit unless the stock price appreciation exceeded the rate of inflation from the date the options are granted through the date the options are exercised.

Sheehan reasons that executives should not get a windfall simply because inflation carried their stock price higher. In his view, a rising tide lifts all ships, and real shareholder value is not enhanced at stock price appreciation levels at or below the rate of inflation.

His resolution missed the boat this proxy season. Companies succeeded in getting it tabled based on legal technicalities. But Sheehan now knows the ropes. He's sharpening his pencil for next year and reports his efforts have been passed on through the grapevine. He's already begun to hear from other activists offering their help.

Sheehan's targets agree his idea holds great public relations appeal, especially in today's highly sensitized compensation arena. "It is certainly serious and well intentioned," sums up Eli Lilly's assistant secretary **Jim Lootens**. But they deem it unworkable. The beauty of options from a company point of view is that they can be granted with no hit to the bottom line. By indexing them to inflation, they become variable. That makes them subject to a compensation expense.

Colgate Palmolive's Mark has an even stronger story to tell. He sees merit in Sheehan's idea, but notes: "We've already done something better. My options already come with a far stricter benchmark than the CPI." Premium priced options awarded to him come in tranches, which make them worthless unless the stock climbs from 10 percent to 100 percent respectively.

Sheehan hears their reason, but is not deterred, "I'm not a nut with a crusade," he sums up. "Nor do I spend my time running from annual meeting to annual meeting. I just read proxies, and I don't like what I'm seeing."

# Fleming revamps boardroom practices

"We did this because we thought it was the right thing to do."

Fleming Corp. directors are sprucing up their corporate governance practices. The board has redeemed a disputed poison pill. And it has formed a governance committee.

The wholesale food distribution company has been fighting with the Teamsters over its poison pill. In February, an Oklahoma City federal judge sided with the union and ordered Fleming to let its shareholders, not its board, vote on whether or not they want the pill (see *Director's Alert*, February 1997). The vote would be binding on the board.

Fleming now waits for its appeal to be heard. In the interim the board has up and redeemed the pill anyway. Why? It believes the company is no longer a takeover target, explains Fleming spokesman **Andy Oden**.

Meanwhile Fleming has also fleshed out a governance committee. The committee has

addressed each of the shareholder activists' hot buttons. Interlocking directorships are forbidden. Stock ownership is mandatory. Stock options will not be re-priced. The board will also begin a plan of self evaluation. And each director will be individually evaluated by the governance committee each time that he or she is up for re-election.

Teamsters' director of corporate affairs **Bart Naylor** deems these efforts an attempt by the board to win votes.

Fleming general counsel **David Almond** insists that he is not trying to curry favor with the shareholders. "We didn't do this to make them happy, we did this because we thought it was the right thing to do," says Almond. But if the shareholders are happy, the board won't complain.



# RJR Nabisco slammed for option re-pricing

RJR Nabisco and the Teamsters have come to terms. The union has been pushing RJR to put a proposal banning option re-pricing on its proxy. It was "outraged" by an option re-pricing program the tobacco giant sponsored last year.

Faced with the prospect of a battle and the inevitable negative publicity which would result, the tobacco giant struck a deal. It agreed to add to its long-term incentive plan an amendment banning any option re-pricing program without shareholder approval. In return, the Teamsters agreed to withdraw their proposal.

Option re-pricing is shaping up to be a hot issue. The prospect of a bear market has visions of re-pricing schemes dancing in institutional shareholders' heads. They reason if many of the outstanding option grants go under water, executives will push to have them re-engineered. Fidelity proxy gatekeeper Bob Pozen cites option re-pricing as a flag raiser at the mutual fund giant. CalPERS plans to add it to its own agenda. And the State of Wisconsin Investment Fund (SWIF) has it on its screen. It has just negotiated a similar tit-for-tat agreement with an Oregon computer company.

The RJR Nabisco story could be a hint of things to come. Here's a synopsis:

Last year the company, which had 1996 sales of \$17 billion, re-priced existing stock options held by its employees. RJR executives could cash in all their existing options for new ones

with a \$27 exercise price. That was the market price of the stock on the day the new options were granted. The affected option grants had been made over a period of time at a variety of prices ranging from \$25 to \$50.

"We call it a re-positioning, not a re-pricing," says RJR's communications chief **Carol Makovich**. The program, she notes, was an allor-nothing deal. To participate, employees had to cash in all their options, not only those that were worth less. "The existing program was no longer a valid incentive," she explains.

"We call it 'lowering the bar,' " retorts the Teamsters' **Bart Naylor**. Naylor is the Brotherhood's director of corporate affairs. "When RJR Nabisco was performing badly, the directors untied the connection between performance and pay. It was pretty egregious."

Much of the stock deflation was due to external forces, and could not be specifically tied to management, replies Makovich. For example, she points out that the stock price had been hit by the anti-tobacco litigation as well as the fact that a major shareholder, Kohlberg Kravis Roberts & Co., cashed out.

Makovich also reports the program was viewed at RJR as a one-time event. "We do not expect to be re-pricing options on a regular basis," she emphasizes. So the amendment to their long-term incentive plan will not impede company plans from going forward.



Bart Naylor
Director of
Corporate Affairs
Teamsters

# Healthdyne wages poison pill war

Just how far will some companies go to fend off a hostile takeover? Ask Georgia-based **Healthdyne Inc.** Faced with a hostile tender offer and a proxy contest, Healthdyne thought it had a couple of tricks up its sleeve. One, an 11th-hour scramble for protection from the Georgia senate, died after a dramatic seven-day fight. The other, a "dead hand" poison pill, is now the center of a courtroom battle.

Healthdyne is a manufacturer of medical devices with 1996 revenues of \$118 million. It is being pursued by **Invacare**, an Ohio competitor. When Healthdyne was spun off from its parent in 1995 it adopted annual board terms rather than a staggered board. This, it recently realized, made it vulnerable to having the

entire board unseated in a hostile takeover. To protect itself, Healthdyne's board adopted a dead hand poison pill. Such a pill can only be redeemed by the incumbent directors. That means that even if Healthdyne's shareholders vote in new directors to approve the merger, the new directors cannot kill the pill.

This kind of pill is not unheard of. But it has not been upheld when challenged in court. Healthdyne is counting on Georgia's corporation-friendly laws to offer it some pill protection. In 1989 the Georgia legislature offered such protection to **West Point-Pepperell**. It was embroiled in a takeover battle with financier **William Farley**. Although the courts

CONTINUED ON NEXT PAGE

"The Georgia legislature put the kabosh on the company's other defense tactic."

#### HEALTHDYNE CONTINUED

invalidated West Point-Pepperell's pill, the legislature essentially reversed the court decision. It gave the board "sole discretion" over the terms of the corporation's poison pill.

But this time the legislature isn't being so accommodating. It has already put the kabosh on the company's other defense tactic. A week before the close of the Georgia senate's session, Healthdyne got legislators to agree to amend a standard business law. The amendment would have forced each of Georgia's 200 publicly held corporations, including itself, to have staggered board terms. This would have torpedoed Invacare's plans to unseat the entire board.

Invacare pulled together an all-star team from its local law firm King & Spalding to defeat the bill. The team included such political heavies as former US attorney general Griffin Bell and former Georgia governor George Busbee. Healthdyne called on another former Georgia governor, Carl Sanders, now name

partner in law firm Troutman Sanders. Still, Invacare prevailed—the bill died in conference committee.

Making staggered boards mandatory at the state level is not without precedent, however. Massachusetts has done it. The state adopted the provision to its business laws to bail glass manufacturer Norton Corp. out of a takeover battle with UK company BTR plc. in 1990. Now all boards of Massachusetts public corporations must be staggered unless the directors or the shareholders agree to de-stagger by a two-thirds majority.

Healthdyne's takeover defenses have not endeared its shareholders. Doug Hirsch is a managing partner at money manager Seneca Capital, which acquired Healthdyne stock after Invacare made its initial bid. "The board has tons of discretion. But it can't deprive the shareholder the lifeblood of being a shareholder," namely voting on the board, Hirsch says. ■

# **AFL-CIO** promotes director Web watch

Tell your secretary to start manning the phones. The AFL-CIO is getting employees riled up about executive pay and telling them how to contact the CEOs and directors to complain. Executive Paywatch is the AFL-CIO's new Internet site on the World Wide Web (the URL is www.paywatch.org).

Paywatch posts the pay packages of about 100 CEOs in the Fortune 500, and provides a program which lets the average Joe figure how long he'd have to work to catch up with the boss. Then it advises: "Find out about the role your company's board of directors play in approving these outrageous packages.

How? There are instructions on how to download a proxy, where to find names and addresses of directors, and what to look for. The suggested hot buttons include looking for CEOs who sit on each other's boards, directors who have business dealings with the company, directors who get "high pay," directors who miss meetings, and directors who sit on several boards that "overpay" their CEOs.

Then, it advises, "call them. . . write them. . . e-mail them. And rally your co-workers and 401-k plan managers to do the same."

# DIRECTOR'S

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# DIRECTOR'S

# PROFILE

#### Lutz to Grumman

Chrysler's Bob Lutz. 65, has a little more time on his hands. He's stepped up from CEO to vice chairman of the auto maker. So he is taking a seat on Northrop Grumman's board. It's a natural. Lutz has broad operations experience. And he knows Northrop's CEO Kent Kresa. Kresa serves on Chrysler's board, and in the 1950s Lutz flew attack jets for the Marines, one of Northrop's major customers today. Lutz has two other boards: Silicon Graphics and ASCOM, a Swiss technology company.

#### Case adds two

In the early '90s, Case Corp. restructured its moribund agriculture and construction business with massive write-offs under Tenneco's protective wing. Now the company is out from under Tenneco, and CEO Jean-

Pierre Rosso continues to expand the board. Two current picks bring membership up to 10. They reflect Case's long-time global orientation.

One newcomer is **Pei-yuan Chia**, 58. He recently took early retirement from a vice chair slot

at Citicorp where he had been the key liaison to Asia customers. The other addition is Tom Hodgson, 55. Hodgson, COO of Abbott Labs, led the pharmaceutical to strong growth in the 1980s. Case booked 1996 revenues of \$4.9 billion.

# Price and Ryan join Sears

Sears Roebuck and Co. still struggles to get in step with changing consumer attitudes.

CEO Arthur Martinez recognizes the need for a diversified board. He is adding Hugh Price, 55, CEO of the National Urban League.

Price, who also serves on the MetLife and NYNEX boards, comes with strong public policy experience. Prior to joining the Urban

Hugh Price

League, he was at the Rockefeller Foundation. In addition to the two female members, this gives the giant retailer two minority representatives on its 12-person board.

At the same time, Sears is adding local boy Patrick Ryan, CEO of Aon Corporation, the diversified insurer. Ryan, 59, has a wall full of awards from local groups to attest to his "Mr. Chicago" title. The newcomers replace two former CEOs who retired from the Sears board.

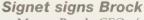
# AT&T welcomes Fisher

AT&T welcomes Kodak CEO George Fisher, 56, to its board. For Fisher this is somewhat of a homecoming. Before joining Kodak, Fisher was CEO of

> Motorola. He joined Motorola after 10 years at Bell Telephone Labs.

Fisher brings to AT&T some needed turnaround experience. The company is struggling with increased competition in the long-distance wars. It is also

rebuilding its board after the Lucent Technologies and NCR spin-offs. Fisher is credited with getting Kodak spruced up. This is his second board seat since joining Kodak. He recently joined the board of General Motors.



Macon Brock, CEO of Dollar Tree Stores, Inc., joins the board of Signet Banking Corp. Dollar Tree is an aggressively expanding discount variety store chain. It operates 750+ stores in strip centers and malls in 26 states in

the Midwest, South and Northeast.

Brock, who founded Dollar Tree in 1996, has been in the retail business for 28 years. This experience will come in handy as Signet, which had revenues of \$748 million in 1996, accelerates its transi-

> tion from a midsized regional bank into a national financial services company.



George Fisher

# SNET snaps up Roche

Joyce Roche, 50, takes a seat on

the board of Southern
New England
Telecommunications
Corp. Roche is CEO of
Carson, Inc., a Savannahbased ethnic hair care
company that recently
went public. Its brands
include Let's Jam and
Dark and Lovely. SNET is
a \$2 billion Connecticutbased telephone company
that also sells wireless,
information, and entertainment services.

Roche brings strong marketing skills at a time when SNET must grow its customer base by building multiple-product relationships. Prior to joining Carson, she held a variety of positions at **Avon**, including vice president of global marketing. In 1992 she made *Business Week's* 50 Top Women in Business. She is the third woman to be added to the 13-member board, which

CONTINUED ON NEXT PAGE



Pei-yuan Chia

### PROFILE CONTINUED

includes **Zoe Baird** of nanny tax fame.

# **H&Q** picks Perry

Former defense secretary **Bill Perry**, 70, is joining the board of invest-

ment banker Hambrecht & Quist.
H&Q, with 1996 revenues of \$390 million, is an IPO underwriting powerhouse. It



Bill Perry

specializes in new hightech ventures. Apple, Genentech, and Netscape are among its launches. San Francisco-based H&Q went public itself in 1996, and Perry brings the number of independents on its seven-man board up to

Perry is no stranger to the firm. He was head of research there in the mid-'80s, and returns with strong connections to the defense industry. Hambrecht held a vacant board seat open for him after learning he was leaving Washington. Perry also serves as a professor at Stanford University.

# Two join Mapco

three.

Mapco, Inc., has been doing some restructuring. And it's been shedding directors and bringing on new ones in the process. One of the new recruits is Frank McPherson.

McPherson, 63, recently

retired as CEO of **Kerr-McGee Corp**.

The \$3.3 billion Tulsabased Mapco markets natural gas liquids, propane, and petroleum products. McPherson brings from his tenure at Kerr-McGee experience and contacts in

the oil and gas exploration business. He also brings along a strong local presence, which should help Mapco in its new emphasis on regional marketing and customer service.

McPherson's other

board seats include Kimberly-Clark and the Bank of Oklahoma.

Also new to the Mapco board is John Whitmire, 56. Whitmire is the CEO of Houston-based Union Texas Petroleum Holdings, Inc. Prior to joining Union Texas he held senior positions in Phillips Petroleum Company's worldwide exploration and production operations. His international experience meshes with Mapco's plans to expand overseas.

# Paine Webber takes Torell

Paine Webber Group, Inc., adds John Torell, 57, to its 14-member board. As the for-

board. As the former president of Manufacturer's Hanover Trust and CEO of savings and loan Cal Fed, he comes to Paine Webber with strong connections to the



John Torell

banking community. With the breakdown of the barriers between banks and brokerages, this could prove useful. Paine Webber, with \$5.7 billion in revenues in 1996, is the fourth-largest retail brokerage in the US. But it has been unable to succeed in becoming a financial supermarket like its number-one competitor Merrill Lynch.

Currently Torell is a partner of Zilkha & Co., a merchant banking firm, and a director of American Home Products.

# Stiritz joins Vail

Vail Resorts has gone

public. And it has appointed Ralston Purina CEO Bill Stiritz, 62, to its board. Stiritz joins the board along with Joe Micheletto, 60. Bill Stiritz Both have a seat at the Vail table as a result of Vail's merger with Ralston Foods. Ralston is a subsidiary of Ralcorp Holdings, the Ralston Purina spin-off best

known for the **Beechnut** brand. Now it owns 28% of Vail. Stiritz is chairman of Ralcorp and Micheletto is CEO. Vail's ski resort portfolio includes

Keystone, Breckenridge, Vail, and Beaver Creek. Others on the board include Universal Studio CEO Frank Biondi, Conseco CEO Stephen Hilbert, and Loews Corporation COO James Tisch.

# WMX woos three

There's a lot going on at WMX Technologies. A battle with investor George Soros ended with the ouster of CEO Phillip Rooney and the naming of three new directors: Steve Miller, Steve Rothmeier, and Paul Montrone.

Miller, 55, is a turnaround specialist. Most recently he's overseen the

restructuring at
Federal Mogul
Corp. and at
Morrison
Knudsen. He also
took a lead role in
the financial
restructuring of
Chrysler.

Rothmeier, 50, is a former CEO of Northwest

Airlines. He is credited with developing Northwest into a major international carrier in the mid-'80s. He also ran IAI Capital, a venture capital and merchant banking group. Now he is CEO of Great Northern Capital, a private merchant bank. Rothmeier's other directorships include a seat on the board of Honeywell, Inc.

Paul Montrone, 55, is CEO of Fisher Scientific International.

# Foreign boards to get a taste of CalPERS

If you think institutional shareholders are content to limit their activism to US-based corporations, think again. They're packing up their principles and exporting them overseas. With \$20 billion of its \$100 billion portfolio sunk into international equities, **CalPERS** is on a global governance bent. The pension fund giant has already issued a set of global governance principles.

Now it's going country specific.

In the United Kingdom, where CalPERS invests \$3.7 billion, it is making known its intentions to be active. Currently there is a UK committee—the Hampel Committee—reviewing governance standards. CalPERS wants a seat at the review table. And it is encouraging other non-UK-based investors to "exercise their rights as shareholders" and get involved as well. CalPERS suggests several changes to the UK governance status quo. These include the regular elections of all directors, confidential voting, and improved access for shareholders to present resolutions through the company proxy process.

In France, where CalPERS has a commitment of \$1.9 billion, it is calling for a one-share, one-vote capital structure, regular elections of all directors, and a greater disclosure of executive compensation.

"The corporate governance movement has

definitely spread overseas," nods corporate boardroom practices expert Ira Millstein, senior partner at Weil, Gotshal & Manges. As evidence, Millstein reports he has recently been appointed to two new global governance panels. One, an advisor group on governance for the Organization for Economic Co-operation and Development (OECD), is holding a major governance forum in Paris this year. The other, the Gore-Chernomyrdin Commission of the US-Russia Capital Markets Forum, has been formed to provide advice to the Russian government on developing a capital market and related governance issues.



Ira Millstein

#### CALPERS IS BURNING THE MIDNIGHT OIL

CalPERS' international efforts haven't hindered its US boardroom initiatives. It expects to issue its US corporate board model standards in early May. It will then take those standards and compare them to standards already in place at the top 300 companies in the Fortune 500. It will issue boardroom report cards on each company. "We will be looking at the quality of the processes in place, not simply whether there is a process in place," explains CalPERS spokesman Brad Pacheco.

Meanwhile, its reverse robinhood program is taking shape. Here, CalPERS plans to target US boards that have approved high executive pay, while at the same time laying off workers. "We will be publicly critical of these companies and their boards," warns Pacheco. But he adds that CalPERS will also do the reverse. It promises to give a pat on the back to companies and boards that have been sensitive to the layoff issue.

# Investors say: "fling open the boardroom doors"

Investors want to know more about the backgrounds, business track records, and specific contributions of directors to the board. And they say that "boards need to be more aggressive in weeding out underperforming members."

That's the word from a recent survey of 201 equity portfolio managers and 30 institutional shareholders by **Russell Reynolds Associates**. Executive recruiter **Russell Reynolds** reasons institutional investors and portfolio managers own more than 60 percent of the stock of public companies. So it is important to know what the investors think. Here's what emerges:

Compensation issues are high on the investor's watch list. Sixty-two percent of investors wholeheartedly oppose a cap on executive compensation. But 51 percent of the investors who want to set limits on CEO com-

pensation want it tied to company performance. Company profitability, stock performance, and the executive's track record are what they look at most.

What else bugs them? The investors have their eyes on board composition. More than 60 percent of both portfolio managers and shareholders agree that boards with members from the same family give them cause for concern. Directors who were fired from their own companies rankle institutional shareholders. Seventy-three percent say that fired executives are a big no-no. The portfolio managers weighed in with a 52 percent disapproval rating on that point. The institutional shareholders were particularly upset about interlocking directorships. Fifty-three percent said that interlocks raise a red flag when deciding where

CONTINUED ON NEXT PA

#### **INVESTORS** CONTINUED

to invest. But the portfolio managers were less concerned. Only 32 percent of portfolio managers report factoring it into their investment decisions.

Bob Lear, Columbia University's executive in residence and a principal at Lear/Yavitz & Associates, cautions that too much shouldn't be made of such surveys. His point? Institutional investors play a valuable role in raising public awareness by focusing on individual

boards. "There is a fear psychology at work," he points out. "Other companies pay attention because they don't want to be targeted by the institutional shareholders." But outside evaluators are not necessarily best suited to judge board performance. "They can't substitute for good independent directors and the board's own process for looking at itself," he says.

For more information or a copy of the study, contact Sally Laroche at Russell Reynolds Associates, 212-351-2040.

# BankAmerica/Time Warner raise CEO bar



Compensation committees are hitting on a new tool: premium priced options. Premium

priced options are options with strings attached. This year they appear on the compensation schedules of senior executives at BankAmerica, Time Warner, and Philip Morris. They also figure in Michael Eisner's highly controversial package with Disney.

"It's all part of a move to tie management's option profits to corporate results," says KPMG Peat Marwick compensation guru Peter Chingos.

#### **CEOs ON THE PREMIUM PLAN**

Experts estimate that 15 percent of US businesses now use premium priced options in their compensation plans. That is up almost 100 percent from last year. Here's how some of the 1996 awards work:

Name	Present Value*	# of Options	Exercise Price
Gerald Levin CEO TimeWarner	\$2,831,500 1,091,125 840,000	175,000 87,500 87,500	\$42.63 53.29 63.95
Michael Eisner** CEO Disney	\$134,096,924 25,390,861 21,194,406 14,901,090	5,000,000 1,000,000 1,000,000 1,000,000	\$ 63.31 79.14 94.97 126.62

\*valued by Black-Scholes

 $^{**}$  options become exercisable in stages; first 5 million vests in 2003; each of the next 1 million vest in 2004, 2005, and 2006 respectively.

Once the darling of shareholder activists, regular options have become the demon. Regular options are in the money if the stock advances beyond the market price on the date of grant. As the size of the typical option grant has grown, the amount of value-added an

executive must provide in order to profit handsomely from option grants has diminished. This, say critics, destroys the incentive factor which options were supposed to provide.

Proponents of premium priced options say they put the incentive back in. This is because they have an exercise price higher than the fair market value at the time of the grant. An executive makes little money unless the shares advance substantially beyond their premium price.

BankAmerica CEO **Dave Coulter** and members of his operating team will only receive premium options going forward, pending shareholder approval of a new long-term incentive plan. Members of the executive level immediately below will receive one-half regular options and one-half premium priced options.

Time Warner CEO **Gerald Levin** and president **Richard Parsons** got one quarter of their total option award in 1996 at an exercise price 25 percent above the fair market value of the common stock on the date of grant. Another quarter came with a 50 percent premium.

And Michael Eisner's options include tranches which are exercisable at 125 percent, 150 percent, and 200 percent of fair market value (see chart).

Just how much do options figure in executive compensation packages? The current value of stock options—what they are worth even if they are not exercised—is the fastest-growing piece of executive compensation, reports KPMG's Chingos. He tallies the median current value of the 1996 option grants among 25 top performing companies at \$2.8 million. That's up a whopping 49 percent from 1995. Meanwhile, the median base salary rose 6 percent and bonuses 13 percent.

# SEC on auditor independence crusade



How independent is your auditor? The SEC wants to know. The regulators are taking a

look at the growth of accounting firms' consulting practices, and getting nervous. SEC chairman Arthur Levitt and other senior members of the Commission staff have been on the stump, calling for a fresh look at auditor independence guidelines. They worry that the integrity of a company's audit could be compromised if the audit firm does too much nonaudit work for management.

"We do receive calls from corporate board members seeking guidance on this," says **Bob Burns**, chief counsel in the SEC's office of the chief accountant. "But," he adds, "I wouldn't mind receiving more."

What has got the Commission's guard up is the increasing spread between the revenues accounting firms are reaping from consulting fees versus the revenues they are reaping from audit fees. A study published in *Accounting Today* shows that for the 100 largest accounting firms in the US, revenue from consulting and related services increased by 36 percent during 1995. Revenue from traditional auditing and accounting work increased only one percent.

"I would expect that determining the independence question for the auditor has become a growth industry in and of itself," Levitt quipped at a recent industry conference.

What should raise a red flag in audit committee meetings? "While the amount of fees from consulting does not necessarily mean that independence is compromised," points out

audit committee guru Al Sommer, "it is something to watch." Sommer is a former SEC commissioner and experienced audit committee chairman. Currently he is a director of Figgie International.

Sommer also sees problems with having the

auditor do any executive recruiting or compensation consulting for management. If the audit partner or a member of the audit team took a management position which required interaction with the auditors, he would want to see enhanced procedures after the next audit. "And, if the firm is being hired to do a consulting service with a substantial fee, I would want documentation that they were the most qualified to do the job," he concludes.



**A.A. Sommer**Director
Figgie International

#### WHAT ARE DIRECTORS ASKING?

The SEC's Bob Burns reports most of the queries on auditor independence that he gets from board members fall into three basic categories:

- What kind of non-audit services can the board hire the auditor for?
- Is the audit firm's independence compromised if a member of the audit team, or an employee of the audit firm, takes a position with management?
- How carefully must family relationships be scrutinized? Can a husband work on a audit team when the wife works for management or vice versa?

There are rules already on the books. Members of audit firms can't invest in client firms, can't be related to or borrow money from clients, and can't participate in management activities of audit clients. Moreover, auditors can't sell services that leave them auditing their own work. "But it is unclear how these new additional relationships will impact an auditor's objectivity," points out the SEC's Burns.

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# Times Mirror rejiggers directors' pay

COMPENSATION COMMITTEE REPORT Directors of Times Mirror Company have just joined the exclusive list of board mem-

bers whose total compensation is subject to the vagaries of the company stock price. They now receive an annual grant of 500 shares of stock, the cash value of 500 shares of stock, and 5,000 options. All committee and meeting fees have been abolished.

for this, and it appears directors are listening," sums up, Price Waterhouse compensation expert Rahel Green.

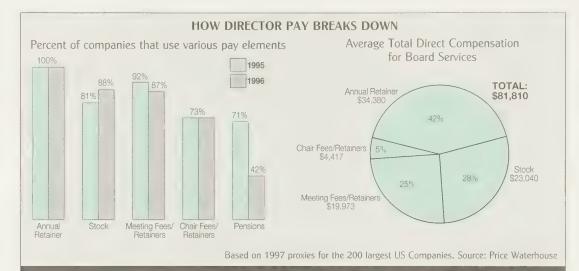
A study of director compensation based on 1997 proxy data reveals that stock now comprises 28 percent of the average direct compensation for board services. The number of companies that include stock in their director compensation plans is now up to 88 percent (see chart). Green also cites a continuation of the overwhelming trend toward scrapping director

pension plans. Typically, this is accomplished in one of three ways:

- the value of the benefit is made up in one-time stock grants
- the value of the benefit is paid out in cash
- the existing plan is left in place, but benefits cease going forward

This kind of rejiggering of retire-

ment plans appears to have been part of the rationale for a revamping of director compensation at GTE Corporation. Directors now receive a \$60,000 retainer, up from \$30,000. Meeting fees have been eliminated, but committee chairs still get an extra \$2,500 annually. In addition, directors receive an annual grant of 1,000 shares of deferred stock. These awards are not payable until the director leaves. At the same time, the board eliminated its retirement plan.



This is just one of the director compensation tidbits coming to the fore in the 1997 proxy season. But it represents the cutting edge of the trend to pay directors with stock. This is because the number of shares of stock are fixed for Times Mirror directors. In the vast majority of plans, there is a fixed dollar amount. The number of shares is then backed into that dollar amount based on the stock's current market value.

"Shareholder activists have been lobbying

# Bell Atlantic makes first director cut



When companies merge it usually takes a year or two for the new board to shake out. This is

because the players all have to get to know one another. And management has to get to know the players. That long slow process has begun at Bell Atlantic/NYNEX.

In a pre-merger joint proxy, Bell Atlantic and NYNEX spell out who is continuing on the new entity's 22-person board. Each company got to install 11 of its board members. Age appears to have influenced the process. Two of the 12 NYNEX board members who are at or close to

CONTINUED ON NEXT PAGE

#### **BELL ATLANTIC** CONTINUED

the mandatory retirement age of 70 have resigned: NYU president emeritus John Brademus, 70, and retired New England Mutual Life Insurance Company chairman Edward Phillips, 69.

And the three oldest members from the old Bell Atlantic board are gone. Their ages? Sixtynine, sixty-six, and sixty-two. Despite appearances, however, Bell Atlantic spokesperson Jay Grossman disputes the fact that age was the determining factor.

Was this the right approach? **Deborah Cornwall** of the boardroom consulting firm **The Cornlund Group** says no. "The basic question is whether they started out with a blank sheet of paper and said, 'What does this organization need?' Or did they figure out how not to offend anybody? It looks like they did what was expedient," she adds.

But, observers caution that this is just the

**ADOBE** Continued from Page 1 ensconced in Delaware.

Ditto for the board of programmable computer chip maker Altera. Proposition 211 proposed eliminating a company's ability to indemnify its directors. What makes Delaware particularly attractive in this instance is that its courts have said that a company can indemnify its directors from personal liability in a fraud suit. Says Altera corporate secretary **Dell Bergere**: "There is a real basis of law to deal with in Delaware. . . . There is a greater sense of comfort for directors."

Delaware has long been a corporate haven. Because the lion's share of US companies are incorporated in Delaware, the laws governing corporations have been tested in court and are very clearly defined.

Who else has taken flight? Last fall, when 211 was still on the ballot in California, semiconductor maker **TriQuint**, software designer **Objective Systems Integrators**, and circuit board manufacturer **Solectron** reincorporated in Delaware. Two TriQuint directors were so afraid of the ramifications of 211 that they penned resignation letters dated the day after the election. The letters were to be accepted if the proposition passed, reports TriQuint director **E. Floyd Kvamme**. He is a partner in venture capital firm **Kleiner Perkins Caufield & Byers**.

Roger McNamee, a partner with Integral Capital Partners, was a vocal opponent of 211. McNamee, who invests solely in high-tech

beginning. For one, a 22-person board is unwieldy. Further streamlining is inevitable. Moreover, depending upon how regulators approve the merger, other board members may choose to step down. This may make the weeding-out process easier down the line.

Who's left for now?
From the NYNEX side,
Chase Manhattan CEO
Walter Shipley stays, as
does Elizabeth Kennan,
president emeritus of
Mount Holyoke College.
From the old Bell Atlantic
board, former governor of
New Jersey Tom Kean will
stick around. So will ambassador Rozanne
Ridgway She co-chairs the

**Ridgway**. She co-chairs the private foreign policy insti-

tute, The Atlantic Council of the United States.

THE DIRECTOR SCORE-CARD			
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Academics	3	2	1
Non-profit	2	2	0
Sitting Executives	13	12	1
Women	4	4	0

companies, points out that a stock price drop in a high-tech company is rarely the result of fraud. Rather, he says, high-tech stocks are volatile by nature. As soon as the company's stock drops, the plaintiff's bar is on the case. And when you are dealing with high-tech companies, that can be almost all the time. So directors of high-tech companies are particularly at risk. Investors are too, he says, since the suits distract the management from matters at hand.

Some observers wonder, however, whether these corporations are spending tens of thousands of dollars to reincorporate needlessly.

Mern Horan, the executive director of the National Association of Securities and Commercial Law Attorneys, says that no further ballot initiatives are being planned.



E. Floyd Kvamme
Director
TriQuint

#### WHERE WILL LERACH STRIKE NEXT?

Although the 211 advocates are still licking their wounds, the anti-211 forces are keeping a vigilant watch on their activities. **Richard Claussen** of public affairs consulting company **Goddard Claussen** was the campaign manager on the No-to-211 efforts. He has not entirely disbanded the anti-211 task force. They have about \$500,000 in emergency funds in case the initiative suddenly surfaces in another state, he reveals.

Twenty-seven states have a ballot initiative process. But Claussen is keeping particularly close watch on Florida and Colorado. In California, Lerach got plenty of support from the Citizens for Retirement Protection and Security. Florida would be an easy target, Claussen reasons, because of the large number of retired people heavily dependent upon their investments. Colorado is on his radar screen because it requires only about 50,000 signatures to get an initiative on the ballot, a much smaller number than the 1 billion signatures Lerach had in California.

"If I am responsible for poor performance, I want credit for good performance"

**LEAST VALUABLE** CONTINUED FROM PAGE 1 same criteria this time around that it used for

list number one (See *Director's Alert*, January 1997). Factored in were reports from compensation expert **Graef Crystal** that identify companies with low stock performance but high CEO compensation and high director pay packages. Plus the union looked at a list from the Council of Institutional Investors that spotlighted companies with long-term stock market performance problems. *BusinessWeek's* list of the worst boards also figured into the equation. In addition, this time around the Teamsters skewered the directors if they sat on more than four boards, didn't attend 75 percent of the meetings, consulted at the company, or sat on the board of a company in bankruptcy.

But some directors on the list think that the process stinks. In a letter to the Teamsters Carlucci writes: "The numbers game is easy but is a poor indicator of performance . . . . If ability to handle the responsibilities is what you are looking for, attendance would be much better. That is self-serving to some extent, since mine is very high on all my boards, save one, a company we own."

Former dean of the McIntire School of Commerce at the University of Virginia,

Bonnie Hill, also wrote the Teamsters to correct inaccuracies in her own record. Hill, who is now a vice president at Times Mirror, was blasted for serving on the board of two poorly performing utilities. But Hill also serves on the boards of three thriving companies: Hershey Foods, Crestar Financial, and AK Steel. The Teamsters overlooked these companies in their calculations and never responded to her letter.

"If I am responsible for poor performance, I want credit for good performance," says Hill. She says that since the Teamsters misconstrued her record of service, then perhaps others on the list are wrongly singled out. "I'm considered an activist director, and I feel the Teamsters did a pretty bad job [of compiling their list]," she says.

For their part, the Teamsters admit in a disclaimer appended to the report that their judgments could be flawed. The real purpose of the list is to set tongues wagging in hopes of opening the closed doors of boardrooms. But so far the reports have had little impact. Hill says that when she found out she was on the list she called her colleagues to see if she should take some kind of action to clear her name. She says that the word that came back was, "No one pays attention to this report."

**EXECUTIVES** CONTINUED FROM PAGE 1

Public Employees Retirement System (CalPERS), has been lobbying for other institutional shareholders to join his crusade.

Is making management feel the pain the beginning of a trend? "It is not unheard of for fines for environmental violations to be factored into award decisions," comments executive compensation consultant Dave Swinford at William Mercer & Company. "What would be unusual would be if the cuts amounted to the full value of the fine," he adds. While the bonus reduction is reported in the board's compensation committee report, Wisconsin Energy is not releasing figures on the total amount of the cuts. But communications chief Rick James reports: "They were pretty close to being equivalent to what the fines were."

One big shareholder of **Sigma Aldrich Corp.** wants to nick that company's executives, too. The company paid \$480,000 to settle allegations that it illegally exported toxins that could be used in biological weapons. The company had

\$1 billion in sales last year. **Dr. Alfred Bader** put a resolution on the company's proxy asking to make the cuts equal the fines.

Bader, a former Sigma Aldrich chairman and holder of 5.6 percent of the company's outstanding shares, wants executives to pay a prorata portion of the amount of fines and penalties that the company pays. He reasons that fines and penalties assessed against the St. Louis-based chemical company and the negative publicity from them hurt the company's financial performance. This in turn affects shareholder value. Executives should be accountable if something goes wrong on their watch, he argues. "That's money out of my pocket in terms of dividends," Bader asserts. "If it were coming out of their pockets, they'd be more careful."

The board argues that Bader bears a grudge against current management because he was ousted as chairman. It also claims that no other public company has such a policy. It reasons that adopting it would impede Sigma Aldrich's ability to attract management talent.

"If it were coming out of their pockets, they'd be more careful."



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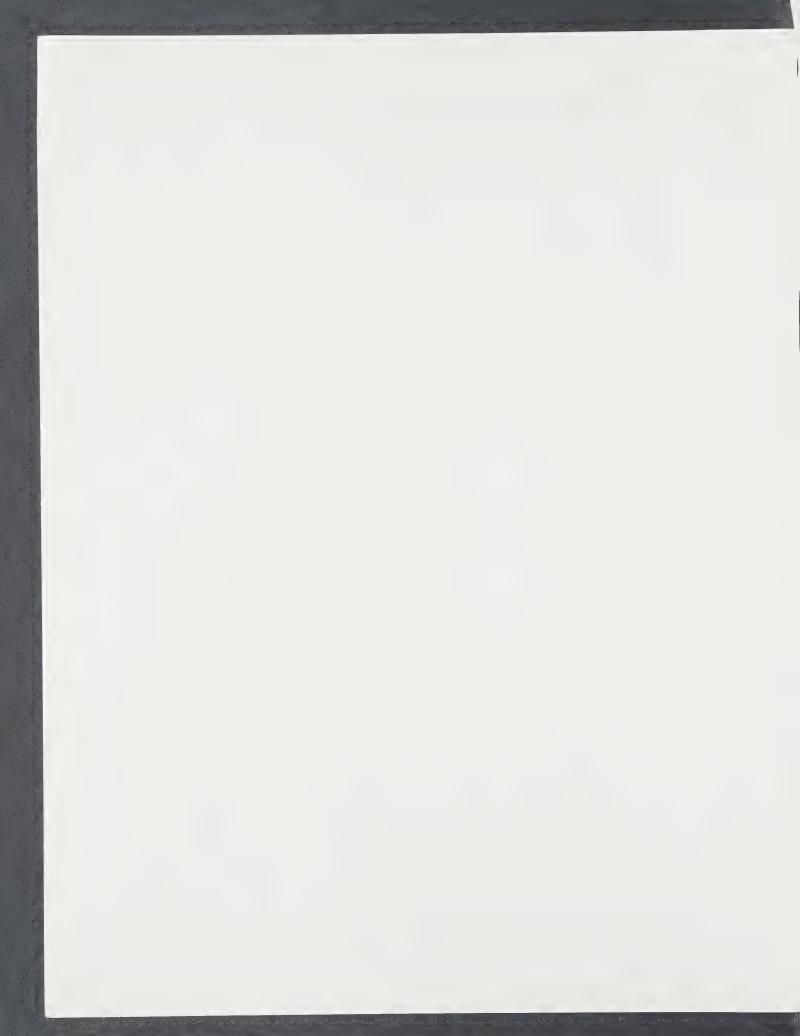
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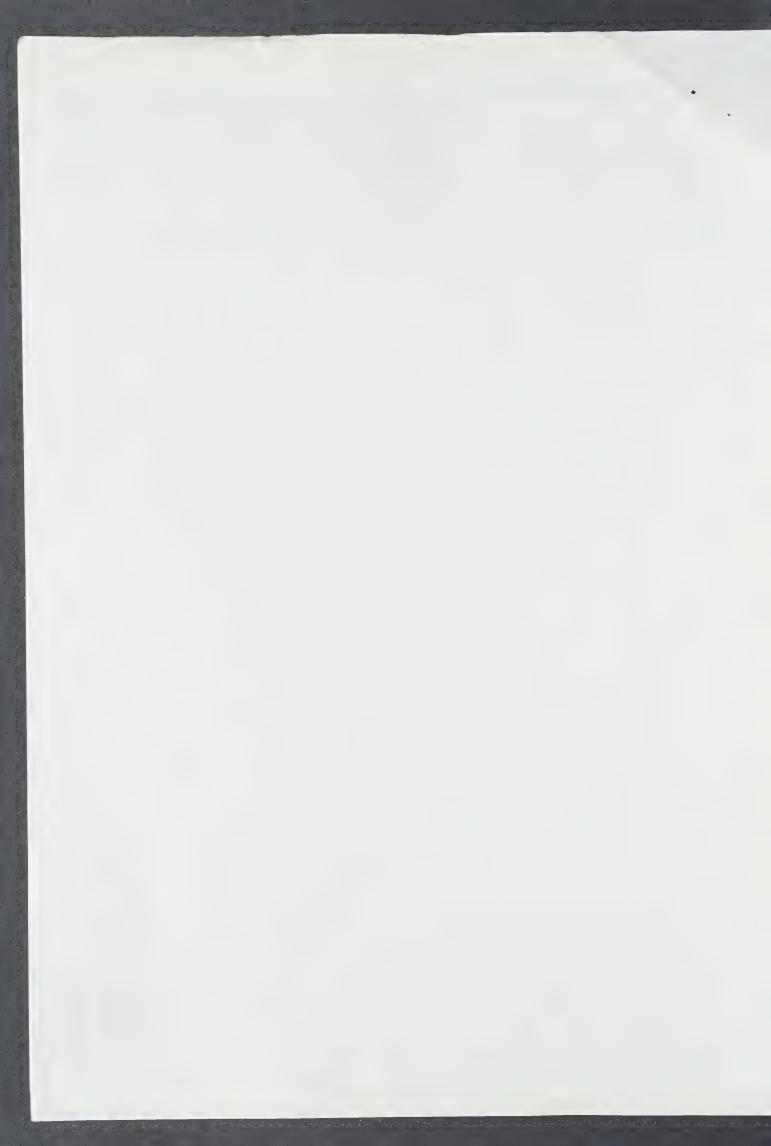
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The Old Brickvard - New Road - Gillingham - Dorset SP8 4XT - England Telephone (01747) 822211 For orders Telephone 0800 71 71 81 Fax (01747) 823779 Telex 417238 AldrchG

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The Old Brickyard New Road Gillingham Dorset UK SP8 4XT

Tel: +44 1747 833154 (direct) Fax: +44 1747 823779

#### **Facsimile**

To: Dr Michael Palmer University of Edinburgh

0131 650 4743

From: Dr. Christopher D. Hewitt

Dear Dr Palmer

Alfred Bader has passed me copies of your letter and his reply concerning your collection of research samples.

We would be most interested in acquiring the collection. I suggest that the best way forward would be for myself or a colleague to come up to Edinburgh, pack the collection and bring it back to Gillingham, where we will inspect it carefully. Following the evaluation we will make a fair offer. If you like our offer we will ship the collection, carefully packaged, to Milwaukee. If you would prefer to have the compounds shipped back to Edinburgh we will do so at our expense.

Please let me know when it would be convenient for us to come.

Yours sincerely, SIGMA-ALDRICH CO LTD

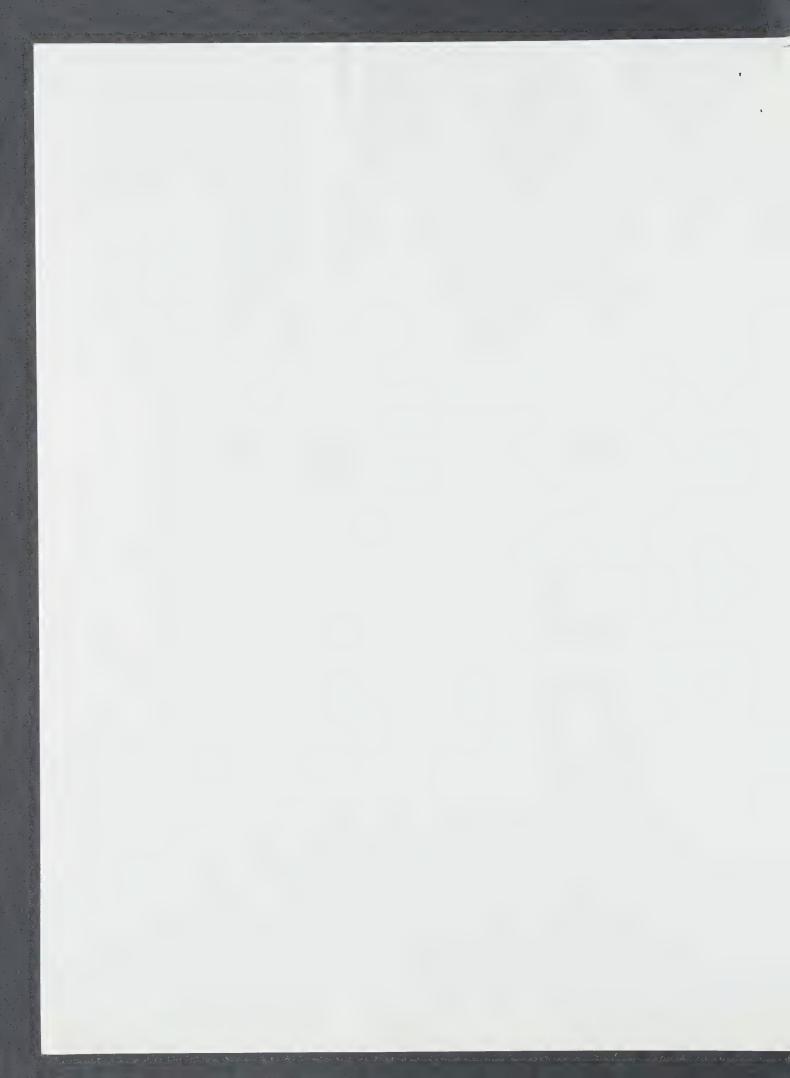
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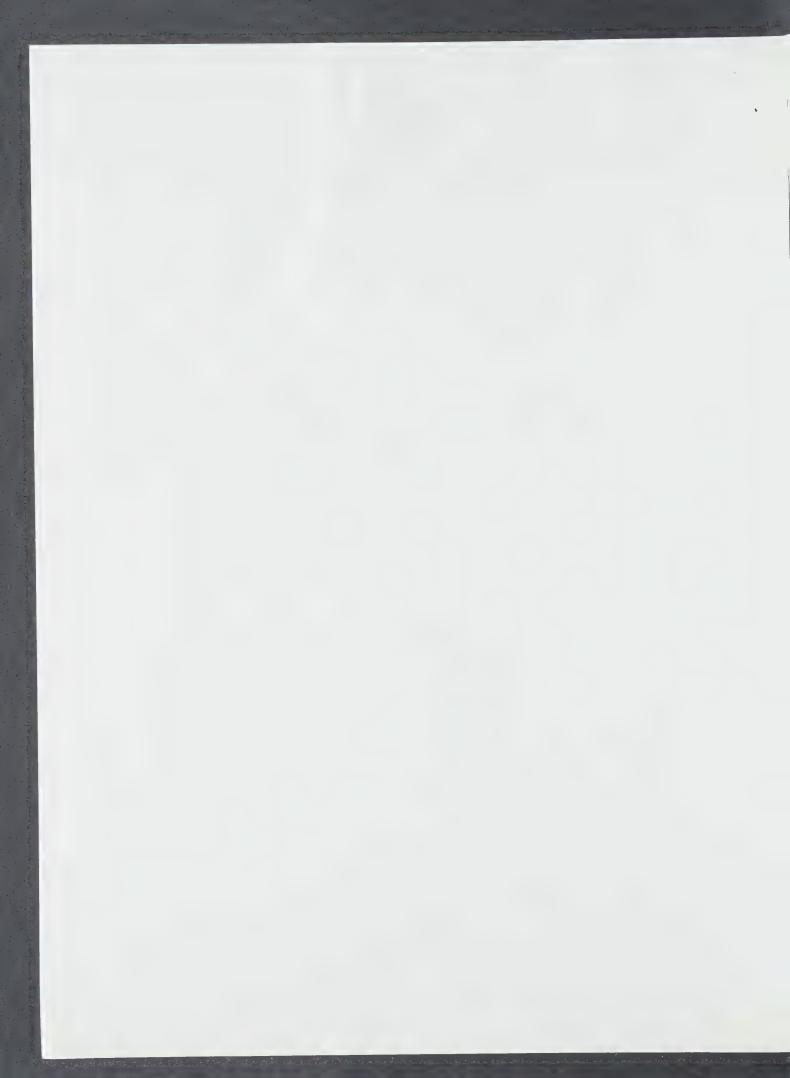
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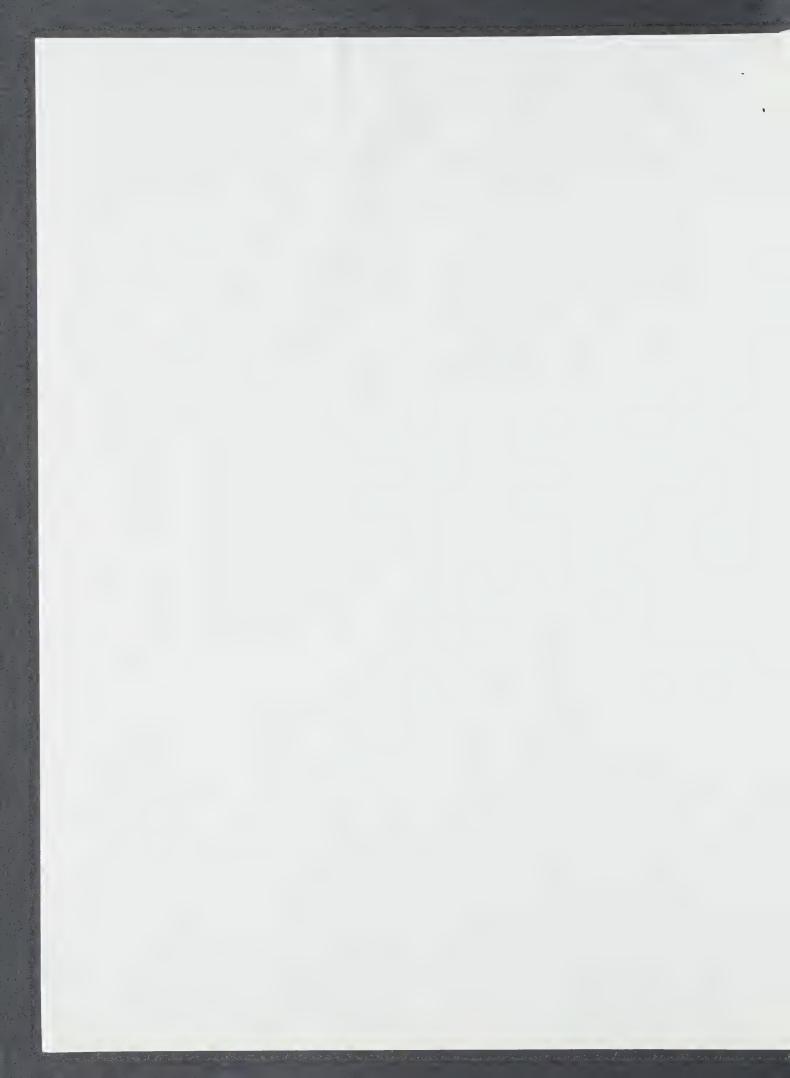
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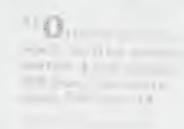


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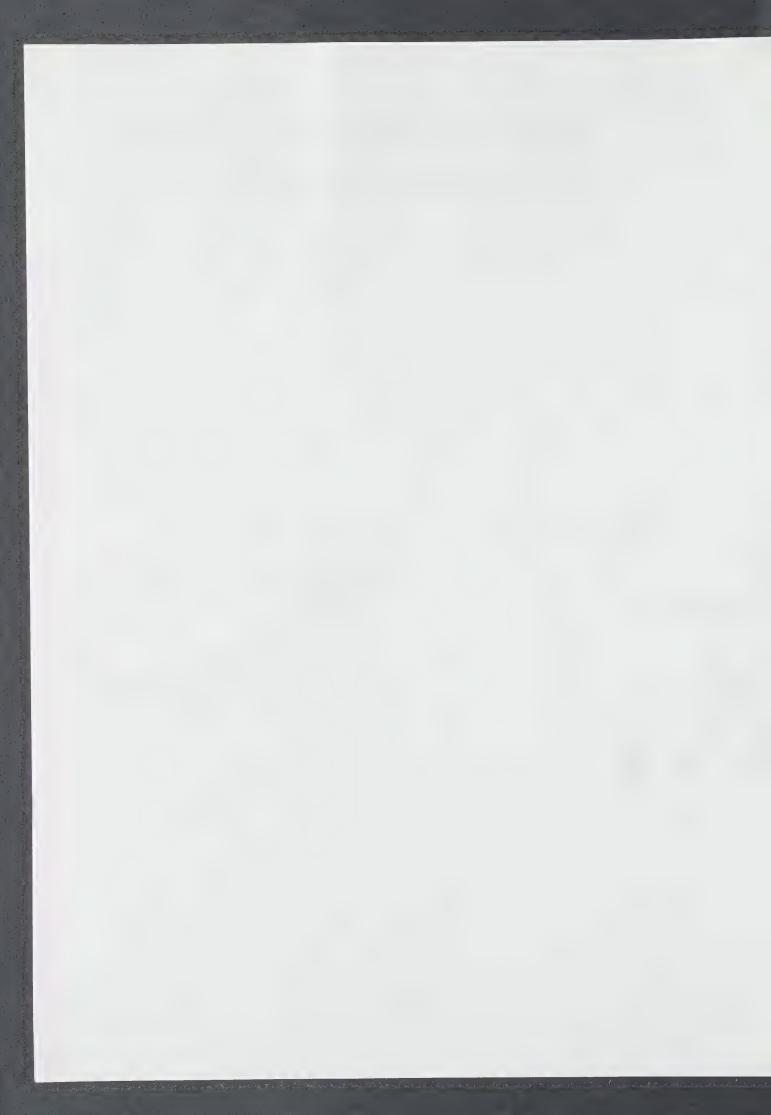


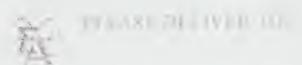




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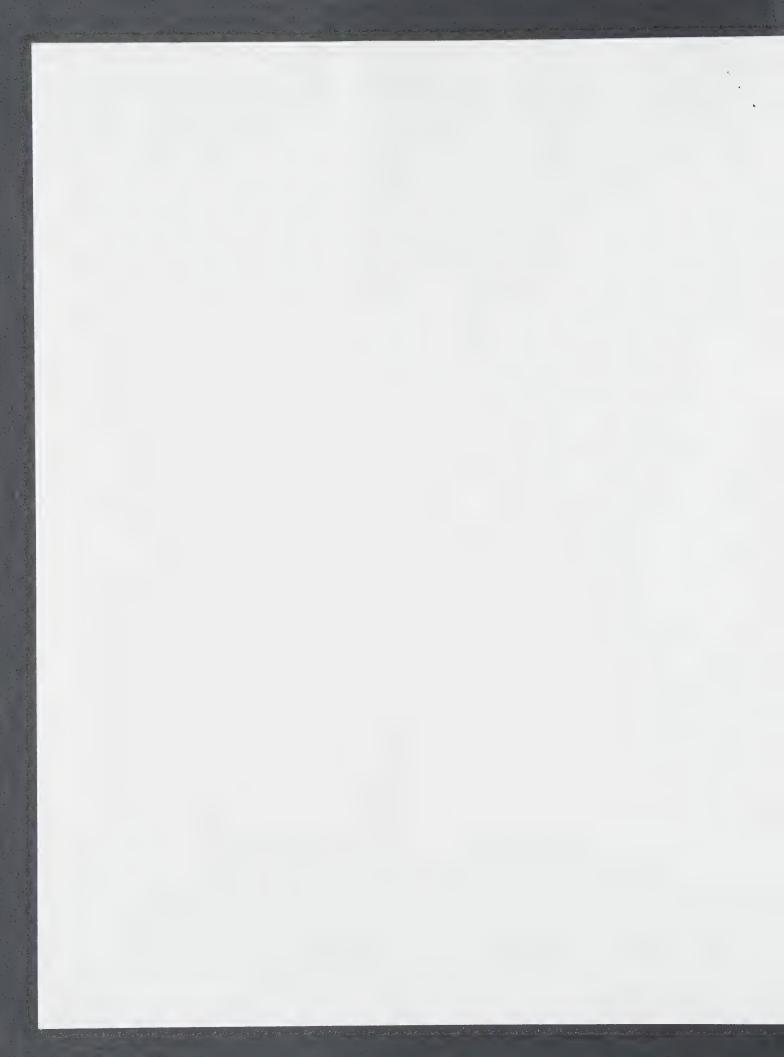
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Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730

Fax: 414/277-0709

A Chemist Helping Chemists

November 1, 1996

Mr. Robert Wandler S50 W23900 Turner's Pike West Waukesha, Wisconsin 53186

Dear Bob:

Aldrich sends me my mail every 4 to 6 weeks, and among the letters were some which are not addressed to me but to the Alfred Bader Library of Rare Chemicals. Could you ask the mailroom to send these directly to you so that replies are not delayed?

You will recall that some months ago, I believe at the end of July, I asked you to send some computer printouts to Dr. Stanislav Radl at Pertoldova 3380, 143 00 Prague 4, Czech Republic. He wanted those computer printouts so that he could ascertain that many more compounds he would like to offer you would not be duplicates to you. However, I just heard from him that he has not received those computer printouts. Perhaps they got lost in the mail; in any case, would you please air-mail him another set?

Isabel and I will be leaving for England next week on November 8th, returning January 6th.

With all good wishes, I remain,

Yours sincerely,

AB/cw





Dr. Alfred Bader
924 East Juneau, Suite 622
Milwaukee, Wisconsin 53202
Phone: 414/277-0730
Fax: 414/277-0709

A Chemist Helping Chemists November 1, 1996

Dr. Clinton F. Lane 4854 North Larkin Street Whitefish Bay, WI 53217

Dear Clint:

Last week, an old friend in Canada, Dr. Howard Alper, who is chairman of the Department of Chemistry at the University of Ottawa, invited me to speak there.

During the dinner following that, Howard mentioned that service from Aldrich has become quite poor and that a good many compounds seem to be on back-order. Naturally, I asked him to give me specific examples, and he has now sent me copies of four of his recent orders, placed between June and September. You will note that on one there are four back-orders out of ten, on the second - three out of eleven, on the third - two out of seven, and on the last - two out of three.

Looking at these, it has occurred to me that some of these back-orders may be due to the fact that some of the hazardous items were not really on back-order, but had to be shipped differently.

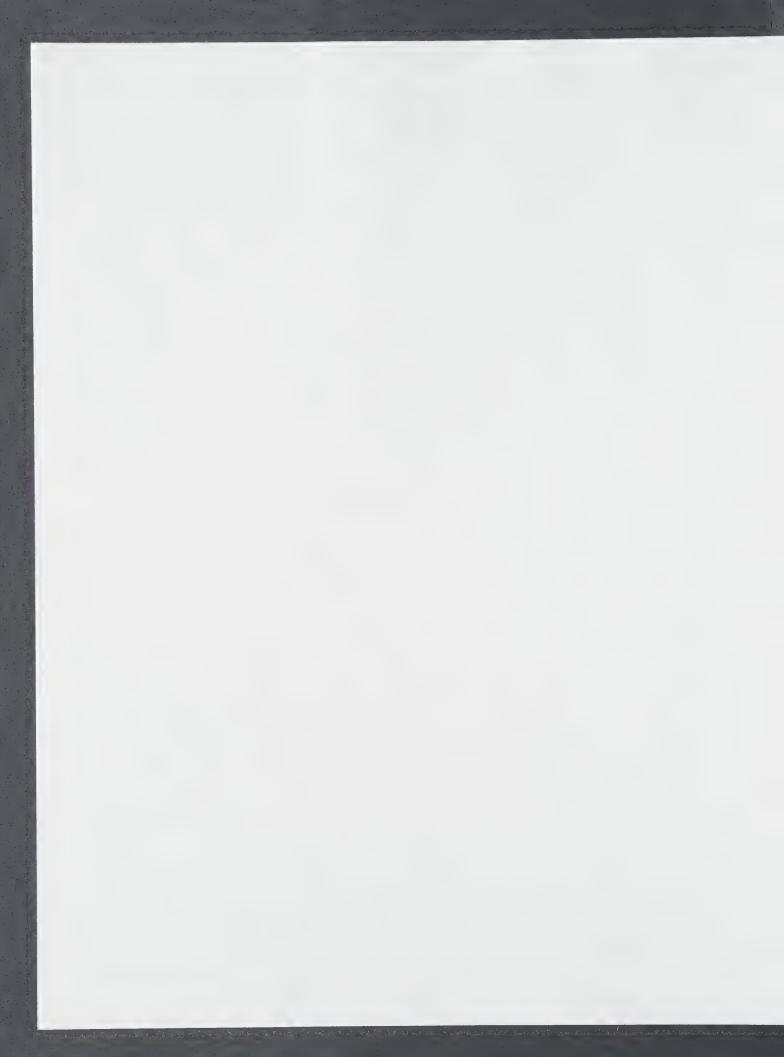
Could you please look into this and then ask someone at Aldrich to explain? Professor Alper's exact address is the Department of Chemistry, University of Ottawa, P.O. Box 450, Station A, Ottawa, Ontario K1N 6NS.

Best regards, as always,

AB/cw

Enclosures

bc: Professor Howard Alper





Chemists Helping Chemists in Research and Industry

## aldrich chemical company, inc.

August 26, 1996

Joel Freeman Freeman Industries, Inc. Post Office Box 415 Tuckahoe, New York 10707-0415

Dear Mr. Freeman:

I am writing to you as a follow-up to your letter of August 7, 1996, which you sent to Alfred Bader. As Dr. Bader suggested in his letter to you of August 23rd, I decided to contact you directly.

Judy Pruss is correct when she states we do not have a vacant and approved salesperson position in our Flavors and Fragrances labor budget. However, I can assure you we are always interested in considering the addition of talented individuals to our staff. Even though Alfred is no longer actively involved in the day-to-day operations of Aldrich, his values remain with us. We know that we must continue to recruit and add good people to our staff so we can continue to grow.

Would you please ask Leonard Appelle to send me a copy of his resume by mail or fax: 414-298-7958. I will carefully review his background.

Thank you for thinking of Aldrich.

Sincerely,

Clinton F. Lane, Ph.D. Executive Vice President

c: Dr. Alfred Bader



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#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

October 9, 1996

Dr. Clinton F. Lane 4854 North Larkin Street Whitefish Bay, WI 53217

Dear Clint:

Professor Negishi's letter of October 3rd, copy enclosed will be self explainatory.

I think it would be great if the ACS would have an H.C. Brown Organoboron Prize.

I see three alternatives: 1. Aldrich endows it, just as it has endowed the award in Organic Chemistry. You know how much Aldrich Boranes has contributed to Aldrich and so I do not have to belabor how appropriate this would be. 2. That Aldrich and I do it jointly. I keep hearing from various sources that Tom Cori is a changed man, but whether he has changed enough to allow that I doubt; and 3. That I endow it, which I will do, if alternatives 1 and 2 are not possible.

Professor Negishi asked what this would cost. When Aldrich established its award, it cost, I believe \$6,000. annually, but that may well have risen. In any case that would be easy to find out from the ACS, once Aldrich decides which alternative to pick.

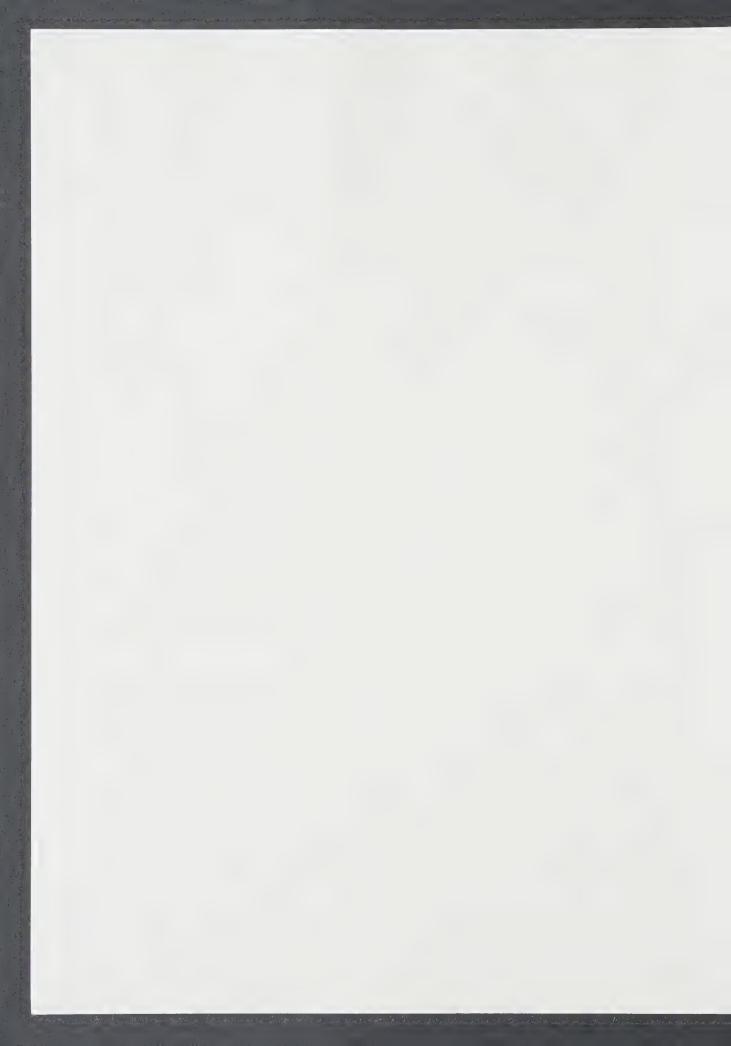
If not before, please tell me your decision when we meet for dinner on October 19th.

With all good wishes, I remain,

Yours sincerely,

AB/lh

CC: Professor Ei-ichi Negishi Professor Herbert C. Brown



# TRANSPORTATION AT THE CROSSROADS

# East-west artery carries lifeblood of city's downtown commerce

**Business interests want** better transit but fear construction's disruption

> By LARRY SANDLER of the Journal Sentinel staff

If you want to see what transportation means to Milwaukeearea businesses, go to Aldrich Chemical Co. Inc.

Then look at the ramps of the Marquette Interchange, where cars and trucks zip along — and sometimes crash - just a few feet from lunchroom windows. And the loading dock, where trucks pick up hundreds of bottles of chemicals.

And the parking lot across the street and the bus stop in front of the door, where workers become commuters at the end of every shift.

And the old brass doorknobs in the former chairman's office, doorknobs that bear the symbol of the streetcar company that once flourished in a building now surrounded by highways

Aldrich Chemical is both literally and figuratively at the center of the East-West Corridor debate over the future of the area's transportation network. The issues swirl around it like the twisting freeway ramps that link I-94, I-43 and I-794 above the chemical manufacturer's downtown office and central

They are the same issues facing other businesses: Will trucks be able to bring supplies to the business and take products to market on schedule? How will customers and employees reach the business? Will buildings like Aldrich's - be razed to make way for roads?

For business, the stakes are high: Every weekday, down-town Milwaukee is the destination for an average of 103,200 private automobile trips, 12,400 commercial truck trips and 18,800 bus passengers, according to 1991 data from the Southeastern Wisconsin Regional Planning Commission.

But expanding I-94 to better handle such traffic could claim 12 to 15 businesses, employing 440 to 670 people, the East-West Corridor Study estimates. And freeway repaving and reconstruction could disrupt movement in the region until 2013, although the resulting transportation system is intended to serve the area for decades after that.

Mayor John Norquist said the costs are too great and the bene-

fits too small. "There's no way in the world we're going to support a plan that rips apart businesses and doesn't improve traffic flow,"

Norquist said. Business leaders are con-

"Up until five years ago, 10 years ago, this issue didn't even come up on the radar screens of CEOs," said Peter Beitzel, the Metropolitan Milwaukee Association of Commerce vice presi-

dent for business development, Now, transportation is high on the agendas not only of Beitzel's organization, but also of the Greater Milwaukee Committee, the Public Policy Forum and downtown's Westown Association, East Town Association Inc., Historic Third Ward



DALE GULDAN/STAFF PHOTOGRA

Paul Moranski, 22, keeps his eyes on the freeway during a pickup and delivery run. Moranski, a driver for Dunham Express for two years, is dependent on the freeway to deliver goods in the Milwaukee area.

Association Inc. and Milwaukee Riverwalk District.

Some business groups have warned that freeway reconstruction will choke access to downtown unless a light rail system is built first. Businesses also formed the Alliance for Future Transit, which backs light rail.

"Business people are going to be very worried about the East-West Corridor," as well as such issues as bringing centralcity workers to growing suburban job markets, said Robert Milbourne, executive director of the Greater Milwaukee Committee. "We see transportation problems that never will be resolved with freeways.

Dependent on truck shipments that account for more than 1,000 boxes a day, Aldrich's downtown plant lives by the freeway - and could die the same way. Redesigning the interchange could force the building at 940 W. St. Paul Ave. to be razed, the study says.

#### Freeway Dependency

The trucks that carry Aldrich's goods are part of an average of 564,200 commercial truck trips every weekday in the seven-county area.

But the area's growing traffic congestion makes it harder for truck drivers to reach their destinations on time, said Marty Plumb, vice president for government affairs at Schneider National Inc., of Green Bay, and William Apostolos, president of Hernia Movers Inc., of Milwaukee. Truckers now plan their routes to avoid the freeways at rush hour, they said.

Although most of the truck traffic serves southeastern Wisconsin, one-third of the trucks serving Green Bay and the Fox Valley also use Milwaukee area freeways. That makes freeway reconstruction a statewide business priority, Beitzel says.

But reconstruction has perils for business, too, warn Beitzel and Thomas Bernacchi, the Westown Association president.

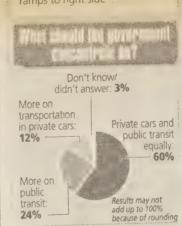
If the freeway is under construction for much of the period from next year through 2013, as current plans foresee, it will hurt downtown Milwaukee's and Waukesha County's economies, because workers and shoppers will have trouble traveling both ways, Bernacchi says.

Traffic jams during construc-

### Public favors more park-and-ride bus service

Survey respondents could support more than one option

Provide more park- and-ride bus service	81%
Provide more incentives for car pools	79%
Expand bus service	72%
Run commuter trains on existing tracks	70%
Add freeway lanes for buses and car pools	62%
Widen freeways	58%
Widen streets	56%
Build light rail transit lines	55%
Reduce bus fares	53%
Build new freeways	48%
Move all freeway	36%



Source Public Policy Forum/ Journal Sentinel poli

Journal Sentinel

tion also could hamper trucks.

'It's probably going to slow down deliveries (by) a good amount of time," agreed Paul Moranski, a driver for Dunham Express in Menomonee Falls. "I don't think refurbishing the freeway will do any good" in moving traffic faster.

Beitzel and Bernacchi want the state to speed up freeway work, to minimize disruption.

Bernacchi also believes the area needs a light rail line in place before reconstruction of the Marquette Interchange be-

Beitzel says the business community doesn't care as much about which option is selected as it does about settling the issue and getting the freeway work done quickly.

But Aldrich cares about which option is selected, because two of them - rebuilding the Marquette Interchange in a modern design, or adding bus and car-pool lanes — could require razing its plant.

Aldrich has been downtown since 1969, when it had 120 employees. It now has about 500 employees there, plus 200 at other Milwaukee sites and 120 at a Sheboygan County factory.

"We have a big commitment here," Clinton Lane, Aldrich executive vice president, said of downtown. But if any part of that facility were razed, he said, the entire plant would move.

Overall, in the search for a "locally preferred alternative" .... for the East-West Corridor; Lane said, "Our preferred opnive tion would be to be left alone.'

#### **Job Losses Feared**

Fearing displaced employers might flee the city, Norquist and his aides have been pressing state officials for more information about which businesses might be forced to move because of freeway reconstruction.

Transportation officials say it's premature to specify those businesses until a design is selected. They say they won't go beyond the study's estimates of job loss and business relocation.

Norquist said the job losses

could be larger.

Cerac, a chemical company with 140 employees at 407 N. 13th St., isn't sure how it would be affected by reconstruction. But, like Aldrich, it would have to move if any part of its property were taken, President Dan Verzal said.

Aside from private-sector jobs lost, freeway expansion would create from one to 28 new freeway maintenance jobs, the study says.

By comparison, the study says, building a light rail system along the proposed route would claim 34 to 35 businesses, with 230 to 350 employees, but would create 212 to 218 transit jobs. Coupled with appropriate development policies, light rail could create up to 10,886 new jobs, the study adds.

Expanding bus service would eliminate one business, with 200 employees, through expansion of a park-and-ride lot, but would create 528 to 613 transit jobs, the study estimates.

Businesses need better public transit so people without cars can get to jobs, Beitzel said.

At Aldrich, some employees say they couldn't keep their jobs without bus service. But surveys show most employees drive to work, which Lane attributes to the company's free parking.

It's ironic that cars and trucks are vital to Aldrich. From the 1930s to the 1950s, its building was used by The Milwaukee Electric Railroad & Light Co., which ran the city's streetcars.

A proposed light rail line the modern version of a streetcar system — would run within a few blocks of Aldrich's plant.

# Bank/Teller's \$760,000 theft shakes a sma

From page 1

er, Kurt, out of the family bank and banned Kurt from banking altogether on June 5.

The FDIC report on Kurt Kramar, 54, who had been bank president, is confidential. The public sentencing of Kay Kielman, 46, who confessed to the theft, is not. She is serving a 27-month prison sentence.

"People know there's something going on at the bank, but they're not quite sure what," says Michael White, who runs an insurance agency in town and sits on the bank board.

Nonetheless, when the president of the bank is suddenly gone after something like this, White says, people jump to conclusions. And because of the stealthy way in which the regulators operate, there are no public facts there to stop them.

Perhaps White's argument can. "Kurt Kramar owned 100% of that bank," White says. "Why would he embezzle any of his own money?"

The language of the "prohibition order" issued against Kurt Kramar, the only public document available, is very non-specific. It says the FDIC had reason to believe that Kramar "engaged or participated in violations of law, unsafe or unsound banking practices and/or breaches of fiduciary duty" while bank president.

It's a broad tar brush. There's a big difference between breaching fiduciary duty and having your hand in the till. The scuttlebutt in banking circles is that Kurt Kramar took the fall because he took his eye off of his business.

"He had a trusted employee who ran the bank for him," Lynn Kramar says. "It was a pretty good deal. He just didn't realize she was funding her own retirement plan."

Lynn Kramar came back to Mattoon last fall from Corpus Christi, Texas, where he had run his own bank consulting business since selling a bank he had owned and run in Elcho, Wis.

He heard the stress in his older brother's voice over the phone and decided he must re-



DOUGLAS ARMSTRONG/JOURNAL SENTINEL

A teller has been convicted of embezzling \$760,000 of Mattoon State Bank's \$4 million in assets. The tiny
Shawano County town is still feeling aftershocks from the theft.

turn to sort out the damage.

"Should Kurt have caught the embezzlement?" asks Lynn Kramar. "Well, we had 10 FDIC audits, 10 state audits, other audits. Nobody found it."

The Banking Division of the state Department of Financial Institutions declines to comment on the specifics of the Mattoon Bank case, saying information gathered in examinations of the bank is privileged.

"We are pleased that a potentially damaging situation was averted thanks to the action by the FDIC," a spokesman says. "The safety and soundness of the bank is not in question, and no losses were incurred by depositors."

When the question of how such a sizable fraud could have gone undetected by bank examiners over several years, the spokesman says: "We don't do fraud audits. We examine for safety and soundness. Banks hire CPAs and auditors to discover those sorts of problems."

The bank's auditors missed it too

"How did it escape detection?" Lynn Kramar asks. "I think most of it happened toward the end. It accelerated. It was becoming apparent in the bank's earnings."

For some reason, it wasn't

apparent to residents here when Kay Kielman built the only swimming pool in town — on the spacious lot next to the home she shared with a roommate. Nor when she gave away what Reichert calls "a lot of expensive toys to a lot of relatives," a habit that began when she embezzled money to buy her parents a washer and dryer.

"No one ever really gave it a second thought that there was anything amiss," says Reichert. "It just makes you wonder. Even with the swimming pool, the new this, the new that, you know. Maybe she made some good investments."

Despite the theft, the bank is solvent and operating profitably. Depositors didn't lose a penny because the loss was covered by a private bonding company. Still, the sheer magnitude of the theft astounds bankers.

"Frankly, I'm surprised that it didn't close down the bank," says a banker familiar with Mattoon State Bank. "It was a large embezzlement for a bank that

Lynn Kramar says the bank is healthy. "We're stronger. We're a better bank. We're more vigilant because of this."

While the bank was held together by insurance, no similar safety net existed under the town's emotions.

Kay Kielman's parents, two brothers and a sister continue to live in or around Mattoon.

"You can imagine the shame the whole family has felt and the emotional trauma they're going through," says Reichert. "It's hard for them to live that down."

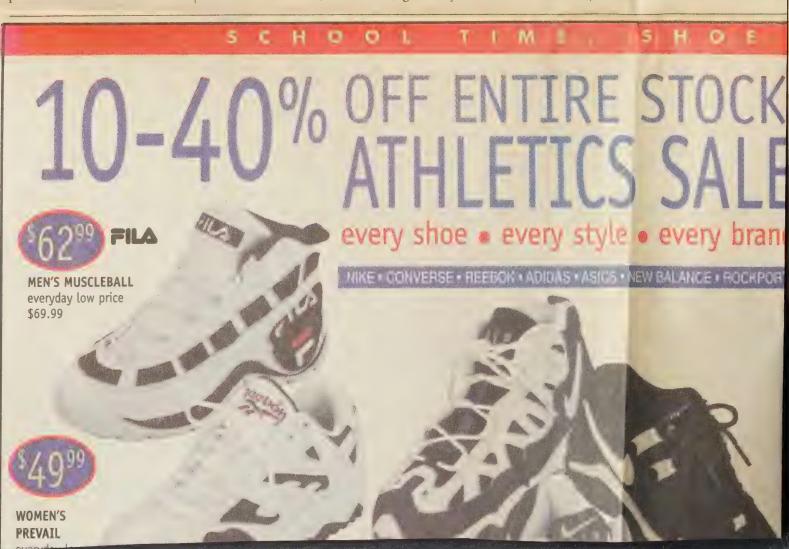
The emotional trauma doesn't stop with the Kielman

White, who went to school with Kay Kielman, says: "It's a shock when something like this happens in a small community. People take sides."

Depending on their personal allegiances, some residents have expressed suspicions about the amount that Kielman is accused of stealing. Some have even turned a cold shoulder to the bank employee who discovered the scrap of adding machine tape that unraveled the theft.

"It's an interesting community," says Steven Biskupic, who prosecuted Kielman for the U.S. Attorney's office. "The feelings carry over to the bank itself."

But if you don't already know the history, the rivalries, the recriminations, nobody here is going to tell you. The complex weave of relationships in this ti-





Chemists Helping Chemists in Research and Industry

## aldrich chemical company, inc.

September 23, 1996

Dear Fellow Employee:

Enclosed are Summary Annual Reports for the following employee benefit plans:

- Sigma-Aldrich 401(k) Retirement Savings Plan
- Sigma-Aldrich Corporation Pension Plan
- Sigma-Aldrich Employee Travel Accident Plan
- Aldrich Chemical Company, Inc. Employee Benefits Plan
- Aldrich Life Insurance Plan

These annual reports are provided to you in accordance with rules that have been established by the Department of Labor.

These benefits represent a significant portion of your total compensation package. I encourage you to acquaint yourself with the benefits provided by each of these plans.

If you have any questions about these reports, please contact Employee Relations.

Sincerely,

Jai Nagarkatti President



#### SUMMARY ANNUAL REPORT

FOR

#### SIGMA-ALDRICH PENSION PLAN

This is a summary of the annual report for Sigma-Aldrich Pension Plan EIN 43-1050617 for January 1, 1995 through December 31, 1995. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### **BASIC FINANCIAL STATEMENT**

Benefits under the plan are sponsored by Sigma-Aldrich Corporation and are provided through the Plan Trust fund.

The value of plan assets, after subtracting liabilities of the plan, was \$45,789,873 as of December 31, 1995, compared to \$35,466,666 as of January 1, 1995. During the plan year the plan experienced an increase in its net assets of \$10,323,207. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$11,315,877, including employer contributions of \$4,284,723 and earnings from investments of \$7,031,154.

Plan expenses were \$992,670. These expenses included \$107,690 in administrative expenses and \$884,980 in benefits paid to participants and beneficiaries. A total of 4,611 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

#### MINIMUM FUNDING STANDARDS

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

#### YOUR RIGHTS TO ADDITIONAL INFORMATION

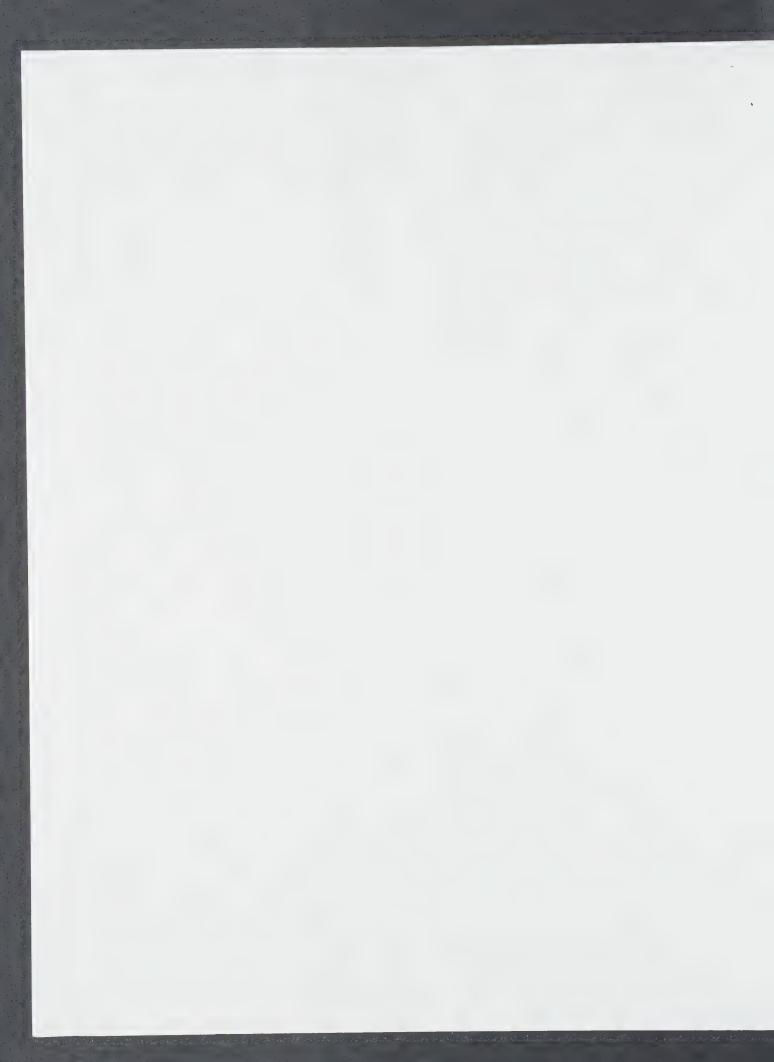
You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- 1. an accountant's report
- 2. assets held for investment
- 3. transactions in excess of 5 percent of plan assets
- 4. actuarial information regarding the funding of the plan

To obtain a copy of the full annual report, or any part thereof, write or call the office of **Sigma-Aldrich Corporation**, who is the plan Administrator, **3050 Spruce Street**, **St. Louis**, **MO 63103 (314) 771-5765**. The charge to cover copying costs will be \$5.00 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan 3050 Spruce Street, St. Louis, MO 63103 and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-5507, Pension and Welfare Benefits Administration, Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.



#### SUMMARY ANNUAL REPORT

FOR

#### SIGMA-ALDRICH 401(K) RETIREMENT SAVINGS PLAN

This is a summary of the annual report for Sigma-Aldrich 401(k) Retirement Savings Plan EIN 43-1050617 for January 1, 1995 through December 31, 1995. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### BASIC FINANCIAL STATEMENT

Benefits under the plan are sponsored by Sigma-Aldrich Corporation and are provided through the Plan Trust fund.

The value of plan assets, after subtracting liabilities of the plan, was \$53,590,053 as of December 31, 1995, compared to \$36,035,847 as of January 1, 1995. During the plan year the plan experienced an increase in its net assets of \$17,554,206. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$19,427,421, including employer contributions of \$2,680,716, employee contributions of \$5,839,703, rollover contributions of \$971,408, earnings from investments of \$7,078,958, and the transfer of \$2,856,636 from an acquired company's plan.

Plan expenses were \$1,873,215. These expenses included \$20,290 in administrative expenses and \$1,852,925 in benefits paid to participants and beneficiaries. A total of 4,159 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The plan has a contract with Principal Mutual Life Insurance Company which allocates funds toward insurance policies for former employees of Circle AW Products Company.

#### YOUR RIGHTS TO ADDITIONAL INFORMATION

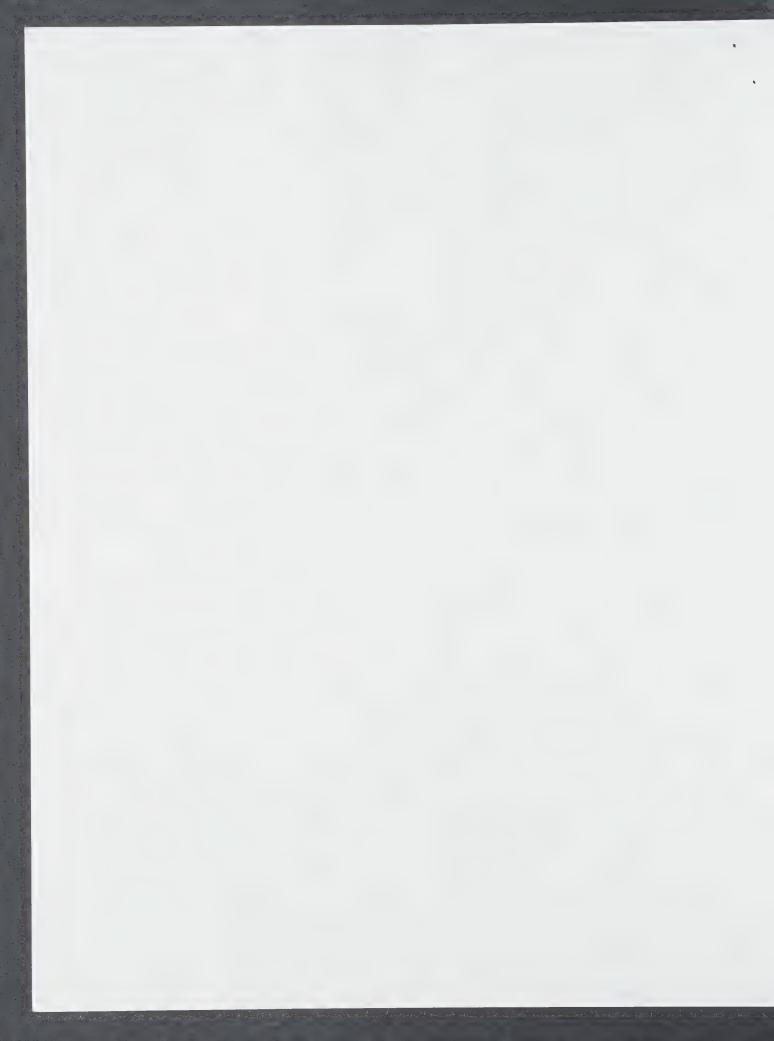
You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- 1. an accountant's report
- 2. assets held for investment
- 3. transactions in excess of 5 percent of plan assets
- 4. insurance information including sales commissions paid by insurance carriers

To obtain a copy of the full annual report, or any part thereof, write or call the office of Sigma-Aldrich Corporation, who is the plan Administrator, 3050 Spruce Street, St. Louis, MO 63103 (314) 771-5765. The charge to cover copying costs will be \$3.75 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan 3050 Spruce Street, St. Louis, MO 63103 and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-5507, Pension and Welfare Benefits Administration, Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.





Chemists Helping Chemists in Research and Industry

## aldrich chemical company, inc.

#### SUMMARY ANNUAL REPORT FOR THE ALDRICH LIFE INSURANCE PLAN

This is a summary of the Annual Report for the Aldrich Life Insurance Plan for Aldrich Chemical Company, Inc. (39-0832364) for the period January 1, 1995 through December 31, 1995. The Annual Report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### INSURANCE INFORMATION

The Plan has a contract with CIGNA to pay all life and accidental death and dismemberment claims incurred under the terms of the Plan. The total premiums paid for the period of January 1, 1995 through December 31, 1995 was \$135,175.

#### YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full Annual Report, or any part there of, on request.

To obtain a copy of the full Annual Report, or any part thereof, write or call the office of Leonard Rochwerger, who is the Plan Administrator at P.O. Box 355, Milwaukee, Wisconsin 53201, or telephone (414)273-3850. The charge to cover copying costs will be \$2.00 for the full Annual Report or \$.25 per page for any part thereof.

You also have the legally protected right to examine the Annual Report at the office of the Plan at 1001 W. St. Paul Ave., Milwaukee, Wisconsin, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copy costs. Requests to the Department should be addressed to:

Public Disclosure, Room N4677
Pension and Welfare Benefit Programs
Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20216

#### SUMMARY ANNUAL REPORT FOR THE ALDRICH CHEMICAL COMPANY INC. EMPLOYEE BENEFITS PLAN

This is a summary of the Annual Report for the Aldrich Chemical Company, Inc. Employee Benefits Plan (the Plan) for Aldrich Chemical Company, Inc. (39-0832364) for the period January 1, 1995, through December 31, 1995. The Annual Report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### INSURANCE INFORMATION

Benefits under the Plan are provided by the Aldrich Chemical Company, Inc. Employee Benefits Trust. The following basic financial information reflects the activity of the Plan.

A total of 752 persons were participants in or beneficiaries of the Plan at the end of the Plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the Plan, was \$826,054 as of December 31, 1995. During the Plan year, the Plan experienced an increase in its net assets of \$215,568. The Plan had income of \$3,281,431 including employer contributions of \$2,630,000, employee contributions of \$632,671 and earnings from investments of \$18,760. The Plan had total expenses of \$3,065,863. These expenses included \$133,661 in administrative expenses and \$2,932,202 in benefits paid to participants and beneficiaries.

#### YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The items listed below are included in that report:

Assets held for investments and cash transactions.

To obtain a copy of the full Annual Report, or any part thereof, write or call the office of the Board of Trustees, who are the Plan Administrators at P.O. Box 355, Milwaukee, Wisconsin 53201, or telephone (414)273-3850. The charge to cover copying costs will be \$2.00 for the full Annual Report, or \$.25 per page for any part thereof.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan Administrator, these two statements and accompanying notes will be included as part report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report, because these portions are furnished without charge.

You also have the legally protected right to examine the Annual Report at the office of the Plan at 1001 W. St. Paul Avenue, Milwaukee, Wisconsin, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copy costs. Requests to the Department should be addressed to:

Public Disclosure, Room N4677
Pension and Welfare Benefit Programs
Department of Labor
200 Constitution Avenue, N.W.
WASHINGTON, D.C. 20216

## The 1997 American Chemical Society Award Sponsors

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IBM North America, Scientific & Technical Systems and Solutions

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Air Products & Chemicals, Inc.

ACS Award for Creative Invention

The ACS Corporation Associates

ACS Award for Creative Work in Fluorine Chemistry **PCR. Inc.** 

ACS Award for Creative Work in Synthetic Corganic Chemistry

Aldrich Chemical Company

ACS Award for Distinguished Service in th€ Advancement of Inorganic Chemistry Mallinckrodt Baker, Inc.

ACS Award for Encouraging Disadvantaged Students into Careers in the Chemical Sciences

The Camille and Henry Dreyfus Foundation, Inc.

ACS Award for Encouraging Women into Careers in the Chemical Sciences

The Camille and Henry Dreyfus Foundation, Inc.

ACS Award for Nuclear Chemistry

The American Chemical Society

ACS Award for Research at an Undergraduate Institution

**Research Corporation** 

ACS Award for Team Innovation

The ACS Corporation Associates

ACS Award in Analytical Chemistry

Fisher Scientific Company

ACS Award in Applied Polymer Science

Phillips Petroleum Company

ACS Award in Chromatography

SUPELCO, Inc.

ACS Award in Colloid or Surface Chemistry

Procter & Gamble Company

ACS Award in Industrial Chemistry

Akzo Nobel Chemicals, Inc.

ACS Award in Inorganic Chemistry

Monsanto Company

ACS Award in Organometallic Chemistry

The Dow Chemical Company Foundation

ACS Award in Polymer Chemistry

Mobil Chemical Company

ACS Award in Pure Chemistry

Alpha Chi Sigma Fraternity

ACS Award in Separations Science and Technology

IBC Advanced Technologies, Inc., and Millipore Corporation

ACS Award in the Chemistry of Materials

E. I. du Pont de Nemours & Co.

ACS Award in Theoretical Chemistry

**IBM** Corporation

Roger Adams Award in Organic Chemistry

Organic Reactions, Inc., and Organic Syntheses, Inc.

Arthur W. Adamson Award for Distinguished Service in the Advancement of Surface Chemistry

Occidental Petroleum Corporation

Alfred Bader Award in Bioinorganic or Bioorganic

A Gift from Alfred Bader

Earle B. Barnes Award for Leadership in Chemical Research Management

The Dow Chemical Company

Alfred Burger Award (1996 presentation)

SmithKline Beecham

James Bryant Conant Award in High School Chemistry Teaching

**Albemarle Corporation** 

Arthur C. Cope Award and the Arthur C. Cope Scholar Awards

The A.C. Cope Fund

Peter Debye Award in Physical Chemistry

E. I. du Pont de Nemours & Co.

Frank H. Field and Joe L. Franklin Award for Outstanding Achievement in Mass Spectrometry

**Finnigan Corporation** 

Francis P. Garvan-John M. Olin Medal

Olin Corporation Charitable Trust

James T. Grady-James H. Stack Award for Interpreting Chemistry for the Public

The American Chemical Society

Ernest Guenther Award in the Chemistry of Natural Products

Givaudan-Roure

E. B. Hershberg Award for Important Discoveries in Medicinally Active Substances

Schering-Plough Corporation

Joel Henry Hildebrand Award in the Theoretical and Experimental Chemistry of Liquids

Exxon Research and Engineering Company and Exxon Chemical Company

Ralph F. Hirschmann Award in Peptide Chemistry
Merck Research Laboratories

Claude S. Hudson Award in Carbohydrate Chemistry

National Starch & Chemical Company

Ralph K. Iler Award in the Chemistry of Colloidal Materials

E. I. du Pont de Nemours & Company

Ipatieff Prize (1995 presentation)

Ipatieff Trust Fund, Northwestern University

Frederic Stanley Kipping Award in Silicon Chemistry (1996 presentation)

**Dow Corning Corporation** 

Irving Langmuir Award in Chemical Physics (1996 presentaion)

The General Electric Foundation

E. V. Murphree Award in Industrial and Engineering Chemistry

Exxon Research & Engineering
Company and Exxon Chemical
Company

The Nakanishi Prize

Students and Colleagues of Koji Nakanishi

Nobel Laureate Signature Award for Graduate Education in Chemistry

Mallinckrodt Baker Inc.

James Flack Norris Award in Physical Organic Chemistry

The Northeastern Section, American Chemical Society

George A. Olah Award in Hydrocarbon or Petroleum Chemistry

Rita H. Small Charitable Trust, Morris S. Smith Foundation, and Colleagues of George A. Olah

Charles Lathrop Parsons Award (1995 presentation)

American Chemical Society

George C. Pimentel Award in Chemical Education

**Union Carbide Corporation** 

Priestley Medal

The American Chemical Society

Henry H. Storch Award in Fuel Chemistry

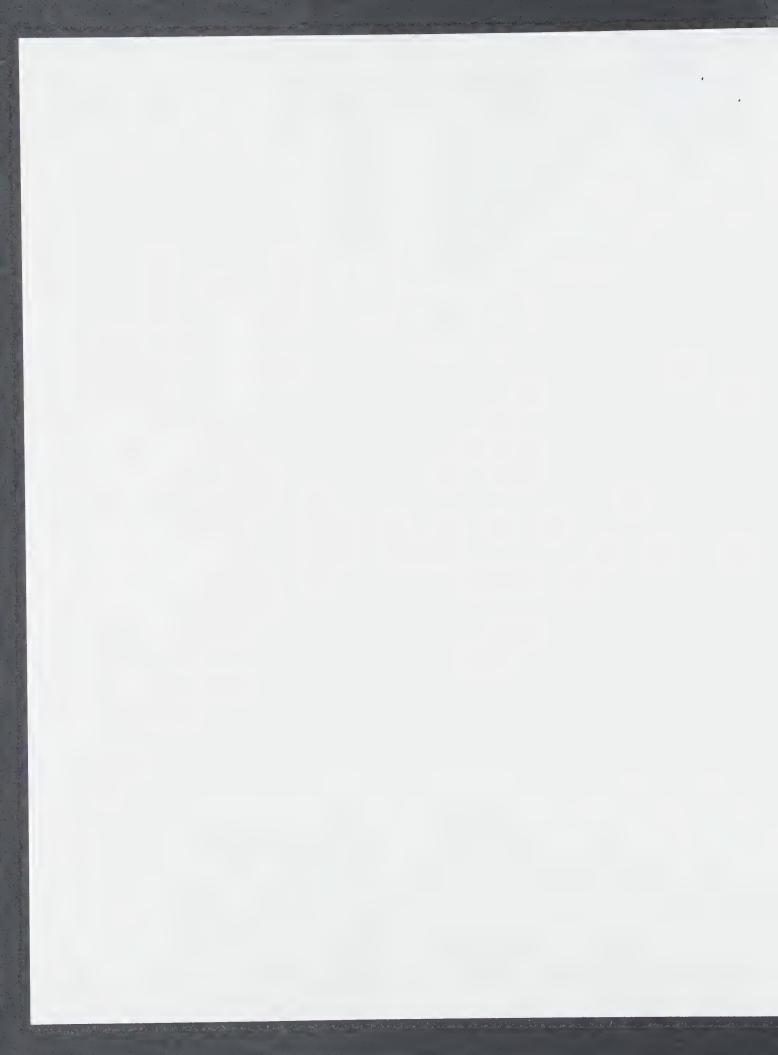
The American Chemical Society

E. Bright Wilson Award in Spectroscopy

Rohm and Haas Company



American Chemical Society Awards Program 1155 16th Street, NW Washington, DC 20036 800-227-5558, ext. 4408





## American Chemical Society

AWARDS PROGRAM

E. James Bradford, Ph.D. Awards Administrator

1155 SIXTEENTH STREET, N.W. WASHINGTON, D.C. 20036 Phone: (202) 872-4408

October 10, 1996

TO:

ACS Award Sponsor Representatives

FROM:

E. James Bradford

SUBJECT: Launch of Canvass and a Thank You

On October 1, we launched the canvass for the American Chemical Society awards to be presented in 1998. As always, we will make every effort to identify the very best candidates so that the recipients bring honor to the awards and to the sponsoring organizations.

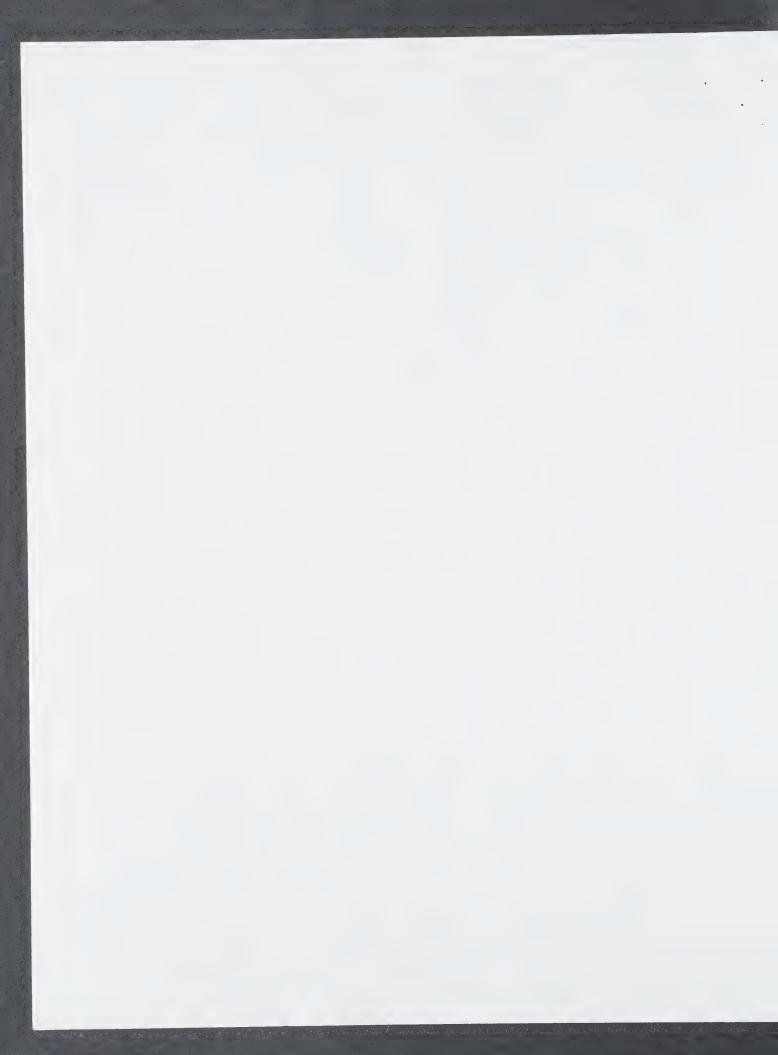
To thank our sponsors, the Society placed a full-page advertisement in the August 26, 1996, issue of Chemical & Engineering News (page 47) in conjunction with the announcement of the 1997 award winners. I have included a copy for you, just in case you missed it.

Also included are copies of a few newspaper articles that appeared in response to our fledgling awards public relations campaign. I was pleased with the response by the press. I must say that we were far more successful in getting stories about the awardees into their local newspapers than we were in getting stories about the sponsors into print. We will continue this effort and refine it as we gain experience. It would be useful if you could let me know which press outlets might be likely to print something about your organization. We would also be very happy to work with any in-house public relations operations your organization may have.

Thank you again for your generous sponsorship of the ACS Awards Program.

EJB/lp

enclosures



#### RAHWAY NEWS RECORD

RAHURY, NJ HEEKLY 2,000

APR 4 1996

BURRELLE'S

1216

## Merck Sponsors Nat'l Chem Award

RAHWAY—With the support of Merck Research Laboratories in Rahway, Dr. Steven Gerard Clarke was honored on March 26 by the American Chemical Society for his efforts to better understand how the human body staves off the aging process. The Ralph F. Hirschmann Award in Peptide Chemistry was presented to him at the Society's national meeting in New Orleans.

"The molecules that make us human - proteins and nuclelc acids (such as DNA) in particular are big, complicated molecules that are unstable. That's a root cause of the aging process," said Clarke, who is a protein chemist, at the University of California at Los Angeles. "It's a race between these molecules falling apart and the body's efforts to repair or replace them."

Clark's most dramatic contribution was the discovery that the body has ways to fix even very faulty proteins, in a similar fashion as it repairs the DNA that codes for them. Scientists previously thought that once a protein was made, the body could only break it back down and completely rebuild it if it contained an error.

"That's an expensive thing to do, from the standpoint of wasting energy," Clark said. "So what we discovered about 15 years ago was that there was this enzyme that walks up and down proteins looking for a particular type of damage, a kink in the chain - then unlinks it and lets it go about its business."

Clarke has been able to block the enzyme's action in bacteria and minute soil worms, and found that none survived well. He is now collaborating to develop a mouse strain in which to study the enzyme next.

Thus it appears that this molecule, called isoaspartyl methytransferase, plays a critical role in slowing down protein degradation - or in other words, aging. (Wrinkles, for example, come as structural proteins in skin gradually accumulate errors). It may also have implications for Alzheimers disease, where researchers have shown that deposits on neurons in the brain become more and more kinked with time.

The American Chemical Society was founded in 1876 and is a nonprofit organization. It is the world's largest scientific society and has a membership of 150,000 chemists and chemical engineers.





## TIMES & DEMOCRAT

ORANGEBURG, SC SUNDAY 18,000

MAR 31 1996

820 BURRELLE'S RK

# New York teacher 2554 gets Albemarle award

BATON ROUGE, La. – David Pysnik has been named recipient of the American Chemical Society's James Bryant Conant Award in High School Chemistry Teaching, sponsored by Albemarle Corp. Albemarle is a specialty-chemicals

Albemarle is a specialty-chemicals manufacturer with facilities across the United States, Europe and the Far East and has sponsored the award since 1980. The purpose of the award is to recognize, encourage and stimulate outstanding teachers of high school chemistry in the United States.

ognize, encourage and stimulate outstanding teachers of high school chemistry in the United States.

Pysnik, a teacher at Sidney Senior High School, Sidney, New York, has taught high school chemistry for 24 years.

Albemale R. Rysnik



#### **BUFFALO NEWS**

BUFFALO, NY SUNDAY 377,527

APR 14 1996

806 BURRELLE'S PA

2758

## HONOR ROLL

• Ell Ruckenstein of Amherst, distinguished professor in the chemical engineering department at the University at Buffalo, has

received the American Chemical Society's E.V. Murphree Award in Industrial and Engineering Chemistry.

try.
The award, sponsored by Exxon Research and Engineering Co. and Exxon



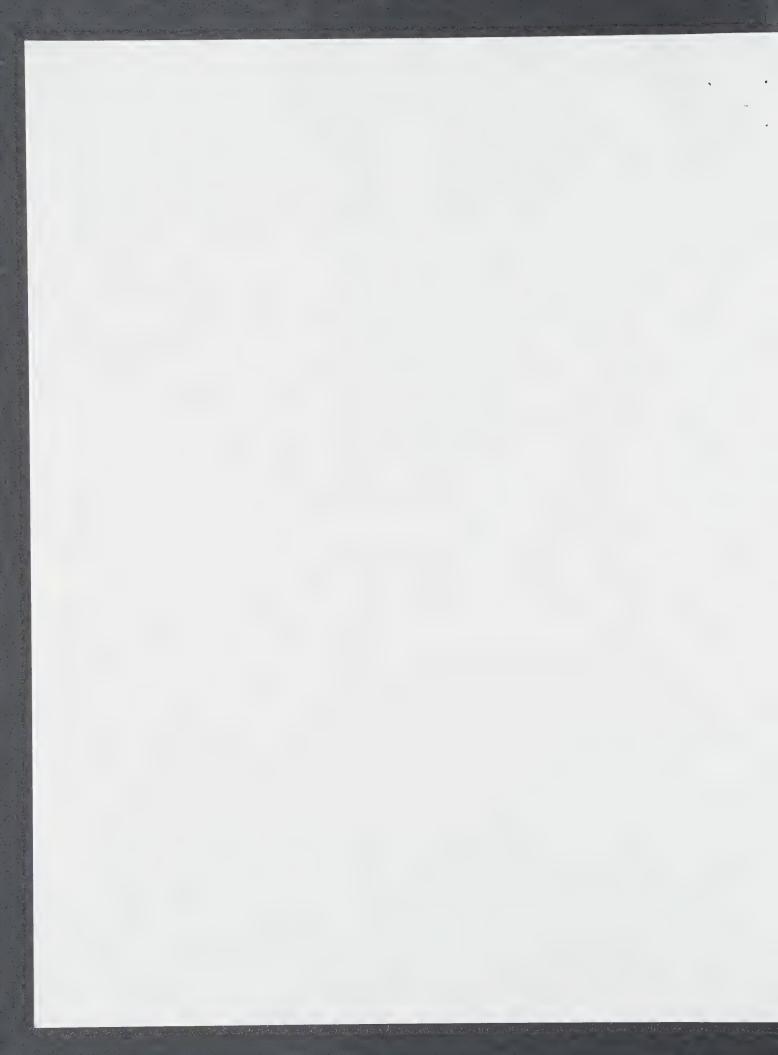
Ruckenstein

Chemical Co., seeks to "stimulate fundamental research in industrial and engineering chemistry, the development of chemical engineering principles and their application to industrial processes."

Ruckenstein, a UB professor since 1973, was cited for the breadth of his research. His contributions have ranged from applied mathematics and catalysis to polymers, enzyme catalysis, surface phenomena, colloids and emulsions.

Ruckenstein previously was a professor at the Polytechnic University of Bucharest, the University of Delaware and Clarkson University and has held visiting professorships at the Catholic University in Leuven, Belgium; Technion in Haifa, Israel; Bayreuth University in West Germany; and Carnegie-Mellon University.

The recipient of numerous awards, he is a member of the National Academy of Engineering.



#### LAUREL LEADER

LAUREL, MD WEEKLY 30,000

APR 4 1996

66 BURRELLE'S WA

## FOCUS ON PEOPLE



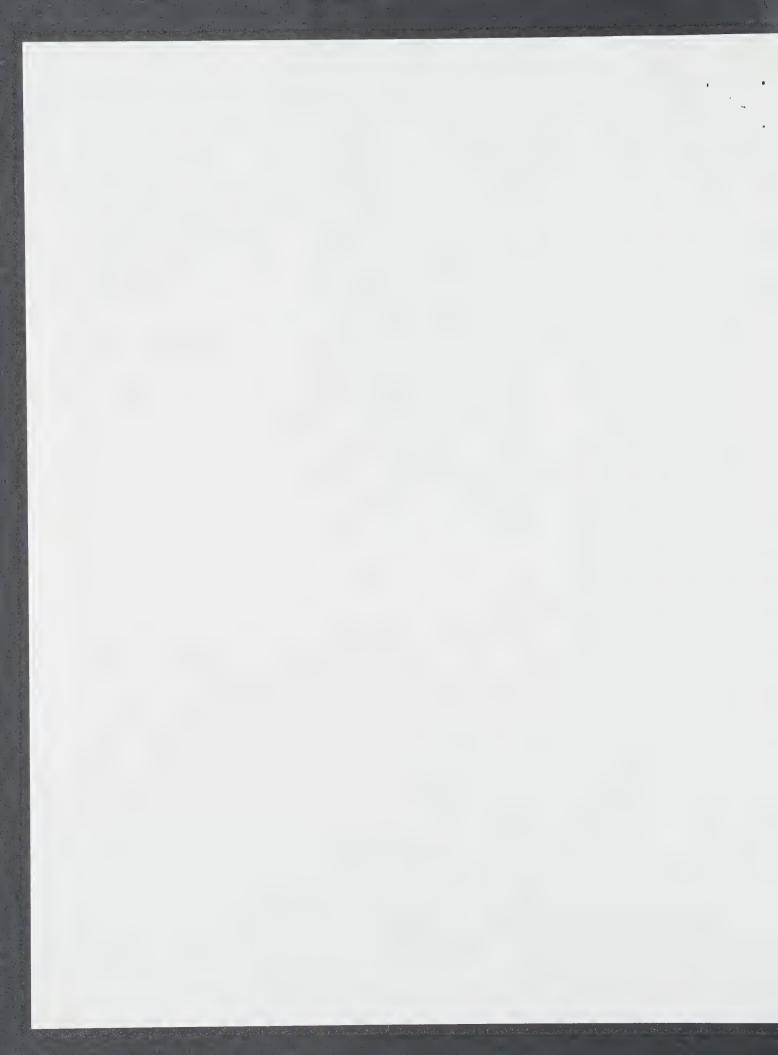
Dr. Samuel Massie 2258

Dr. Samuel Massie of Laurel was honored recently by the American Chemical Society for his contributions in inspiring young people, particularly disadvantaged students, to be responsible adults and scientists. The society presented its 1996 ACS Award for Encouraging Disadvantaged Students into Careers in the Chemical Sciences, sponsored by the Camille and Henry Dreyfus Foundation Inc., to Massie at its national meeting in New Orleans on March 26.

Massie, 76, is professor emeritus of the U.S. Naval Academy and received his doctorate in organic chemistry from Iowa State University in 1946. In 1969 he was the first black civilian to join the faculty of a U.S. military academy.

He has received a number of honorary degrees and commendations for distinguished achievements and was the first black professional staff member at the National Science Foundation. He is currently vice president for education at a three-year-old company that develops computer programs to help students with mathematics and ethnic history.

Ballichter



## SIGMA-ALDRICH

### RESEARCH

DUI West St. Paul Avenue . Milwaukee W1 53233 USA Phone: 414-273-3850 or 800-771-6737 • Fax 414-287-4095 • c-mail: research@s.al.com

#### PACSIMILE COVER SHEET

DATE. August 6	1936		
MESSAGE TO:	Alfred bader	_	· y water was the
	(414) 277-0709	. ,	
MESSAGE FROM:	Delores Menehar		
NUMBER OF PAGES MESSAGE:	(INCLUDING COVER SHEET)		
bear Alfred			

I must respond to your call of this morning before I leave for the cay We had visitors from Sigma Aldrich Research and we were frantically crafting agreements for a few key accounts. We are sending Aimb and Gree soltwo . . Pfizer and Boehringer-Ingelheim tomorrow. Photop Morris people we audit flavors & Fragrances, and we took them to onebovear today. The two extremely impressed and had some very good thinks to say asouth a

Now, before any more time elapses, I want to thomas a second too considering me for a position in your diffice. However, it will have to be able to me and her numbered a lineage business and I will be to be them. I know the Dusiness quite well and it offers the Type of work of on a ward von to know I do so appreciate your thinking of me. It I think it a became who I see, we be qualified for your office. I will let you know

Tomorrow, I will go over the dinner schedule and dail these and approximately responded, and send you the wist. I do believe, ir whithe responses - the that the majority seem to layor Sunday, August 177. Necd 658 to 981. is looking forward to the timber and ...

Give an best regards to the angle of the second

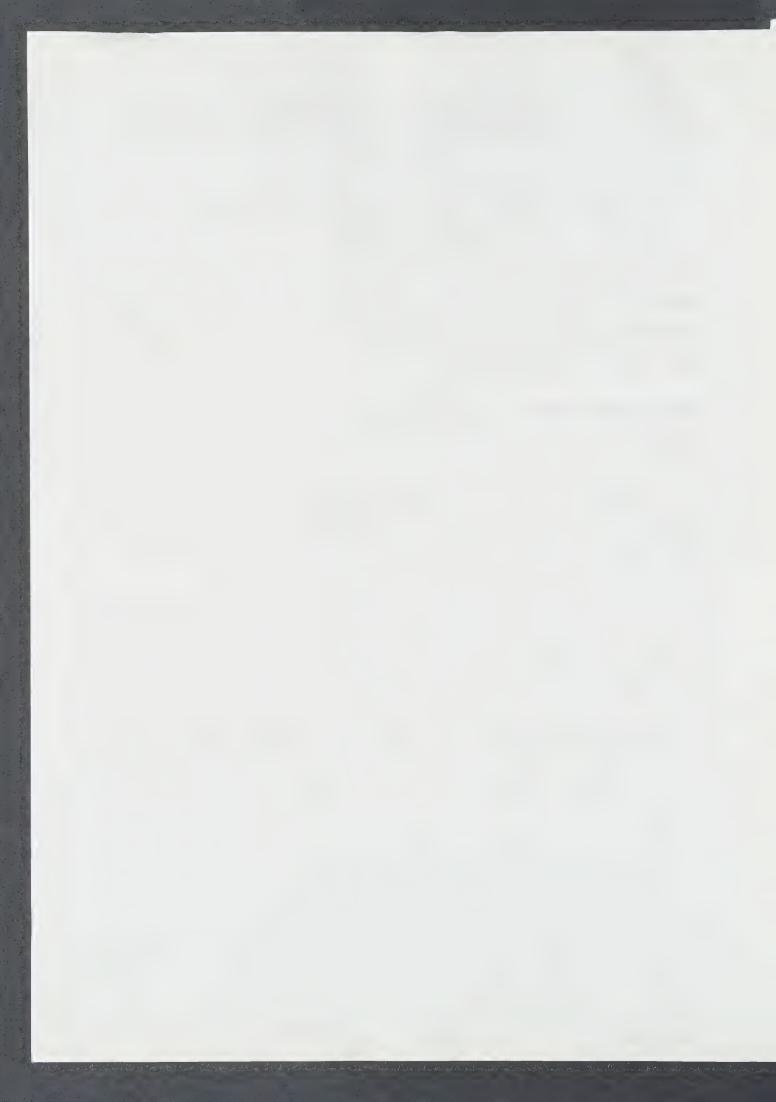
\* \*\*



(A) Aldrich

Whiteka

4- 6- 26- 20



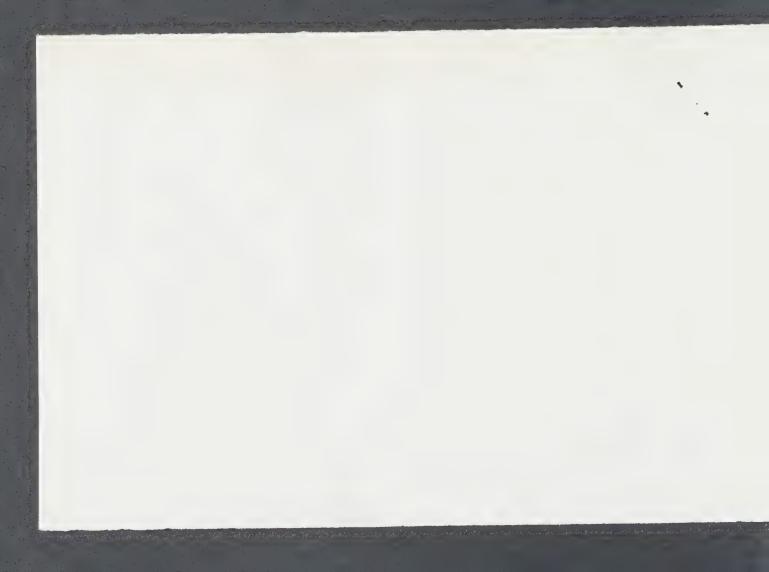
Date \ il il FAX from Aldrich Ltd. to Attention Change H New products from Coolite Chem; at -....led her H. Kteven Holloway Benzokanju III...

David Griffite will will

it correctly) 1-2 Kg & 200 /Kg lo-Cheoro- 2-methylamol ce of ets 991 + 300 / Kg different sub Antwents are always microstom HO. 0 =0 1), being [1,2] oxaghorghuin = 1 5 = 1 = 1 = 1 ilus / non to -2 ... 2- chomo - 5 - etypolismon 27.1 £ 3001 mg I de pend to pleve Blanca also Le Hus in ( to count to -X.



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#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

#### A Chemist Helping Chemists

August 5, 1996

Dr. Stephen Branca No. 719 925 East Wells Street Milwaukee, WI 53202 Dr. Clinton F. Lane 4854 North Larkin Street Whitefish Bay, WI 53217

Dear Steve and Clint:

As I explained to you, Steve, recently, I just can't get chemistry out of my blood, and I keep working with quite a few chemical companies, consulting for some, investing in others and just helping a good many. Therefore, I quite often see new products that, in the old days, I would simply have suggested that Aldrich should list.

Just last week, I studied the Sigma-Aldrich six-month report and was really disturbed at how little chemical sales have gone up. In part, that must be due to our not adding enough really good new products.

From time to time, I would like to send uyou lists and have you make your own decisions which should be added. Two such are enclosed.

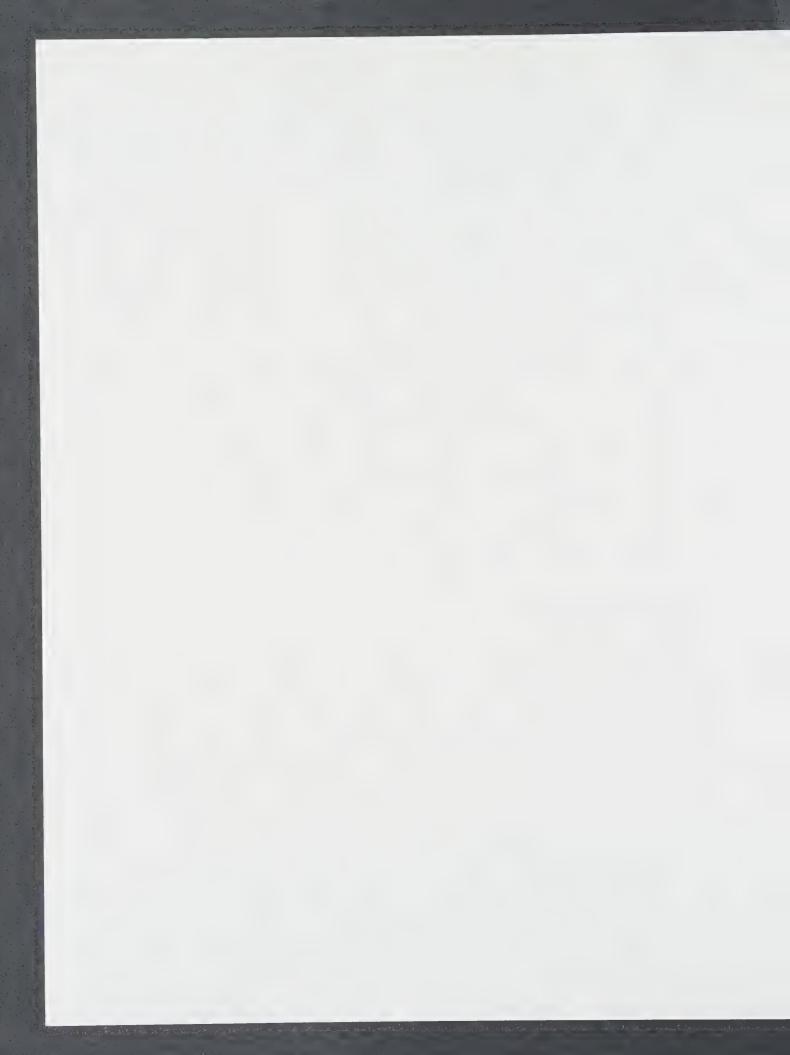
One is from Coalite Chemical, which lists just four that I also faxed to Chris Hewitt while in England. The other is a large list of products which Bayer in Germany has commissioned JRD in England to market for Bayer. JRD uis advertising these as coming from Bayer and so, of course, quite a few dealers have gone to Bayer directly to inquire whether they could not buy these from Bayer. They have declined, but JRD has these in stock, and of course, if there ever should be a large demand, then Bayer would fill that directly.

I don't have to belabor the obvvious: I still own over 5% of the company and would like to see it doing better.

With best wishes, as always,

AB/cw

**Enclosures** 





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

August 15, 1996

Mrs. Delores Menehan 2928 S. 34th Street Milwaukee, WI 53215

Dear Delores:

I so enjoyed receiving the comments from our people at Aldrich.

I plan to send the enclosed to directors of the company late next month.

Is the quotation from David one that you took down in shorthand or did he actually put it in writing?

I don't have to tell you that I very much hope that we will keep in touch and wish you the very best in your new job.

Fond regards, as always,

AB/cw

Enclosures





Total Pages (including cover):

1

PRIORITY STATUS

Transmission Date:

August 7, 1996

Normal

Urgent

Subject

The Book

Facsimile Transmission

To:

Delores Menehan

From:

Name:

J.

J. Long

Company:

Aldrich

Location:

1302 W. Anthony Drive

Urbana IL 61802

Phone No.:

217-398-2806

Fax No.:

217-398-2944

Fax No.:

414-287-4095

Disposition of Original

Per our discussion

As you ---- requested

For your information

Call to

Return to

Mail to recipien .... Destroy

Comments & Special Instructions:

Salutations to the faithful William Ho revelers. My regrets at having to work so hard that I can't take time to join the party. Regards to Alfred also from my father, Jess Long, who is defying doctors and looking forward to celebrating his 90th birthday this October in good spirits.

Proof that the power of the written word goes farther than one might expect:

I was pulling into the parking lot of our partner company, APL Engineered Materials, one fine Spring day earlier this year, and as I was reliving the experience of my fast-food lunch, I noticed that the president of APL was In his car trying to get my attention. Figuring that it was something unrelated to the mustard on my shirt, I rolled down my window...and was directed to turn my radio dial to a certain AM station and I would get a surprise. Considering that the radio and my car was twenty years old at the time, even turning it on was a matter of considerable accomplishment most days. But lo and behold, the familiar voice of Alfred Bader was coming across the airwaves of east central Illinois, as a service of the local public radio network. Seems we had been privileged to tune into an interview between Alfred and the host of the literary programme discussing the keen topics of interest in Alfred's book. I understand that the book has found its way into the heartland, make that flatland, of America that is East Central Illinois (which includes Danville, of course, birthplace of all sorts of famous people like Dick Van Dyke). So the spirit of Bader

If you have any problems with this transmission, please calfor which I am personally grateful. Best regards,

Along



Salutations to the faithful William Ho revelers! My regrets at having to work so hard that I can't take time to join the party. Regards to Alfred also from my father, Jess Long, who is defying doctors and looking forward to celebrating his 90th birthday this October in good spirits.

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Best regards, s/s John Long





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

To Dr. John Long

217 398 2944

Mean John:

Thank you for your habitations

We pure mixed you last night.

No come & disit me when nete

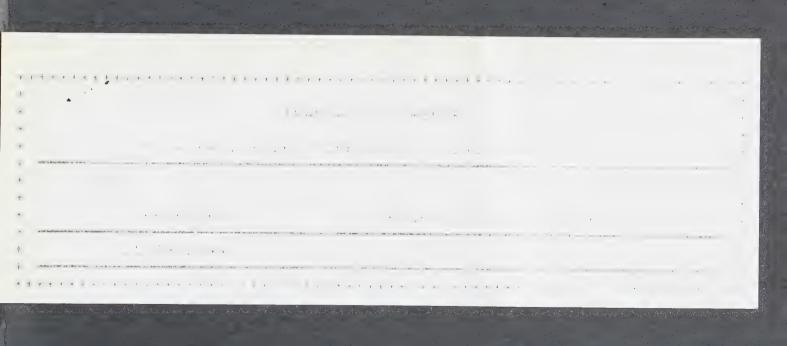
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Loud regarde

august 12 96.

Cuma









Dr. Alfred Bader 924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists September 30, 1996

Ms. Ruohua Zeng 411 Quince Street Edwardsville, IL 62025

Dear Ms. Zeng:

I am sorry to note from your letter of September 24th and the copy of your letter to Dr. Lane that I had failed to caution you when I wrote to you first.

As you will see from the enclosed, I was kicked out of Aldrich and Sigma-Aldrich early in 1992. Yet the people at Aldrich, including Dr. Lane, have remained my good friends.

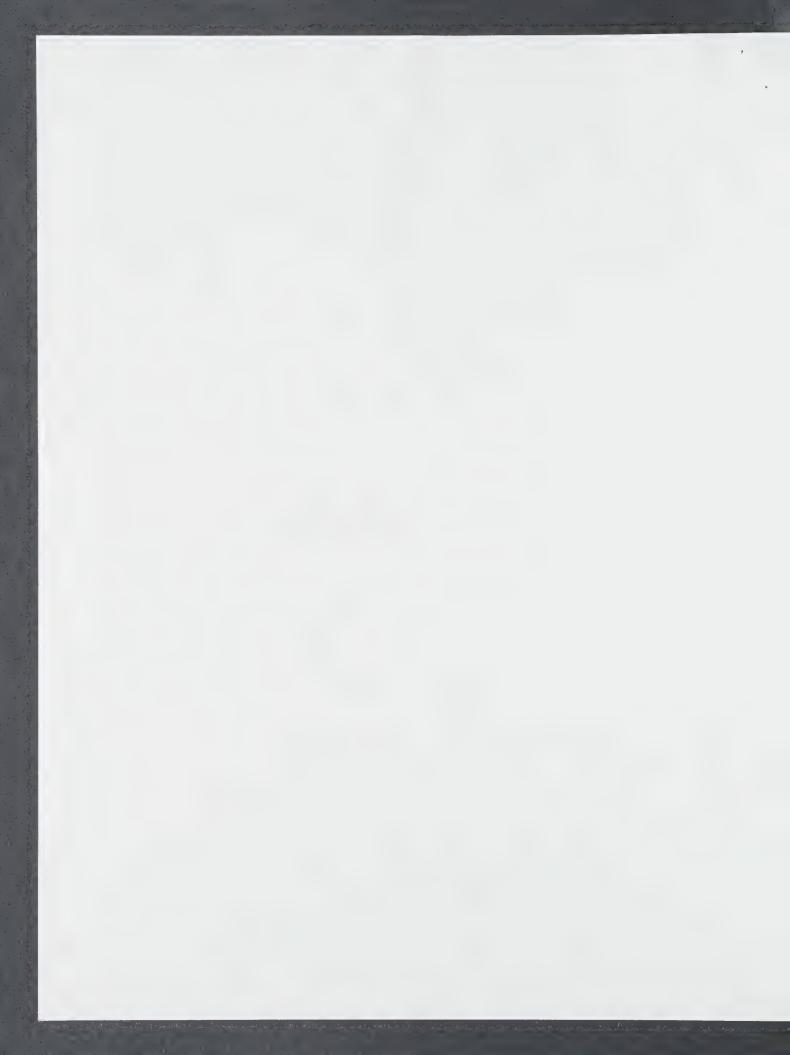
However, the decision about hiring you for help in China would almost certainly be made by management in St. Louis. Top management there really hates me with a passion, and if you should write to Dr. Lane or anyone else again, please be very careful not to mention me at all.

With all good wishes, I remain,

Yours sincerely,

AB/cw

bc: Dr. Clinton Lane



411 Quince St., Edwardsville, IL 62025

September 24, 1996

Dr. Alfred Bader 924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202

Dear Dr. Bader:

Thank you so much for your letter of August 30th and your encouraging suggestions concerning my interest in the chemical business. I really appreciate that you sent a copy of my letter to Dr. Clinton Lane. As you suggested, I wrote a letter to Dr. Lane and enclosed a copy for you. I hope there is an opportunity for me to join and make contribution to your company.

Thank you again for advising me. I will appreciate your further advice. I hope I would have an opportunity to come up to Milwaukee to visit you and Mrs. Bader.

Best wishes to you and your wife.

Sincerely yours,

Ruohua Zeng

enclosure



Ruohua Zeng

411 Quince St., Edwardsville, IL 62025

E-mail: rzeng@siue.edu

Tel/Fax: (618) 659-1270

September 24, 1996

Dr. Clinton Lane, Vice President Aldrich Chemical Company 1001 West St. Paul Ave Milwaukee, WI 53233

Dear Dr. Lane:

I received your name from Dr. Aldrich Bader with his letter of August 30th. I spoke and wrote to him regarding my interest in chemical business and career or business opportunities with Aldrich. He suggested contacting you. He said he sent a copy of my letter to you. For you to know more about my experiences and qualifications, I am enclosing a copy of my resume for your review.

As detailed in my resume, I have extensive experience in the chemical trading business with a major Chinese chemical trading company. In addition to my professional networks with manufacturers and trading companies around China, I have a good understanding of Chinese business culture as well as the government policies. Through my graduate education in the United States, I gained advanced chemistry knowledge as well as American business principles through the chemistry and business courses. I also gained strong computer skills to meet the need in today's business world.

Dr. Bader told me that Sigma-Aldrich has interest in expanding in China. As I know, Sigma-Aldrich currently has 22 international offices world wide with 3 offices located in Asia, but no one in China. Since China is expected to become the world's largest market within the next decade, Sigma-Aldrich's expanding in China will be strategically important for its global leading position and future growth. Due to the fast growing demands of fine chemicals in the China market, the Chinese Ministry of Chemical Industry (MCI) has recently put upgrades in fine chemicals production on top of its development agenda. Aldrich chemists will be able to help chemists in China better after your company's expansion there. I hope there is an opportunity for me to join Aldrich and contribute to your company's continued success in China.

As Dr. Bader suggested, I provided him with several sample lists of products. In China, I have the access to a wide variety of chemical products, including specialty chemicals. I have strong contacts with the manufacturers of pharmaceutical intermediates in China. If your company is interested in importing certain chemicals which do not have to be on those lists, please let me know. I am currently working with my partner who obtained his MBA and MS in Chemistry here trying to set up our chemical trading business.

Thank you very much for you time and consideration. I would appreciate it if you could give me some advice on my career and business approaches. I look forward to hearing from you.

Sincerely yours,

Ruohua Zeng enclosure

CC: Dr. Alfred Bader





#### Dr. Alfred Bader

924 East Juneau, Suite 622 Milwaukee, Wisconsin 53202 Phone: 414/277-0730 Fax: 414/277-0709

A Chemist Helping Chemists

April 10, 1996

Mr. and Mrs. Norman H. Callner 201 Vanderpool #26 Houston, TX 77024

Dear Mr. and Mrs. Callner:

Bill Schield has kindly shared with me your delightful letter of April 9th sent to Dr. Tom Cori at Sigma-Aldrich.

I enclose a copy of a fax which I sent to Tom Tallarico, the company secretary, yesterday.

Please keep in mind that Sigma-Aldrich has two 800 fax numbers, so that you can send faxes at no cost to you; the numbers are 800/325-5052 and 800/368-4661.

Tom Cori is so arrogant that I am willing to bet you dollars to doughnuts that you will not get a reply. Nor will I, and I'm not even certain that I will get the 10-K.

I am also enclosing some material for your amusement.

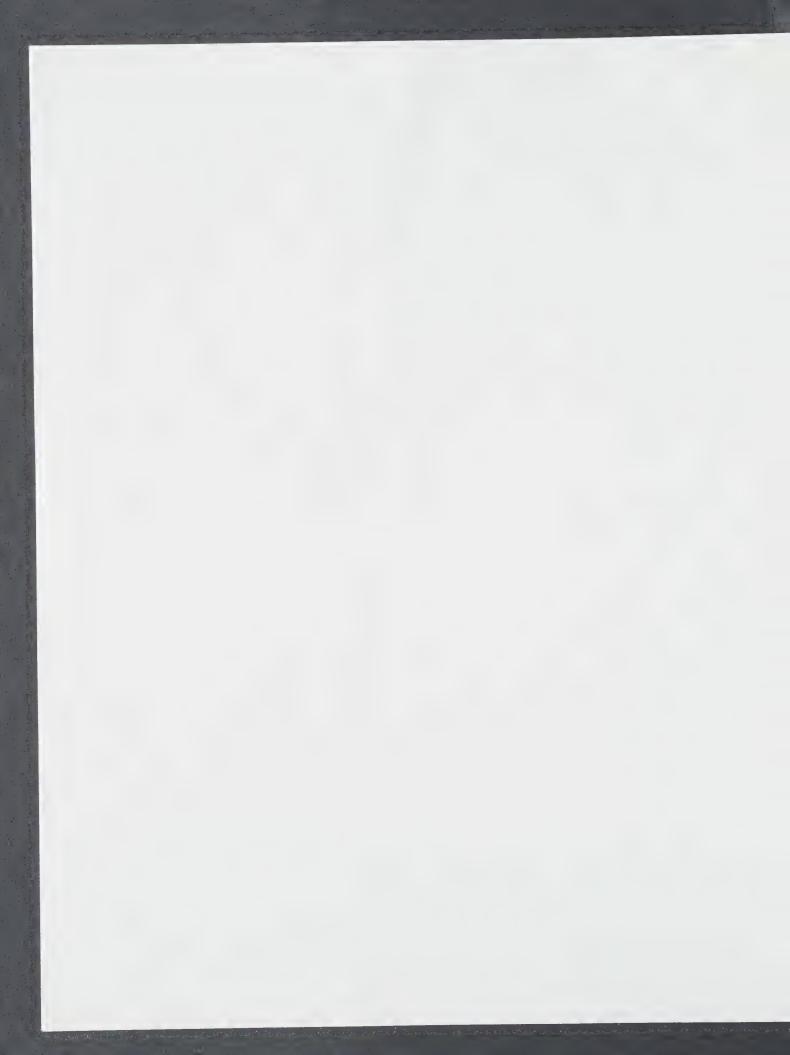
It is important to think historically: Sigma-Aldrich is a fine company except for its top management, and I just hope that we live long enough to see a change there.

With all good wishes, I remain,

Yours sincerely,

AB/cw

c: Bill Schield, Robert W. Baird & Co.





# aldrich chemical company

Post-It fax Note 1671 | Late 3/26/96 | Deget 1 | To A. Bader | From D. Menehan

NOUCE

March 26, 1996

In response to the safety incidents in February we have established a task torce of experienced people from packaging, quality control, compliance, production and warehousing to review and update our chemical handling and storage practices across the company

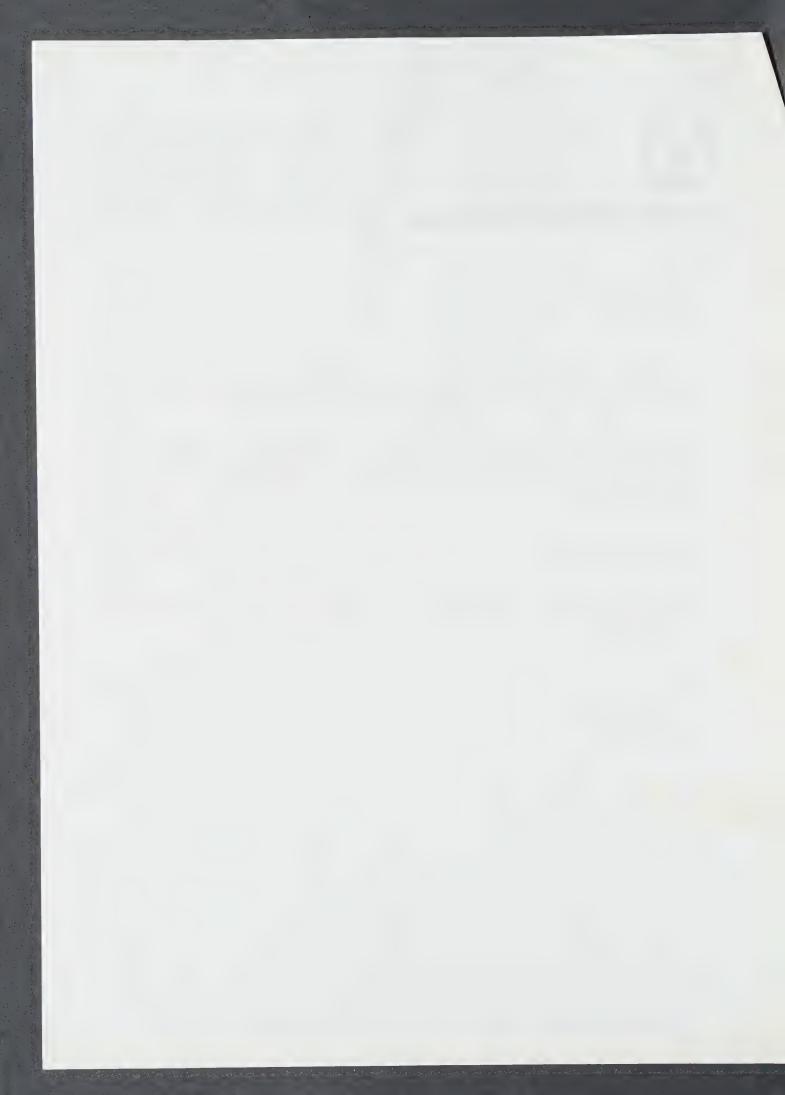
In addition, to help make immediate improvements in packaging areas, effective immediately Charles Worman will take on a special assignment in packaging for three months. He will relocate to the packaging operations to review and improve our procedures for chemical handling and equipment setup.

During this period all Health & Safety Department functions of manded by Charles will be assumed by Ken TerBeek

The task force and this special assignment for Charles Worman are specific actions we are taking now, but it takes everyone's commitment for us to truly succeed. I ask for and need your ideas and support to continuously improve safety in our workplace.

Triank Scir

18. Daga Fall



### FOLLOW UP REPORT ON THE FEBRUARY 1996 INCIDENTS

We believe that all safety incidents are preventable. Our commitment to mir employees is to provide a safe workplace

The investigations of the two events which occurred in February 1996 are complete.

### Fire Involving Lithium Aluminum Hydride (flammable solid) on February 12, 1996.

As a weigher was pulling the inner bag of this product out of an outer bag, a static spark occurred and the material caught fire. We have determined that there was product dust between the two bags from a previous weighing. The static spark ignited the dust to start the fire which shortly spread to the total contents of the inner bag. This type of fire could best be prevented by either opening the material under an inert atm mobilers or repackaging stock using full units so that partial units of bulk stock are not generated

### 2 Chemical spill on February 23, 1996

The investigation of this incident revealed that in addition to the 7 \ lbs of 5-Chlorovaleryl chloride four other chemicals were involved: Tantalum (V) chloride (10 lbs \, 2 (2-Thien) ) ethanol (8 lbs). Methyl isocyanate (3 3 lbs) and (5)-(-)-N-(tert-Butoxycarbony) leucinol (1 2 lbs) were also spilled in the incident. Of these our task force was able to determine that the methyl isocyanate had undergone a "trimerization" which would generate a significant amount of heat and pressure. The container burst under this pressure breaking the bottles of the other materials

Based on the this information and the recommendations of investigation team we are taking the followir

- We are notifying our customers and recalling all Methyl isocyanate sold within the and
- All stock of Methyl isocvanate has been pulled from the shell and quarantined
- We are discort nuing selling Methyl isocyanate until stability issues are resolved.
- A task force made up of experienced personnel from packaging, quality control, compliance production and warehousing will review and establish standard practices for storage and handling of all chemicals that require special treatment. The team members are Ken TerBeck, Mark Hisold, Wayne Adler, Jackie Behnke, Barry Johnson,
- We are continuing to work on Emergency Response planning and building a relationship with old government officials and will keep you informed of our progress

These specific actions represent a major commitment of resources and will only be accomplished with the continued support ( )



A. Bader FAX 277-0709 (2 pages)

TO: Officers and Managers

From: Ken There Exist.

Date Man . . . . . . . . .

SUBJECT: FOLLOW-UP COMMUNICATION ON THE PERRUARY INCIDENTS TO ALL EMPLOYEES

Please take as few minutes to read over the prepared communication. Our pian is for every employee to hear from their supervisor, what we found out and what we intend to do. This is an opportunity to talk to every employee that reports to you. If you have questions piease call me at 5370 or E-mail at KJT0. The employees may have a copy of this if they wish. The communications should be done by Friday March 22, 1996. If your employees have any questions or express concerns that you can not answer tell them that you will discuss the issue with me and get back to mem-

Bes





Themis s He bing Chan sty in Hesee it ent ...

# aldrich chemical company, inc.

CACSINITE ON DESCRIPTION

DATE MADE V. 1991

MESSAGE 10 Dr. Alfred Badel \_\_\_\_\_\_

FAX X1 X13 TR 4 4-2. . - 0 - 1

MFSSAGE FROM Delores Vienetia

And the second second

#### NUMBER OF PACES CINCIL DING CONTRIBUTE

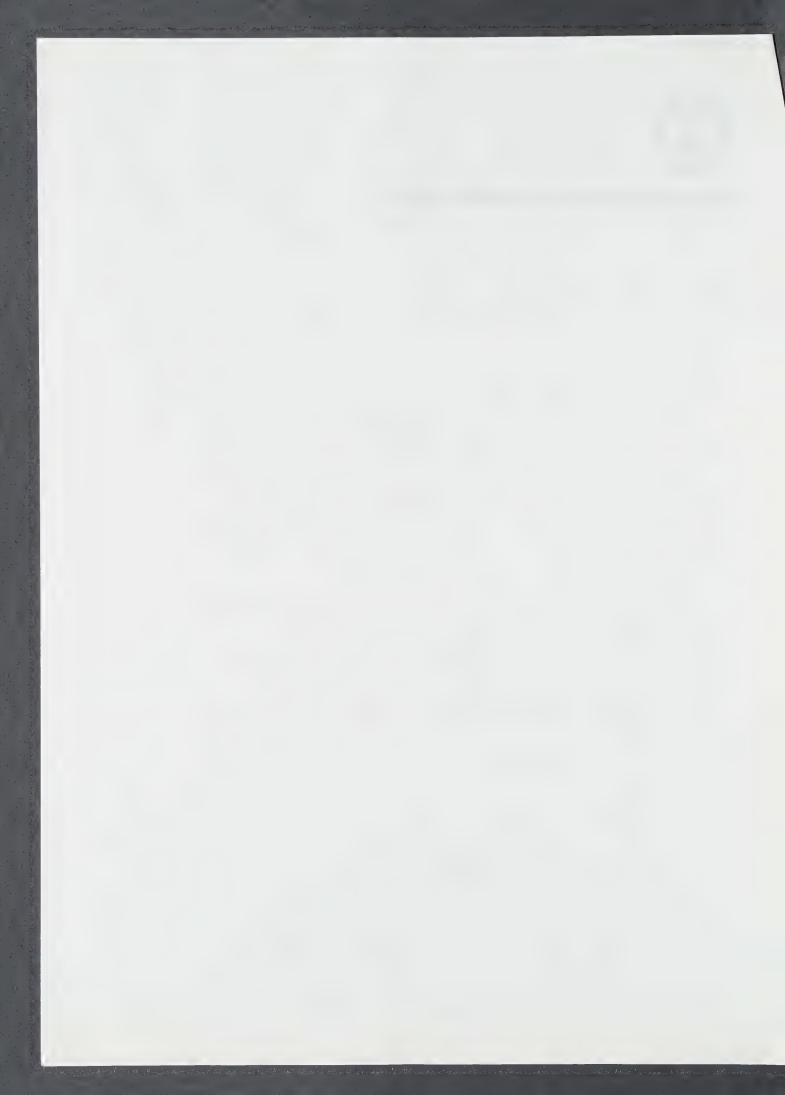
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The periodic table seckties cost \$ 4.87 each. Total SI 12 ties V ... he \$ 79.84, b) & fex of \$8.88, 10, 8 total cost O. \$185

tried to got a quantity discount; however, to no avail. To

m ight perhaps I simuld check with jou before i placed older. Was a second of the control of the

Hagt Wigher as H





# aldrich chemical company, inc.

February 19, 1996

#### **ANNOUNCEMENT**

To better serve our customers through the Sigma-Aldrich Research and the SAF Bulk Sales and Marketing organizations, we are continuing to structure Aldrich along specific product lines. This will affect a number of functions, individuals, and departments. In order to make the transition as smooth as possible we will begin making these changes in March and complete them in May 1996.

Clint Lane will assume responsibility for Product Line Management, Purchasing and Inventory Control, Product Technical Services, and Customer Technical Services. The following organizational changes will be made, reporting to Clint Lane:

#### Product Line Management

- Rich Gross, Product Manager for Techware
- Tom Wickersham, Product Manager for Stains & Dyes and Isotopes
- Ruth Wantz, Product Manager for Inorganics
- John Radke, Product Manager for Mini-Bulk back
- Craig Recatto, Product Manager for Organometallics
- Ron Theys, Product Manager for General Organics
- Lourdes Weltzein, Product Specialist for Chirals, reporting to Ron Theys
- Dan Bloch, Product Manager for Polymers
- Travis LaFavor, Product Specialist for General Lab Chemicals, Reporting to Dan Bloch

#### Purchasing and Inventory Control

Joe Porwoll, Manager - Purchasing and Inventory Control. Dick Farrell, Dan Zagrodnik and Carol Wondra will
transfer to Purchasing, bringing with them sourcing and coordination responsibilities from Industrial Chemicals and
SAF Bulk Chemicals.

#### Product Technical Services

• Al Runquist, Manager - Product Technical Services, will take over responsibility for Promotions and Publications, Graphics Services, Pricing and Product Information groups.

Steve Branca will be responsible for R&D, Production and QC/QA. The following organizational changes will be made, reporting to Steve Branca:

- Ed Austin, Director Sheboygan site.
- Barry Johnson, Manager Milwaukee Manufacturing, assumes responsibility for all Milwaukee Manufacturing, including Stains and Dyes.

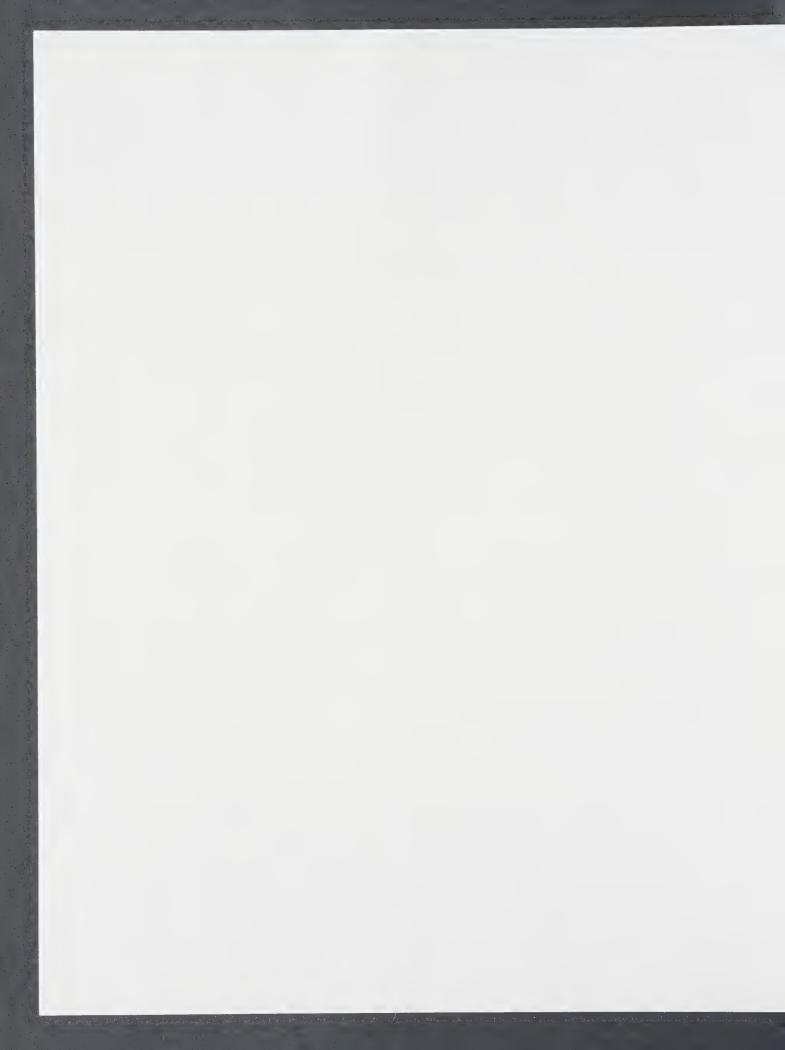
Milwaukee Facilities Management, lead by Steve Roberts, will report to Jai Nagarkatti.

Under Leonard Rochwerger, the Customer Service/Screening group: Madeleine Klug, Kathy Duerr, Brian Cheaney, will be expanded as it transfers to Customer Order Services Department, reporting to Linda Arndt.

I am excited about our future as we continue to grow and evolve. Please extend your support to all of the individuals and groups mentioned above as they take on their new responsibilities.

P.O. Box 355, Milwaukee, Wis

P.O. Box 355, Milwaukee, Wisconsin 53201 USA, Telephone (414) 273-3850, FAX (414) 273-4979





# aldrich chemical company, inc.

May 1, 1995

Dr. Alfred Bader Astor Hotel Suite 622 924 East Juneau Avenue Milwaukee, WI 53202

#### Dear Dr. Bader:

It was a pleasure and an honor having the opportunity to meet you in Anaheim earlier this month, especially after being a faithful customer of Aldrich throughout the 1980's (graduate school at Northwestern and my first position as an R&D chemist/consultant at Amoco Chemical Company).

By now the next issue of *The Amalgamator* is in the mail or perhaps in your hands. I intentionally placed your Charles Lathrop Parsons Award citation and book ad on pages 10 and 11, respectively. This may at first seem like I buried it, but with these pages falling in the middle of the booklet, most members' newsletter should fall open to these pages.

I would have liked to have run your award address, but page count and budget considerations did not allow enough space in this issue. Hopefully I can print it in the first fall issue.

Best regards,

Mal

Amalyam. Tr





### aldrich chemical company, inc.

May 5, 1993

Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186

and

Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

Dear Professors Bayer and Ochrymowycz:

We refer to Dr. Bader's letter of the 27th of April 1993, regarding certain chemical journals at Aldrich. It is our understanding that Dr. Bader has in the meantime spoken to you about this matter.

In this connection, we are donating the following books to your chemical library:

The Aldrich Library of FT-IR Spectra
The Aldrich Library of C13 and HI FT-NMR Spectra

The Aldrich Library of Infrared Spectra
The Aldrich Library of NMR Spectra

These books will be sent to each of you this week. We are sure these books will aid your research.

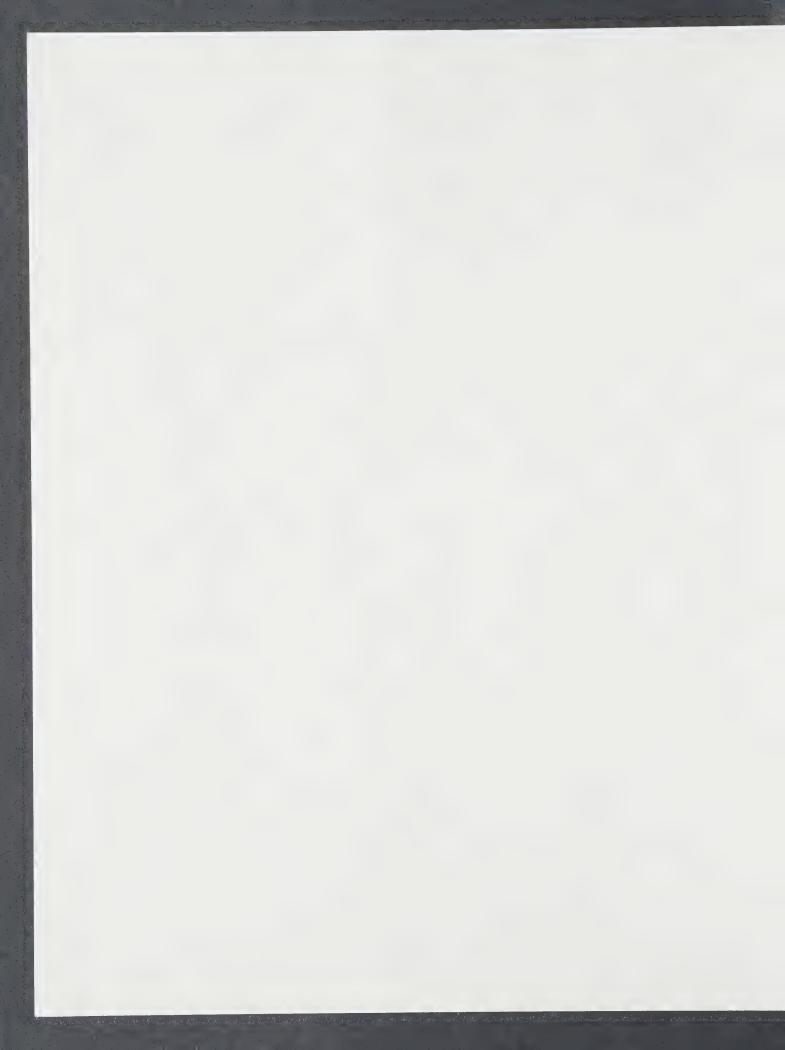
Yours sincerely, David R. Henrey

David R. Harvey

Executive Vice President

Sigma-Aldrich Corporation

c: Len Rochwerger





### aldrich chemical company, inc.

May 5, 1993

Ms. Martha K. Turckes, Manager Office of High School Chemistry American Chemical Society 1155 16th Street, NW Washington, DC 20036

Dear Ms. Turckes:

We refer to the American Chemical Society's project SEED.

To support this project we are making a one time cash contribution of \$25,000.00. However, we request you consider this an <u>anonymous</u> contribution and not acknowledge Aldrich Chemical Company, Inc. in any form. Please ensure our wishes are carried out.

Good luck with your role as coordinator of this project.

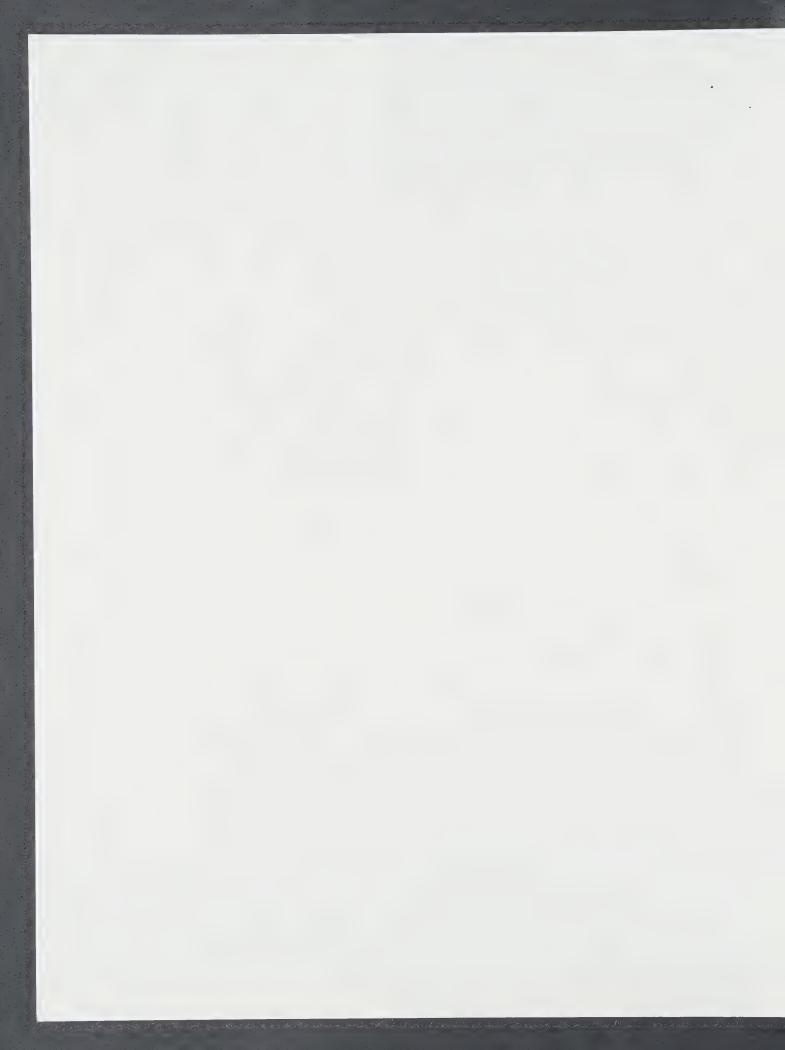
Sincerely,

David R. Harvey

Executive Vice-President Sigma-Aldrich Corporation

David R. Hever

c: Len Rochwerger



ALDRICH CHEMICAL COMPANY, INC. MILWAUKEE, WISCONSIN

REMITTANCE ADVICE
DETACH BEFORE DEPOSITING

DETACT BEFORE BEFORE					
OUR REF.	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	DISCOUNT	NET AMOUNT
	ACSPS	05-05-93	\$25,000.00		\$25,000.00
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	OUR REF.		OUR REF. INVOICE NUMBER INVOICE DATE	OUR REF. INVOICE NUMBER INVOICE DATE GROSS AMOUNT	OUR REF. INVOICE NUMBER INVOICE DATE GROSS AMOUNT DISCOUNT

REMITTANCE ADVICE: ATTACHED IS OUR CHECK IN FULL SETTLEMENT OF ITEMS SHOWN HEREON, IF NOT CORRECT PLEASE RETURN WITH EXPLANATION.



PAY

### aldrich chemical company, inc.

FIRST BANK LA CROSSE LA CROSSE, WISCONSIN 79-29

P.O. Box 355, Milwaukee, Wisconsin 53201 USA

(TWENTY FIVE THOUSAND DOLLARS AND 00/100 CENTS)

AMERICAN CHEMICAL SOCIETY PROJECT SEED

CHECK NO. 62319

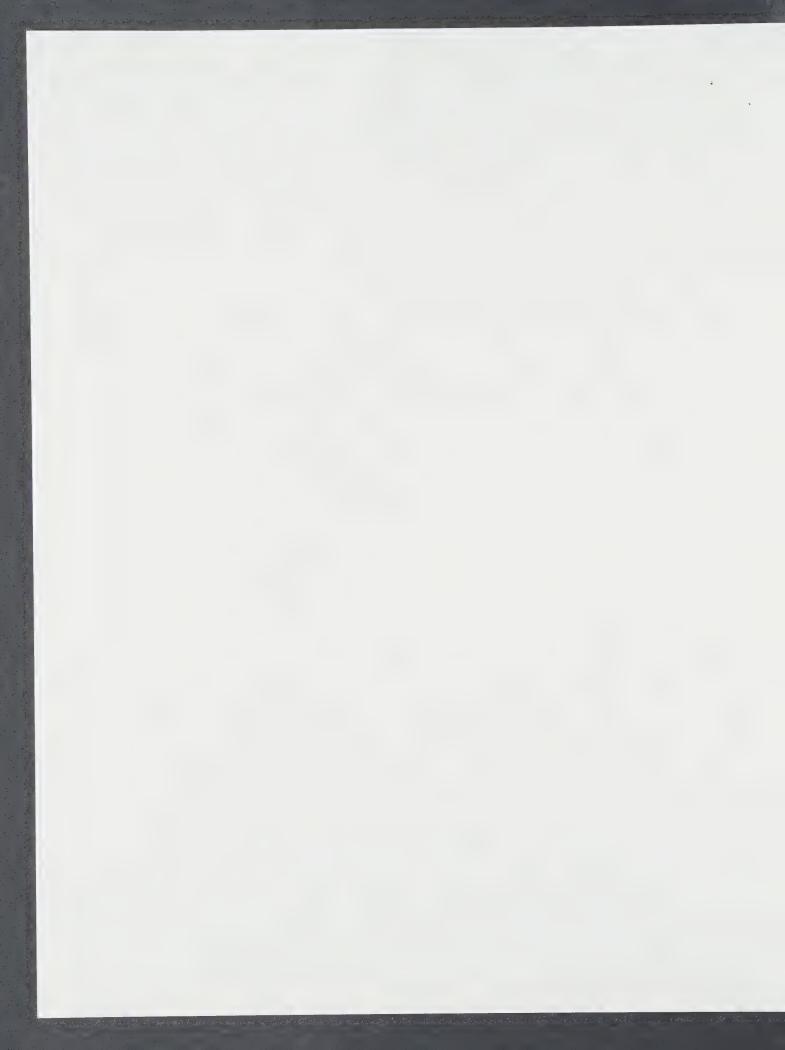
DATE AMOUNT 05-05-93 \$25,000.00\*\*

TO THE ORDER OF

ALDRICH CHEMICAL COMPANY, INC.

AUTHORIZED SIGNATURE

#PGE2319# #:091800293#: #B281000749#





Chemists Helping Chemists in Research and Industry

# aldrich chemical company.inc.

May 5, 1993

Dr. Alfred Bader 2961 North Shepard Avenue Milwaukee, WI 53211

David R Havey

Dear Alfred,

I refer to our discussion of today. As agreed Aldrich Chemical Company is making a contribution to SEED. For this consideration you renounce any claim to ownership of books and other library materials in the possession of Aldrich Chemical Company.

Yours sincerely,

David R. Harvey

Acknowledgement:

Dr. Alfred R. Bader

Date

c: Len Rochwerger





Chemists Helping Chemists in Research and Industry

# aldrich chemical company, inc.

May 5, 1993

Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186 and

Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

Dear Professors Bayer and Ochrymowycz:

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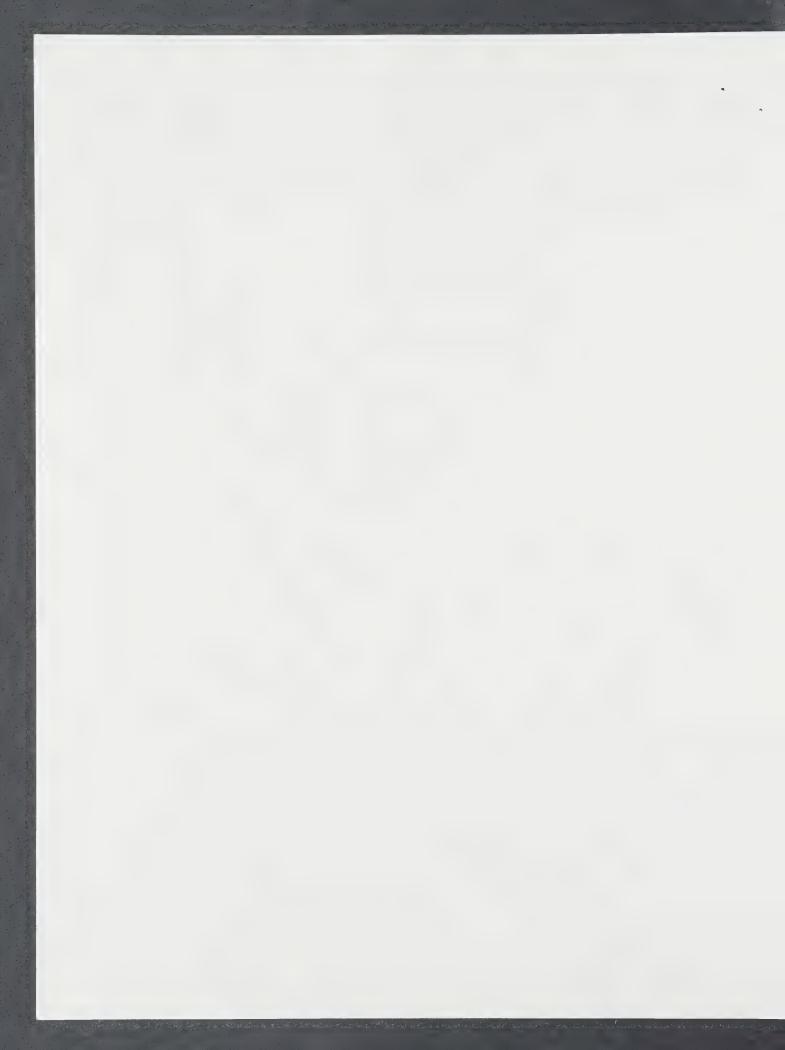
Yours sincerely, David R. Howey

David R. Harvey

Executive Vice President

Sigma-Aldrich Corporation

c: Len Rochwerger



March 5, 1993

Mr. Frederick Bartelsmeyer Bryan Cave Stresemannallee 33 D6000 Frankfurt am Main 70 Germany

Dear Mr. Bartelsmeyer:

I can't help but be amused by the ingenuity expressed in your letter of February 26.

I have not signed the power of attorney for two reasons:

- 1. I distinctly remember signing all the required papers some years ago, and
- 2. when Dr. Tom Cori, the CEO of Sigma-Aldrich, met me in London at 1:00 p.m. on Wednesday, November 20, 1991, he told me in the presence of Dr. David Harvey that "a man who has bet against the company cannot do anything for the company." Anything means everything, including signing papers.

The enclosures will explain my feelings.

Sincerely,

Mit fremdeiden Gripun, Our a Loan.

Enclosures

c: Dr. Tom Cori

Dr. David Harvey



intelligent atheists, just as there are millions of good and intelligent people who believe in God. But, my friends, please don't worry, I am not going to give you a talk on theology. Let me just say that I do believe, and that to me one of the most important sentences in the Bible is the sentence at the very beginning of Genesis, where the Bible tells us that God said, 'Let Us make man in Our image.' Please note that He did not say, 'Let Us make a white man or a black man or a yellow man, a Christian, a Jew, a Muslim, in Our image' but that all of us are made in God's image. Clearly, some people are much smarter than others. Many of you could easily beat me up, some are very much stronger than others, yet there is some of God in each and every one of us and to me it seems that this is the only rational basis for Jemocracy. And that, of course, gives everyone, disadvantaged or not, the right to a good education. The right to equal opportunity.

"But back to Project SEED-when I listened to Paul Gassman he explained that Project SEED gave opportunities to high school students for one summer. But then I thought back to my own days as a student, and I remembered how happy I was when a paint company in Montreal offered me a summer job. I really enjoyed it, and of course the fabulous salary of \$130 a month. And, I was so happy when the Murphy Paint Company asked me to return to them during the next summer at no less than \$160 a month. And during that second summer I learned so very much more and I could do so very much more than I had done in the first summer. In any first summer job, you spend a lot of time finding out where the beakers are and where the toilets are, and you can surely be 'ar more productive in a second summer. And so my family and I offered to help Project SEED II on a three-year trial basis, and I very much hope that all of you who have taken part in Project SEED II will agree that a second summer is more productive than a first."

One of the most amusing incidents after my dismissal from Sigma-Aldrich in 1992 involved Aldrich's chemical library and Project SEED. During the war and for some years thereafter, Beilstein, the extensive movelopedia of compounds, had been offered by the Alien Property ustodiar in reprint at the unbehevably low price of \$45 per set of 45 volumes. Each new volume of Beilstein now sells for several thousand marks 100 resonally bought ten sets, and in the fifties and sixties traded nine of them 150 chemical journals, such as the first 100 years of the term at B. The along run of Termical Authoritis, and others I placed them in the Aldrich Intrary 100 ase by its firm its will understood in it they be ongote the personally, as induced all at 100 for the 100 km when

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Jai promot able to made som Harvey tol \$21, 000 to gested \$100 to because more than a to jai.

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ful Gassman he high school stuy own days as a paint company oyed it, and of I was so happy to them during during that seeds as very much ummer job, you and where the ive in a second ect SEED II on a f you who have summer is more

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The extensive Alien Property

To per set of 49 weral thousand a sixties traded 20 years of the others. I placed inderstood that he books in the The Natural was under often the best chemical porturn in N in tuker. In Section 56, 1922, gave that it in Natural states the president of Alberth, and the steep for inca, a very able chemist in large of the products. Both knew that I owned the books. I proposed several literal at to Jai, stating that in exchange for relinquishing my rights minimizenence was that Aldrich should give \$25,000 to Project SEED. There would be no need to refer to me, and this way the library at Aldrich would remain intact, and good use would be made of it by the chemists, for whom I continue to have the highest regard. An alternative suggestion was that my books be divided between two Wisconsin schools. Carroll College and the University of Wisconsin in Eau Claire from which several of Aldrich's good chemists have come.

Jai promised to provide help with packing and shipping if we were not able to reach an agreement whereby Aldrich kept the books and made some reimbursement for them. Finally, in March 19<sup>e3</sup>, David Harvey told Jai that he could make the decision himself. Jai thought that \$25,000 for Project SEED was a large expense for one year, so I suggested \$5000 a year for five years. Surprisingly, Jai then said that Aldrich could purchase microfilms of the books less expensively, and told me to ship the books to Carroll and Eau Claire. I thought this was a mistake because microfilms are much harder to use. I wrote to the schools offering them a choice of books, and sent a copy of my letter by certified mail to Jai.

Then on April 28, I received a certified letter from Kirk Richter, the controller of Sigma-Aldrich in St Louis, stating that I could not remove the books without first proving my ownership. I faxed Marvin a copy of Kirk's letter, adding that I did not know whether to be happy or unhappy. I have always enjoyed a good fight, and I was being given the opportunity. Marvin's reply was a classic: "If you don't know whether to be happy or unhappy about this, be happy."

I sent Kirk copies of my letters to Jai and a copy of a draft letter from Jai to the ACS concerning Project SEED, then considered which attorney might best represent me in a lawsuit, and awaited developments.

Despite the agreement made at the time of the merger that annual meetings would alternate between St Louis and Milwaukee, the 1993 annual meeting was held in St Louis. I had thought of going to ask all sorts of embarrassing questions, but Marvin counselled against it: "I never think it pays to try to make your points in the other fellow's court, especially when the other fellow has full control of the proceedings and a packed court."

David Harvey called me from the meeting in St Louis to ask whether he could meet me the next morning to discuss two matters, the librar, and some papers that required my signature. German commercial law requires that a *person* own 5% of Aldrich's German company, and when



I stepped down as chairman in 1991, I had turned over my ownership of those shares to Peter Gleich, the treasurer of Sigma-Aidrich. However, because of an oversight by the company, the transaction was not carried out before a notary public, which made it invalid in German law, and David and the company's German attorney had subsequently urged me to sign a power of attorney. Reminding them of Tom Cori's statement during those horrid seventeen minutes in London that "a man who bet against the company couldn't do anything for the company," I contended that "anything" meant everything, including signing papers, and declined to sign.

I had not thought that I would ever see David in my gallery, but there he was, sweet as could be, the following day as arranged. He had looked at the books I claimed as mine, and said he would now agree to pay \$25,000 to the ACS, at once, not over five years, provided that I also signed the power of attorney. Furthermore, he would help Carroll and Eau Claire by sending both of them the Aldrich libraries of spectra, with a retail value of over \$3000. This struck me as a good deal—after all, I had refused to sign the German papers just to be awkward—but I worried that if Tom heard about this amicable settlement, he might countermand it. So I agreed, provided I could go to Aldrich in an hour and make sure that the check was mailed to the ACS then and there. This we did. Ende gut, alles gut.

Of course, as so often, this fight was an ego trip on my part, but my satisfaction largely arose from the help it gave project SEED. I was reminded of what the late Don Haselhorst, a director, said to me after a particularily difficult argument with Tom and Aaron, "Nice guys don't always finish last."

David was probably not as amused as I was when he received a letter from Professor Ochrymowycz of Eau Claire thanking him for the libraries of spectra and saying that "The volumes will be placed in our library with a dedication to Dr Alfred Bader and Aldrich Chemical Company in recognition of the donors' generosity."

When I told Marvin about all this, he replied, "The solution to the matter of your books was, indeed, most satisfactory. Although neither of us could think of it at the time, there was a very good reason for your holding off on signing the German share transfer document."

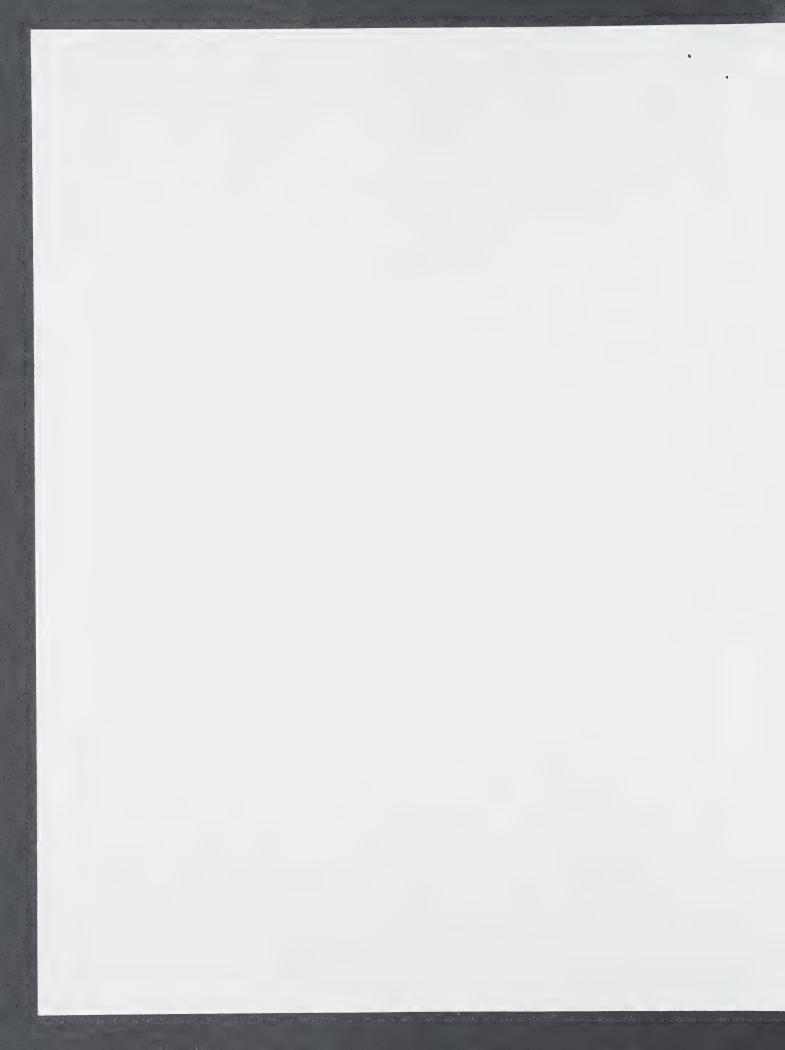
There is no Project SEED in Britain, so Isabel and I tried to start one on a small scale. For years many of our academic friends in London have been at University College, and at the end of 1993 Willie Motherwell became professor of organic chemistry there, moving from Imperial College where he was one of the best and most caring teachers. We agreed to fund four bursaries for three years at University College for students from areas with predominately poor traditions of higher education. The college planned to invite about fifty students to a two-day

summer school in crassaries. Unfortunate, for sixth formers vecompletely with characteristic with there was hardly time turned out. Five application of the school will result in more arm we plan to fund it tuto join the scheme.

In 1966 Marvir Milwaukee Jewish later Sigma-Aldrich fund has financed med a co-educational such a school wou a in existence at the timight-wing orthodox ed school, and it fails

My roots are in the ver was one. The ver was one. The vertical democratic countries help Czech students in not been easy.

In art history, we student to study any know how to fund si really work, so we p year, 1993, only two man of 41 with an es in the Czech Academ ings in museums in V caring, thoughtful m the purpose of the te had been through [1] rian who had been o Arts in New York, by because she was not mother, the late Rita people they were. A try's first ambassadi 1993 had been inade the \$15,000 fellows



## FOLEY & LARDNER

777 EAST WISCONSIN AVE. MILWAUKEE, WIS. 53202

TKL (414) 871-8400

Date April 4, '93

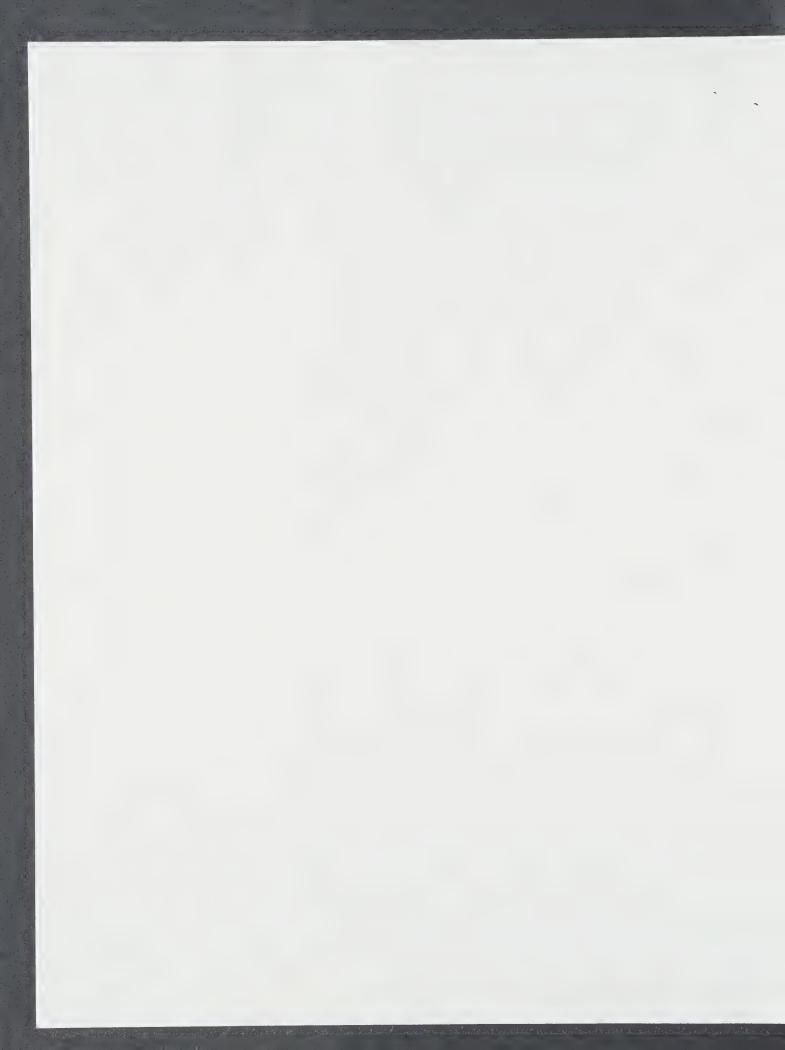
From: MARVIN E. KLITSNER

To: Alfred Bader

DEar Alfred,

Zach is certainly an able young man, and if he thinks he can handle a suit of that kind, and you and Dan think so that is a possibility; I just have no idea whether his training or experience would enable him to try such a case against who-ever Aldrich would retain.

If Craig Zirbel is available, he has performed well in the past and I think could be relied upon to do a good job.



DR. ALFRED R. BADER
Suite 622
924 East Juneau Avenue
Milwaukee, Wisconsin 53202
Telephone 414-277-0730
Fax No. 414-277-0709

April 29, 1993

To: Marvin Klitsner, Esq.

Dear Marvin,

Note this interesting development.

Should I try to take the books--which might not be easy--or engage a lawyer to obtain a court decision? Sadly, Jere has told me there is a conflict of interest so that Foley & Lardner could not represent me.

If the latter, could you suggest a young lawyer who will do as good a job as that lawyer did in my suit against the Milwaukee Auction Gallery.

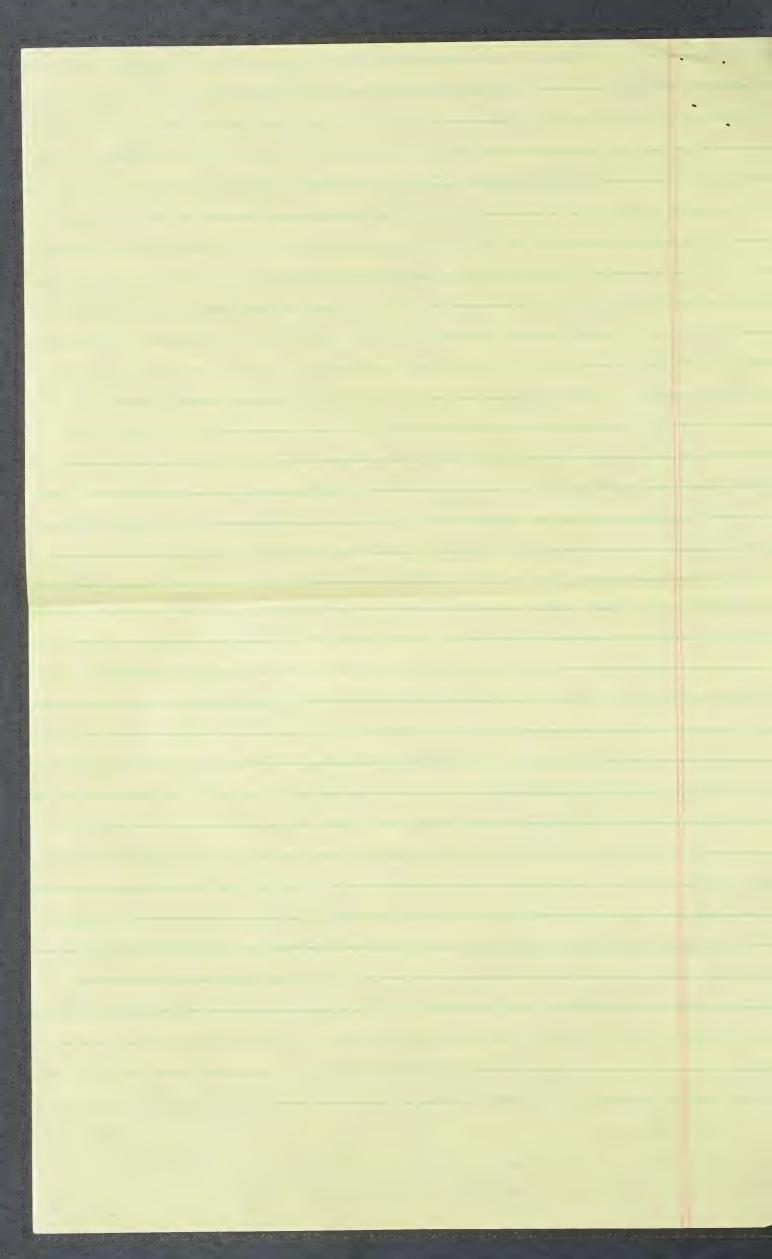
I am not sure whether to be happy or unhappy about this; except for some money, I can't really lose as the publicity would be so good even if the court should decide against me.

Fond regards,

Enclosures



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37 (1915) - 32 (1916) 2) CP 21 (19M) - 6+ (1912) I purchased personally 10 pets of Beil Stew, Prem le Alien Property Cueltodian, a. New Haded 9 of there for the alrose it to be a to the property

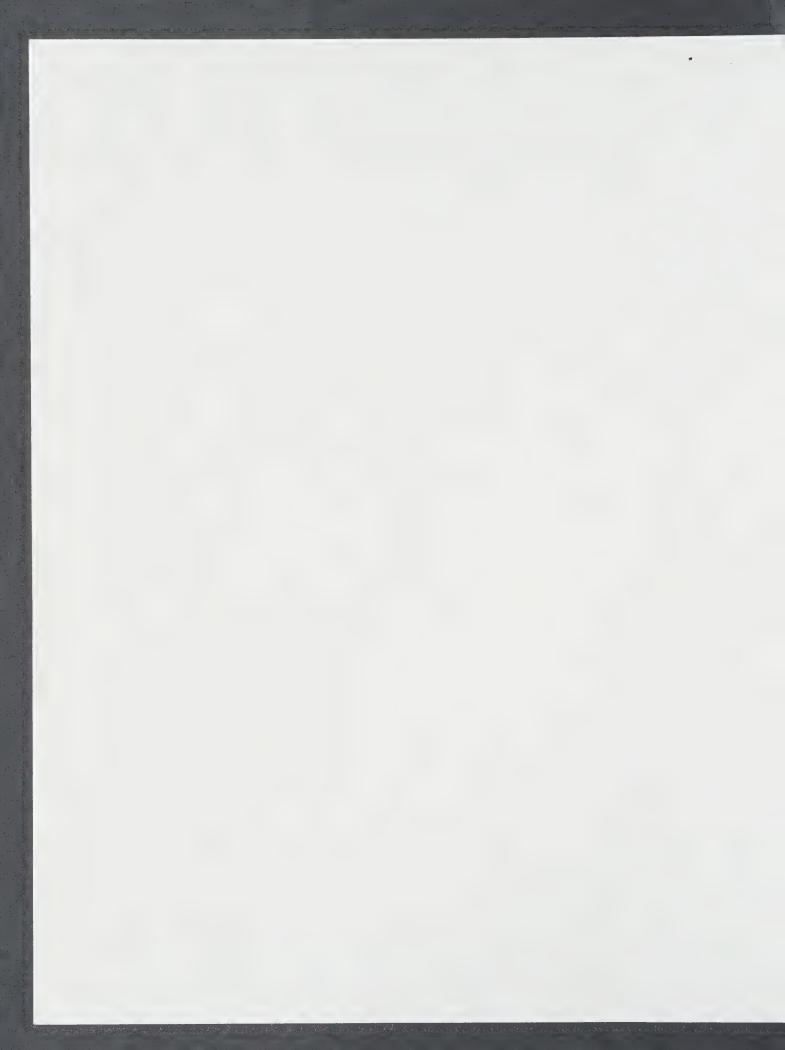


To Joi 6 Books in Aldrich library

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## **FAX FROM**

DR. ALFRED R. BADER Suite 622 924 East Juneau Avenue Milwaukee, Wisconsin 53202 Telephone 414-277-0730 Fax No. 414-277-0709

April 8, 1993

To:

M. Klitsner, Esq. 972 2 660 860

Dear Marvin,

As you know, I have been going back and forth with Aldrich about the books. Jai understands how important they are to the company and finally David Harvey told him to do what he thinks best. He told me that \$25,000 in one year would be a real burden and so I suggested \$5000 per year to Project SEED, guaranteed for 5 years.

Jai then drafted the attached letter in which I disliked the phrase "We will consider continuing this support...".

When I discussed this with Jai and asked him to change the last paragraph of his letter to "We will continue this support..." he said that he had difficulties with it, in case we run into real financial problems in the future.

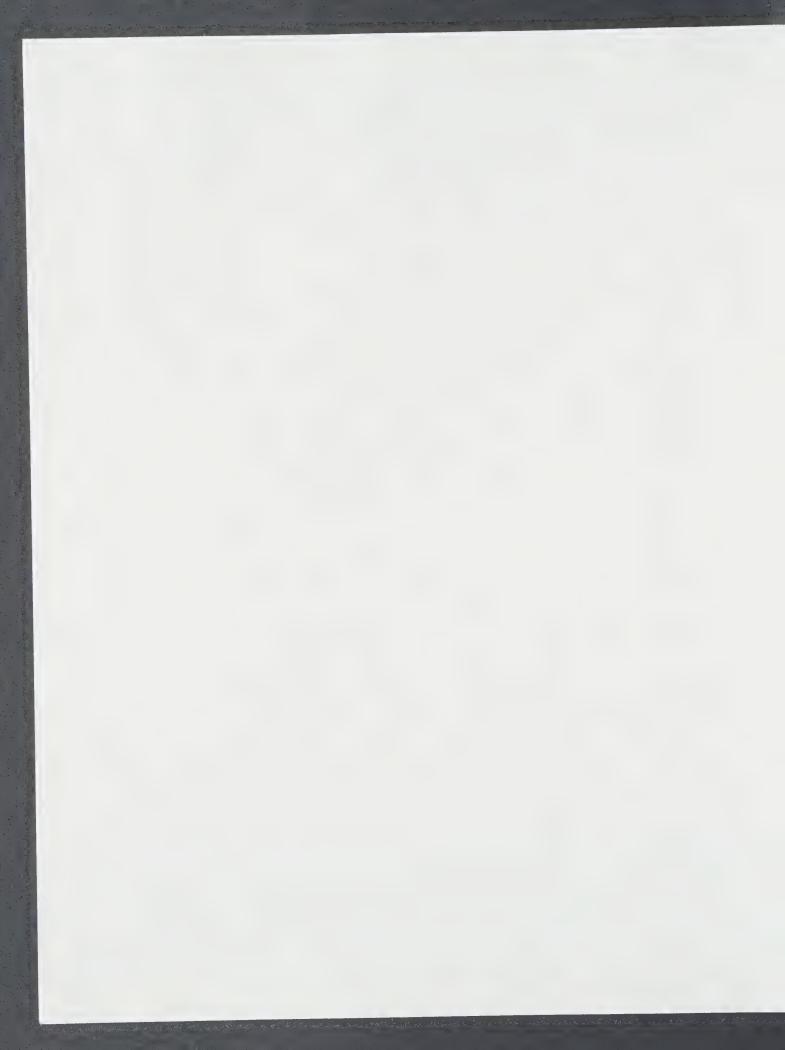
Should I strengthen my argument by saying something like "title to the books will pass to Aldrich when full payment of \$25,000 will have been made"?

Naturally I want to help Jai, but I also want to make sure that the books are mine until the full payment is made.

Fond regards from house to house,

EA down to 47.

Bill I chield received jan letter. Dhened he eall you?



FOLEY & LARDNER 777 EAST WISCONSIN AVE. MILWAUKEE, WIS. 53202

TEL, (414) 271-2400

Date April 8, '93

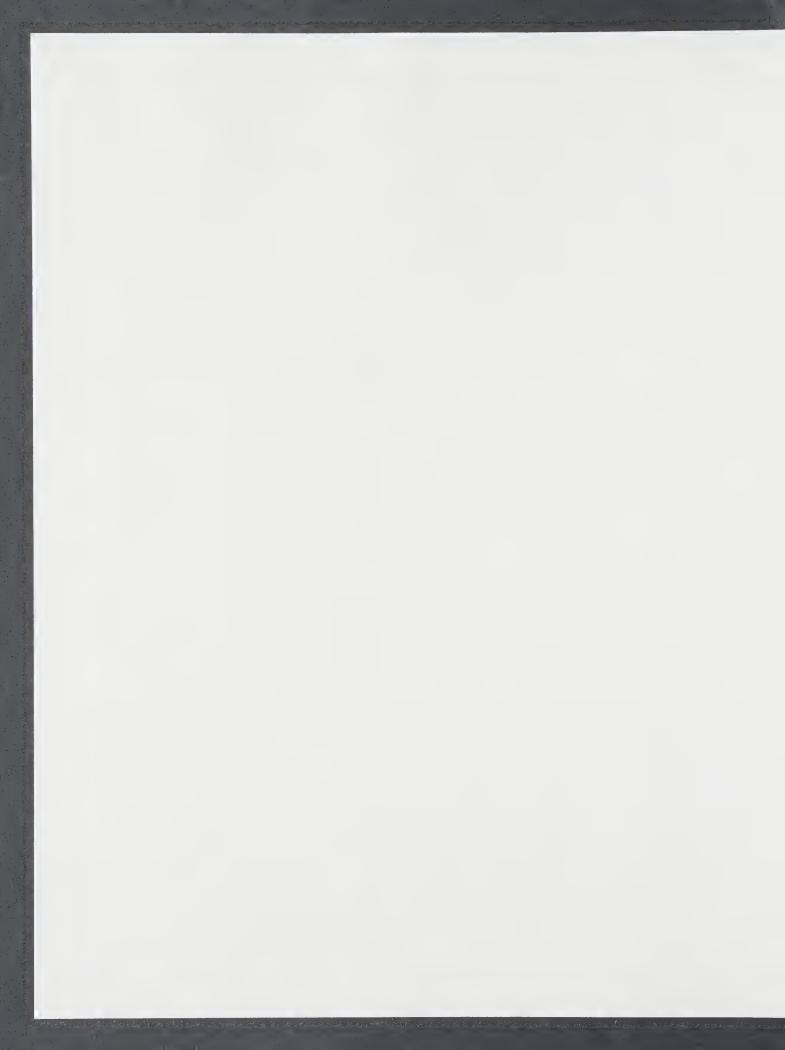
From: MARVIN E. KLITSNER

To: Alfred Bader

DEar Alfred, I think you have been most generous in your proposals and your willingness to let them spread the contributions over a five year period; and I think if I were in your position I would pick up the books unless they are willing to make a firm commit ment for the five years.

However if you prefer not to do that, at the very least a provision such as the one you suggest is in order. Perhaps, even better: "Tile to thebooks shall pass to Aldrich only upon comletion of five nnual contributions of \$5,000.00 each to Project Seed; if there shall be a failure to make any such contribution in any year commencing in 1993 and ending in 1997, I shall have the right to take possession of and remove such books from the premises : of Aldrich, any prior contributions to be considered as gratuitous contributions to project Seed or as consideration for the use of said books in the meantime." You may want to sound less technical, but that should be the general import.

Love. Mari



11/1

# Dr. Alfred R. Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

September 10, 1992

BY HAND

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. 1001 West St. Paul Avenue Milwaukee, Wisconsin 53233

#### Dear Jai:

I have sent you the list of the journals I own which are in the Aldrich library. I acquired these between 1950 and 1965, largely through exchange with the sets of Beilstein, complete through Volumes VI of the second supplement which I purchased from the Alien Property Custodian. I purchased ten sets, of which one is still in the Aldrich Library.

I have never been paid for these journals by Aldrich.

I have these alternatives:

- (1) Take the books and sell them.
- (2) Take the books and give them to a university.
- (3) Sell the books to Aldrich.
- (4) Leave the books at Aldrich, provided Aldrich makes a gift to an organization of my choice.

My preference is (4), followed by (2). If you agree to (4), Aldrich's gift should be to Project SEED of the American Chemical Society, a project which tries to help disadvantaged students.

Please do have the journals valued. I think that you will find that the most valuable are the Berichte, one hundred years beginning with Volume I, and the Chemical Abstracts. I think that you will find that the replacement cost to Aldrich would be over \$50,000. If you agree to (4), Aldrich's gift to Project SEED should be \$25,000.

If you do not agree, I will pick up the books and give them to a school.

Best regards,



4/6

April 21, 1993

CERTIFIED MAIL Return Receipt Requested

Dr. Jai Nagarkatti, President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

### Dear Jai:

This is to confirm our conversation today in which you told me that you would prefer my giving the books away and that you will allow me to bring in a book seller, Michael Hatcher, to appraise the books for me.

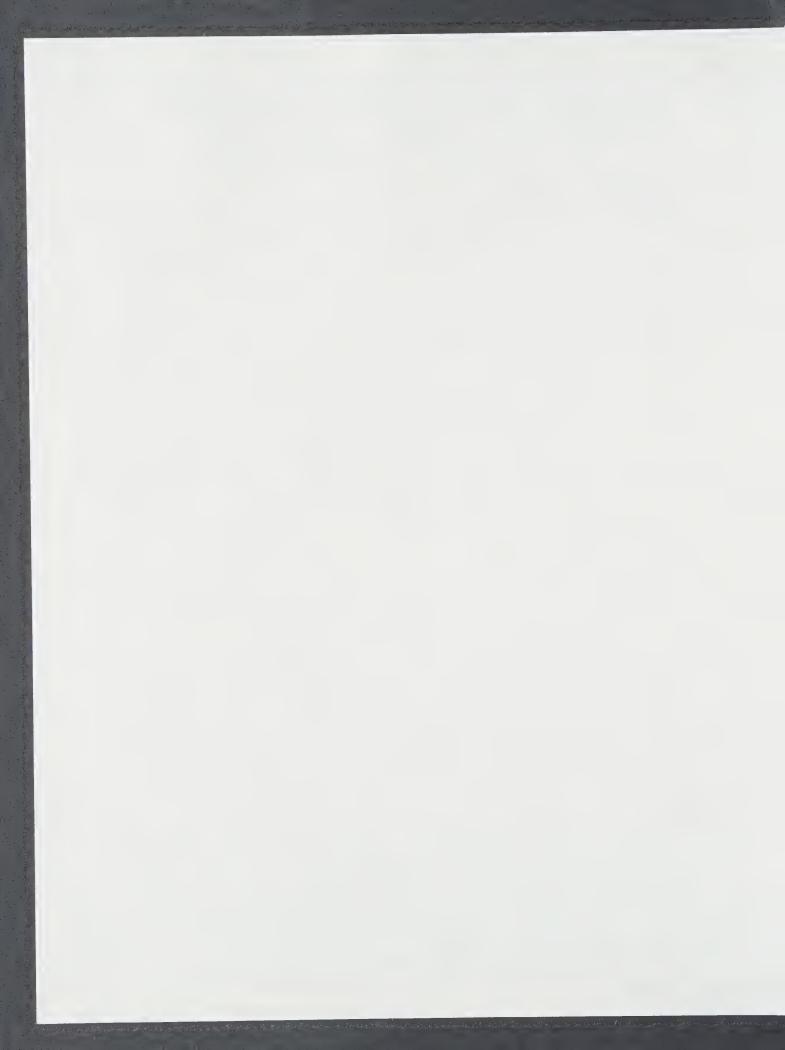
Enclosed is another copy of the list of books which I gave to you awhile ago, as well as a draft of a letter which I plan to send to Professors Bayer and Ochrymowycz on April 26th.

I personally believe that you are making a mistake, but of course the decision must be yours.

Best regards.

Sincerely,

SENDER:  Complete items 1 and/or 2 for additional services.  Complete items 3, and 4e & b.  Trint your name and address on the reverse of this form so the return this card to you.  That this form to the front of the mailpiece, or on the back it does not permit.  Write "Return Receipt Requested" on the mailpiece below the article that the return Receipt will show to whom the article was delivered at delivered.  Article Addressed to:  Dr. Jai Nagarkatti	if space 1. Addressee's Address	necalbr
Aldrich Chemical Co., Inc. 1001 W. St. Paul Avenue Milwaukee, WI 53233	Registered Insured Certified COD Express Mail Return Receipt for Merchandise  7. Date of Delivery	Silven ior n
5. Signature (Addressee) 6. Signature (Apent) PS Form 3811, December 1991 © U.S.G.P.O.: 1992-307	8. Addressee's Address (Only if requested and fee is paid)  APR 2 3 1993  7-530 DOMESTIC RETURN RECEIPT	W110111



January 5, 1993

6/6

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for once again discussing my books at Aldrich, and particularly for offering to have someone help me with packing.

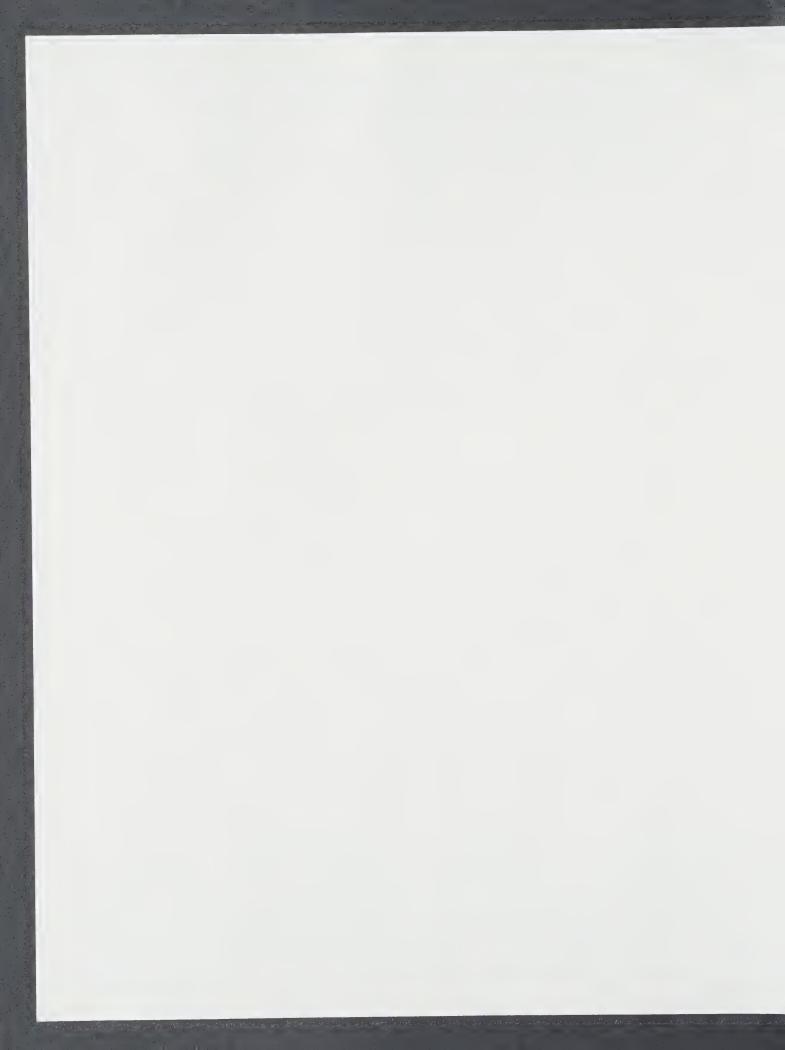
If, upon careful reflection, your decision really is to let me take the books, then I should pay for the recent cost of rebinding the Berichte, from 1865 to 1965, which was done just two or three years ago; Accounting should have the invoice.

But remember: the books are worth much more than \$25,000, and I did not request that the check from Aldrich to Project SEED be made in my honor, or even mentioning me--just that Aldrich send it.

All good wishes for 1993 to you, your family and everyone at Aldrich

Sincerely,

By hana





2/0

## ALFRED BADER FINE ARTS

DR. ALFRED BADER

ESTABLISHED 197

February 26, 1993

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for your call yesterday with the good news that David Harvey is leaving the decision regarding my books in the library, to you.

Of course, you know that I would prefer to have the chemists at Aldrich continue to be able to use them; I don't think that there is another chemical library in Milwaukee as complete.

There is no question in my mind that the books are worth very much more than \$25,000 and that sum is not negotiable. Do check on what just the 100 years of <u>Berichte</u> from 1865 to 1965 would cost.

If you agree, then please send the check to Ms. Martha Turkes who is the Coordinator for Project SEED at the American Chemical Society, 1155 - 16th Street, N.W., Washington, D.C. 20036. There is no need to indicate in any way that this "gift" from Aldrich to Project SEED was initiated by me.

As you perhaps know, my family and I have committed \$300,000 to this very worthwhile project. Half comes from the Helen Bader Foundation and the other half from Isabel and me, and so far we have sent the A.C.S. half of the committed amount. The enclosed material will tell you a little about Project SEED.

If for any reason this is not agreeable, I will take up your offer for help packing, and I will then consider dividing the books between the chemistry departments at UW-Eau Claire (Professor Leo Ochrymowycz) and Carroll College.

Best wishes,

By Appointment Only
ASTOR HOTEL SUITE 622
924 EAST JUNEAU AVENUE
MILWAUKEE WISCONSIN USA 53202
TEL 414 277-0730 FAX 414 277-0709



January 5, 1993

Dr. Jai Nagarkatti
President
Aldrich Chemical Co., Inc.
P.O. Box 355
Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for once again discussing my books at Aldrich, and particularly for offering to have someone help me with packing.

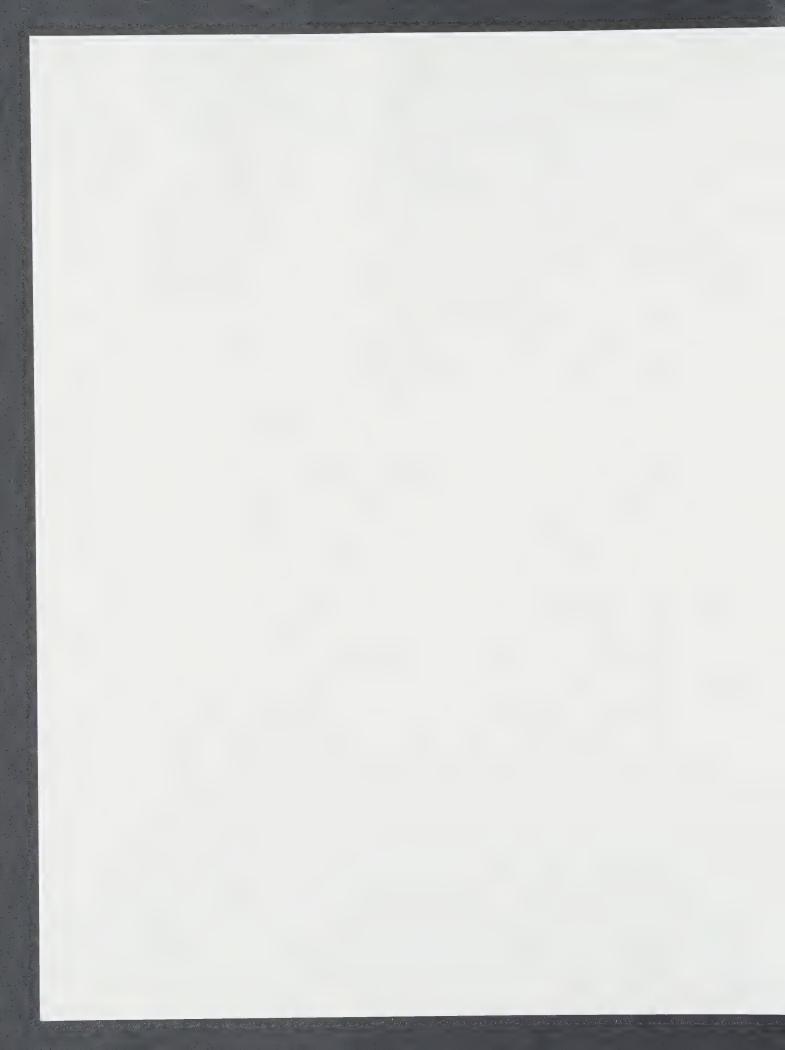
If, upon careful reflection, your decision really is to let me take the books, then I should pay for the recent cost of rebinding the Berichte, from 1865 to 1965, which was done just two or three years ago; Accounting should have the invoice.

But remember: the books are worth much more than \$25,000, and I did not request that the check from Aldrich to Project SEED be made in my honor, or even mentioning me--just that Aldrich send it.

All good wishes for 1993 to you, your family and everyone at Aldrich

Sincerely,

By hono



November 7, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Isabel and I have been travelling so much in the last two months that we hardly had two consecutive days in Milwaukee. Right now, we are on our way to England and will return on December 22nd.

I hope that my letter of September 17th, copy enclosed, has not gotten lost.

Please let me have your decision. If you really do want me to give the books to a school, please send me a copy of the invoice for binding, for reimbursement to Aldrich. But I really do believe that Aldrich puts these books to very good use and that they are really worth far more than \$25,000. On the other hand, Project SEED is very deserving and will surely put the money to good use.

Best personal regards,

Enclosure

(Dictated by Dr. Bader and signed in his absence)



September 17, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for your kind words on Tuesday, telling me that if you were I you would just take the books and give them to a school. Of course, that is an option, but if I am to do that I must reimburse Aldrich for the cost of binding some of the books. I believe the Berichten were rebound, and perhaps others also. Pleasse send me Xerox copies of the invoices to Aldrich.

I still believe that it would be in the best interest of the company to keep the books; doing library work without Beilstein, Berichtet, etc., will not be easy. The books are certainly worth far more than \$25,000.

No matter how I was treated, I still think of Aldrich as a father would of his child.

Best personal regards,

a Surriedly 
yurt off

to Spain



12/31

Dr. Alfred Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

November 7, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

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Best personal regards,

Enclosure

(Dictated by Dr. Bader and signed in his absence)



#### TELEX/FAX MEMO

TO:

Dr. Jai Nagarkatti

Aldrich Chemical Co., Inc.

FROM:

Dr. Alfred Bader

COUNTRY:

DATE:

September 29, 1992

BY HAND

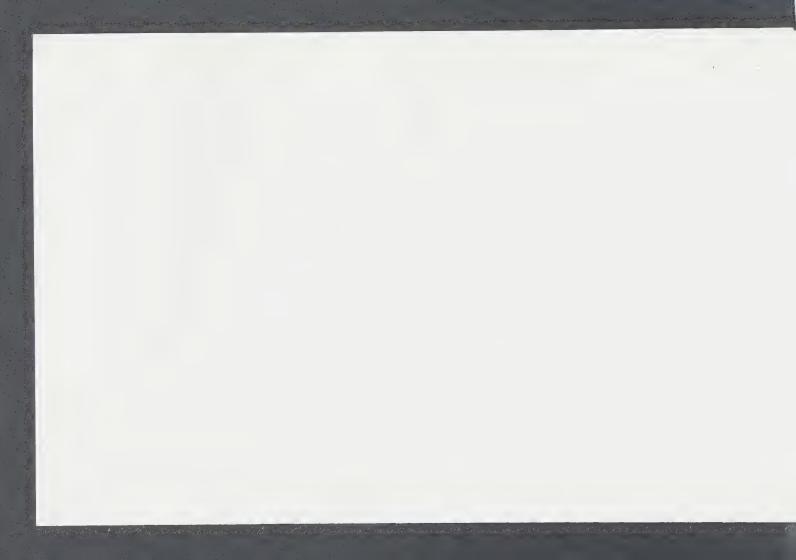
Dear Jai:

Believe it or not, Kevin Banks sent me the enclosed by DHL. What a waste of the company's money.

Over ayear ago I signed all the necessary papers and just do not understand why I have received this.

Best wishes,

Enclosure



# **Aldrich-Chemie**

Gesellschaft mbH & Co. KG

D-7924 Steinheim / Albuch · West-Germany

Telefon: (0 73 29) 87 - 0
Telefax: (0 73 29) 87 - 139
Telex: 7 14 838 aldri d
Service Nr. 013 072 72
Telegramm-Anschrift:
Aldrichem Steinheim / Albuch



Aldrich-Chemie · Postfach 1120 · D - 7924 Steinheim

DHL GEGEN RUECKSCHEIN

HERRN DR. ALFRED BADER 2961 N. SHEPARD AVE.

MILWAUKEE, WISCONSIN 53211 USA

Ihre Zeichen

Ihre Nachricht vom

Unser Zeichen

Durchwahl

Datum

17.09.1992

Gesellschafterversammlung der Aldrich-Chemie Verwaltungs GmbH, Steinheim

Sehr geehrter Herr Dr. Bader,

der unterzeichnete Geschaeftsfuehrer der Aldrich-Chemie Verwaltungs GmbH Steinheim, Deutschland, laedt Sie hiermit zu einer Gesellschafterversammlung auf Dienstag, den 13. Oktober 1992 um 10.00 Uhr (Ortszeit in Deutschland) in die Kanzlei des Notars Dr. jur. Ludwig Funk, Augustenstrasse 7, 7000 Stuttgart, Deutschland, ein.

Einziger Tagesordnungspunkt:

Aenderung des Geschaeftsjahres der Gesellschaft

Das Geschaeftsjahr soll kuenftig dem Kalenderjahr entsprechen. Die Zeit vom 01.11.1992 bis 31.12.1992 soll ein Rumpfwirtschaftsjahr bilden. Die Satzung der Gesellschaft ist entsprechend zu aendern.

Kevin P. Banks



September 17, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

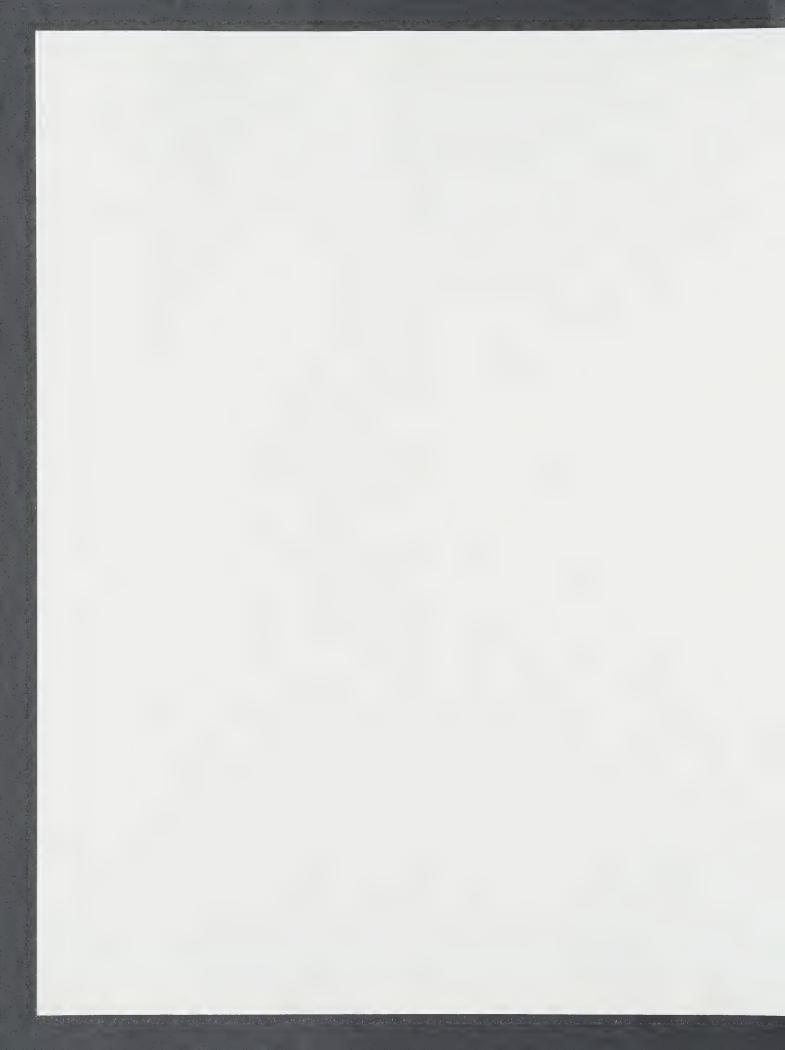
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No matter how I was treated, I still think of Aldrich as a father would of his child.

Best personal regards,

Surriedly -Just off to Spain



September 17, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

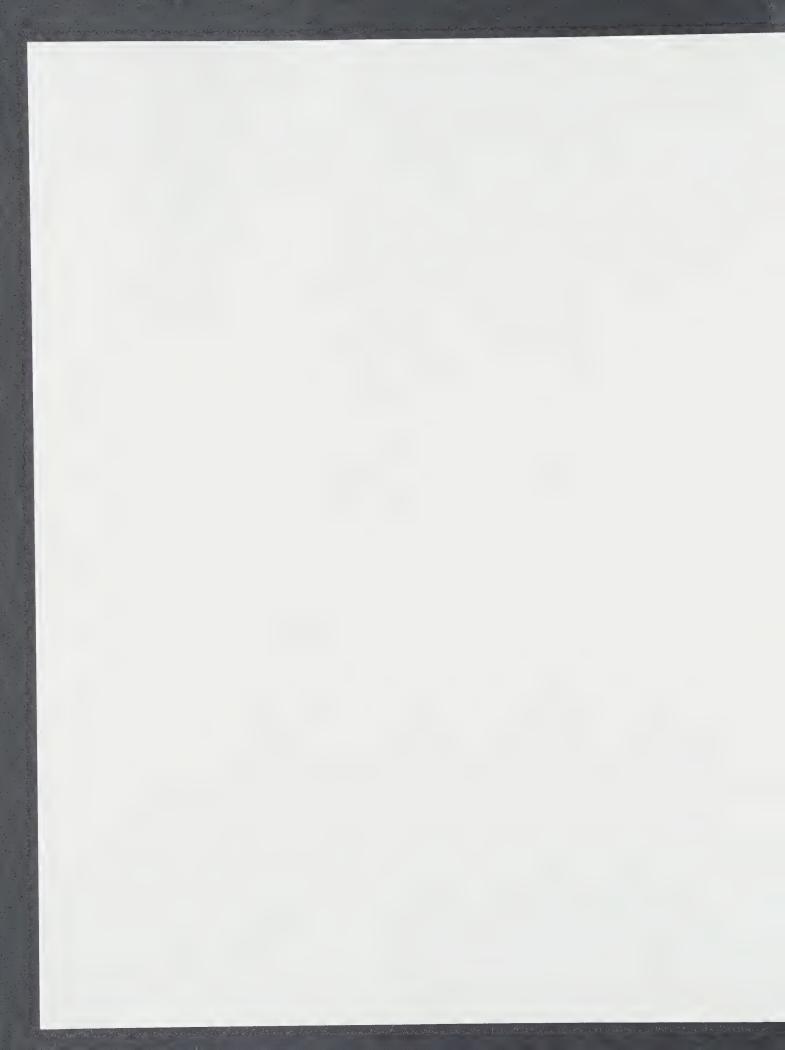
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Best personal regards,

Surrialy -Jo Spain



September 10, 1992

BY HAND

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. 1001 West St. Paul Avenue Milwaukee, Wisconsin 53233

Dear Jai:

I have sent you the list of the journals I own which are in the Aldrich library. I acquired these between 1950 and 1965, largely through exchange with the sets of Beilstein, complete through Volumes VI of the second supplement which I purchased from the Alien Property Custodian. I purchased ten sets, of which one is still in the Aldrich Library.

I have never been paid for these journals by Aldrich.

I have these alternatives:

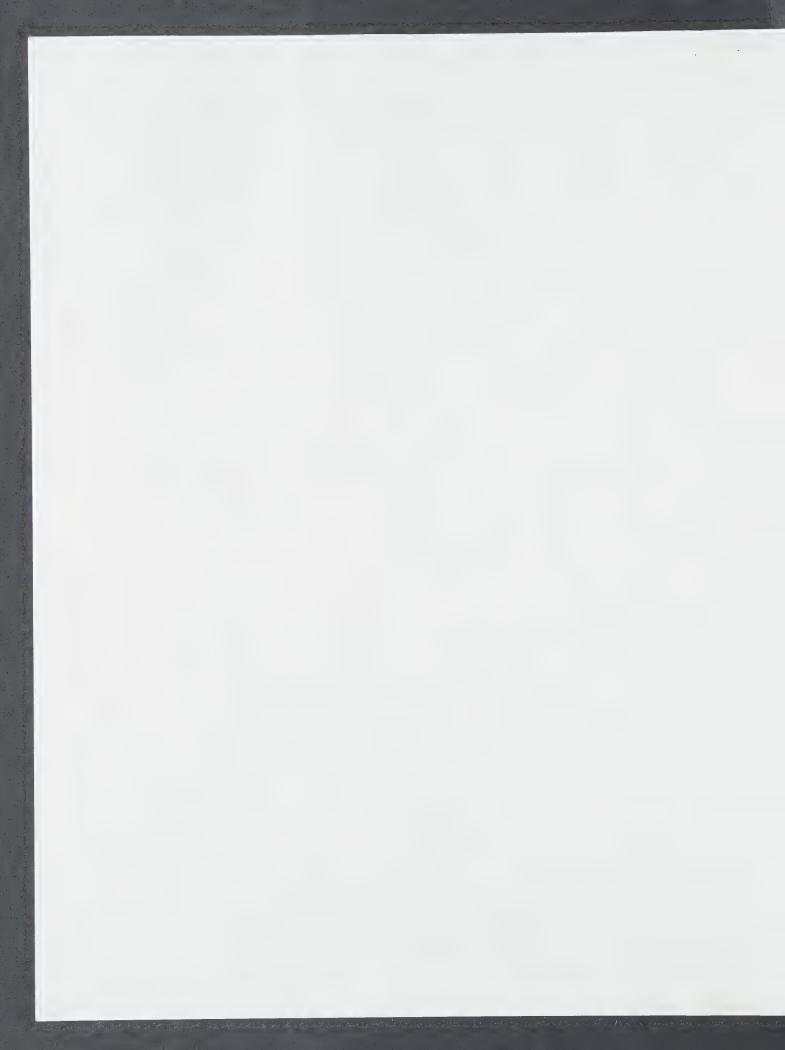
- (l) Take the books and sell them.
- (2) Take the books and give them to a university.
- (3) Sell the books to Aldrich.
- (4) Leave the books at Aldrich, provided Aldrich makes a gift to an organization of my choice.

My preference is (4), followed by (2). If you agree to (4), Aldrich's gift should be to Project SEED of the American Chemical Society, a project which tries to help disadvantaged students.

Please do have the journals valued. I think that you will find that the most valuable are the Berichte, one hundred years beginning with Volume I, and the Chemical Abstracts. I think that you will find that the replacement cost to Aldrich would be over \$50,000. If you agree to (4), Aldrich's gift to Project SEED should be \$25,000.

If you do not agree, I will pick up the books and give them to a school.

Best regards,



.Rough draft of letter to Dr. Jai Nagarkatti, President of Aldrich

Dear Jai:

I have sent you the list of the journals I own which are in the Aldrich library. I acquired these between 1950 and 1965, largely through exchange with the sets of Beilstein, complete through Volumes VI of the second supplement which I purchased from the Alien Property Custodian. I purchased ten sets, of which one is still in the Aldrich Library.

I have never been paid for these journals by Aldrich. Of course, until my dismissal, I had thought that these books should just stay with Aldrich; my cruel dismissal has changed my thinking. I have these alternatives:

- (1) take the books and sell them.
- Take the books and give them to a university. (2)
- (3) Sell the books to Aldrich.
- (4)Leave the books at Aldrich, provided Aldrich makes a gift to an organization of my choice.

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Best regards,

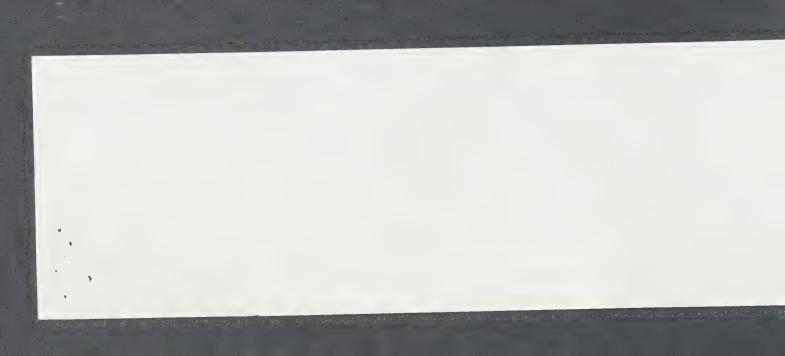
Alfred Bader

9/8/92

If you do not agree, I will gick up fle backs and give.

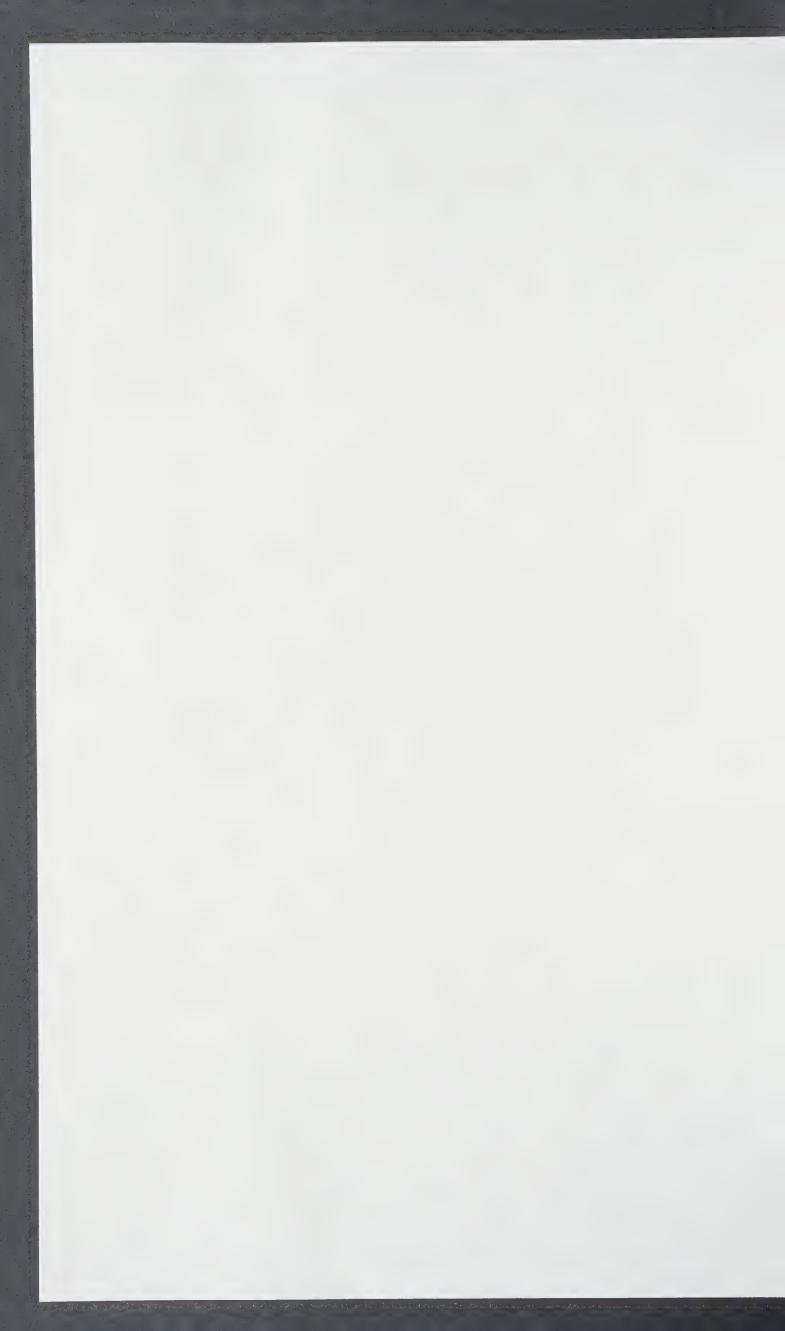






Deil Ain Town Set of conger Tuckson Annales (12(1918) - to (1918)

That pure of lest date Bel 1 [1666] - 98 (1965) Y Doco Chem Ind 12 (1883) - 44 (1925) y Clar Soc 103 (1913) - 1951 Horded Held 29 (1946) - 35 (1952) Harrier (ALS 29 (1901) - 36 (1914) ex MPL, Junchumo 37 (1915) - 82 (1960) Handed. CA 21 (1921) - 64 (1966) Handed. 100 compare to 195/0 Hander 1. I gendrated press andong to pets of Be. I stem, Then Haded 9 of Place for the almose A. Los unist Valuable



DR. ALFRED R. BADER
Suite 622
924 East Juneau Avenue
Milwaukee, Wisconsin 53202
Telephone 414-277-0730
Fax No. 414-277-0709

April 29, 1993

To: Marvin Klitsner, Esq.

Dear Marvin,

Note this interesting development.

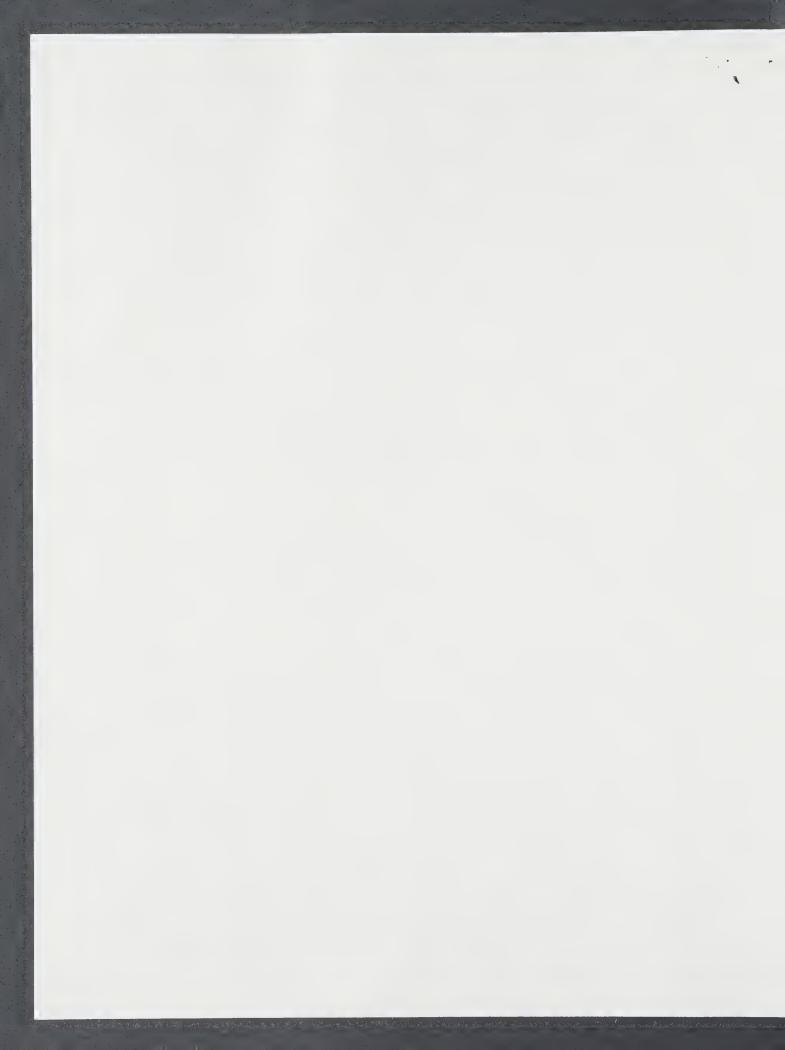
Should I try to take the books--which might not be easy--or engage a lawyer to obtain a court decision? Sadly, Jere has told me there is a conflict of interest so that Foley & Lardner could not represent me.

If the latter, could you suggest a young lawyer who will do as good a job as that lawyer did in my suit against the Milwaukee Auction Gallery.

I am not sure whether to be happy or unhappy about this; except for some money, I can't really lose as the publicity would be so good even if the court should decide against me.

Fond regards,

Enclosures





## SIGMA-ALDRICH

CORPORATION

SOSO SPAUCE STREET BAINT LOUIS, MISSOURI 62100 J.S.A. TELEPHONE, 314-771-5766 CABLE ADDRESS, SIGMACHEM TWX 1910-761-0509

April 28, 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dr. Alfred Bader 2961 North Shepherd Avenue Milwaukee, WI 53211

Dear Alfred:

We have checked the list of books you furnished us. Most do exist, but they are in the Aldrich library, not a part of your personal effects. We have been advised by counsel that we cannot turn over corporate assets without clear documentation. Under the circumstances, please furnish proof of your rights to possession and ownership.

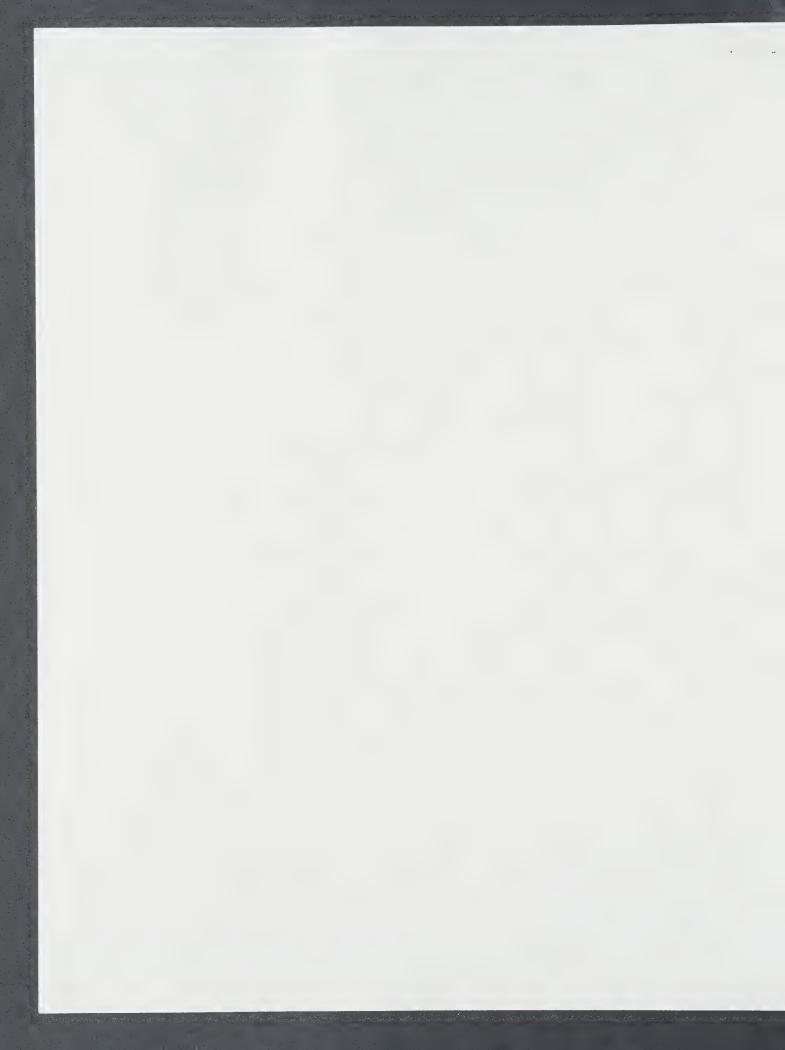
Very truly yours,

SIGMA-ALDRICH CORPORATION

Kirk A. Richter Controller

Kukor ille

KAR:tm



DR. ALFRED R. BADER
Suite 622
924 East Juneau Avenue
Milwaukee, Wisconsin 53202
Telephone 414-277-0730
Fax No. 414-277-0709

April 29, 1993

To: Mr. Kirk Richter

Sigma-Aldrich Corporation 1-800-535-2674

Dear Kirk:

In response to your fax of yesterday, the books of my list are not corporate assets, but were purchased and traded by me mainly in the 1950's. Aldrich never paid a penny for them.

Over many months, I have had long discussions and correspondence with Jai regarding this matter, and Jai clearly understands that these are my books; so do the older chemists at Aldrich.

Please consider my letter to Jai of February 26, 1993, Jai's draft of letter to Miss Martha Turckes of April 7, 1993, and my attempt to change Jai's mind as stated in my certified letter of April 21, 1993, with copy of my letters to Professors Bayer and Ochrymowycz. Please also note David Harvey's involvement in this.

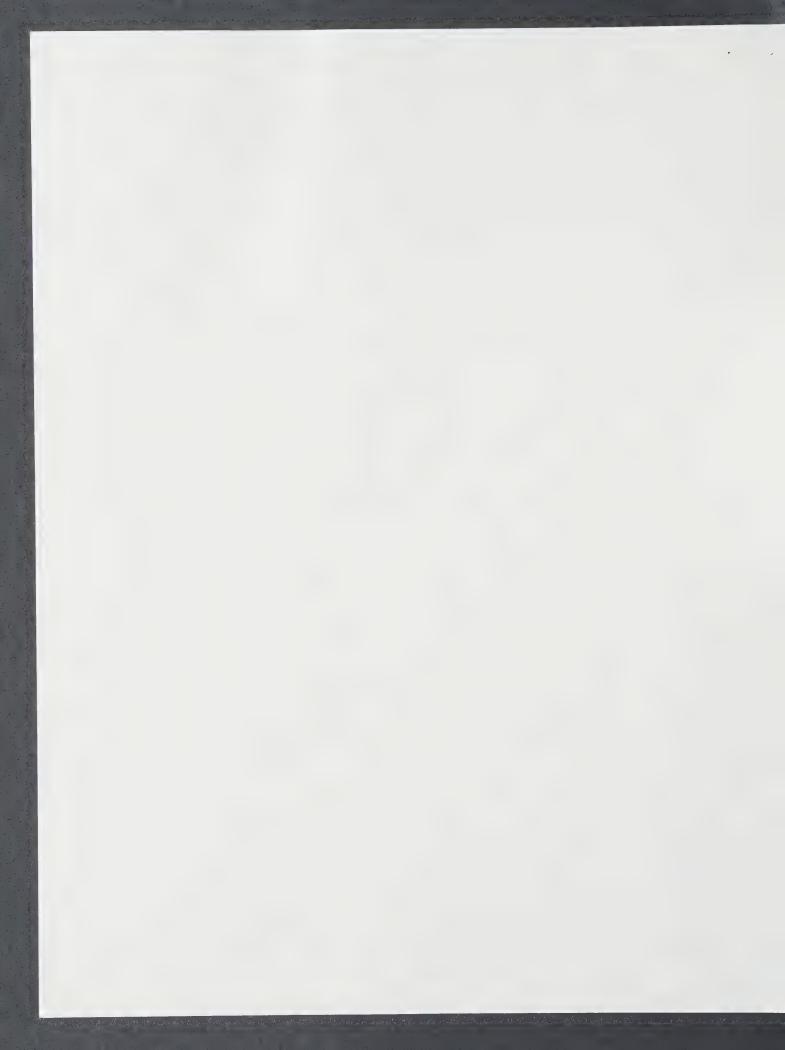
The clarity of the matter is corroborated by Jai's repeated offer to help in the packing of the books, and by his urging me last year to give the books to a school; see my letter to Jai of January 5, 1993 and the correspondence last year.

Please share all of this with your counsel, who will, I trust, agree that these are my books.

Best regards,

**Enclosures** 

c: Dr. Jai Nagarkatti









### ALFRED BADER FINE ARTS

DR. ALFRED BADER

ESTABLISHED 1961

February 26, 1993

Dr. Jai Nagarkatti
President
Aldrich Chemical Co., Inc.
P.O. Box 355
Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for your call yesterday with the good news that David Harvey is leaving the decision regarding my books in the library, to you.

Of course, you know that I would prefer to have the chemists at Aldrich continue to be able to use them; I don't think that there is another chemical library in Milwaukee as complete.

There is no question in my mind that the books are worth very much more than \$25,000 and that sum is not negotiable. Do check on what just the 100 years of Berichte from 1865 to 1965 would cost.

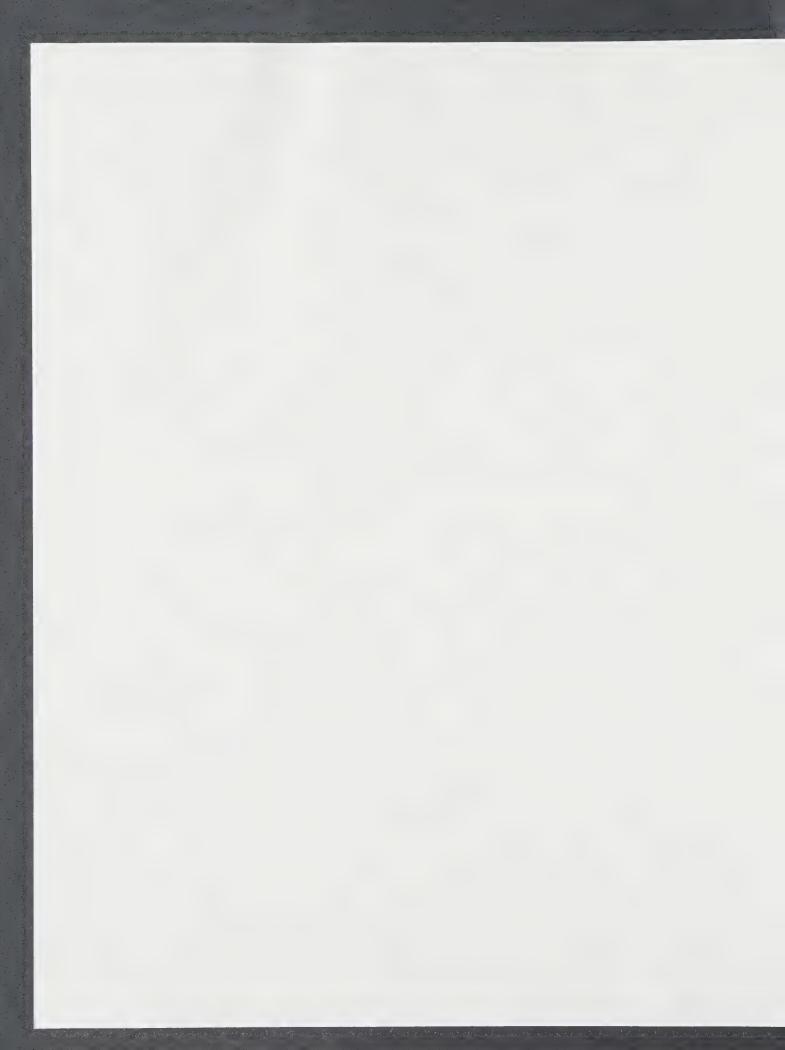
If you agree, then please send the check to Ms. Martha Turkes who is the Coordinator for Project SEED at the American Chemical Society, 1155 - 16th Street, N.W., Washington, D.C. 20036. There is no need to indicate in any way that this "gift" from Aldrich to Project SEED was initiated by me.

As you perhaps know, my family and I have committed \$300,000 to this very worthwhile project. Half comes from the Helen Bader Foundation and the other half from Isabel and me, and so far we have sent the A.C.S. half of the committed amount. The enclosed material will tell you a little about Project SEED.

If for any reason this is not agreeable, I will take up your offer for help packing, and I will then consider dividing the books between the chemistry departments at UW-Eau Claire (Professor Leo Ochrymowycz) and Carroll College.

Best wishes,

By Appointment Only
ASTOR HOTEL SUITE 622
924 EAST JUNEAU AVENUE
MILWAUKEE WISCONSIN USA 53202
TEL 414 277-0730 FAX 414 277-0709





2/6

### ALFRED BADER FINE ARTS

DR. ALFRED BADER

ESTABLISHED 1901

February 26, 1993

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

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Of course, you know that I would prefer to have the chemists at Aldrich continue to be able to use them; I don't think that there is another chemical library in Milwaukee as complete.

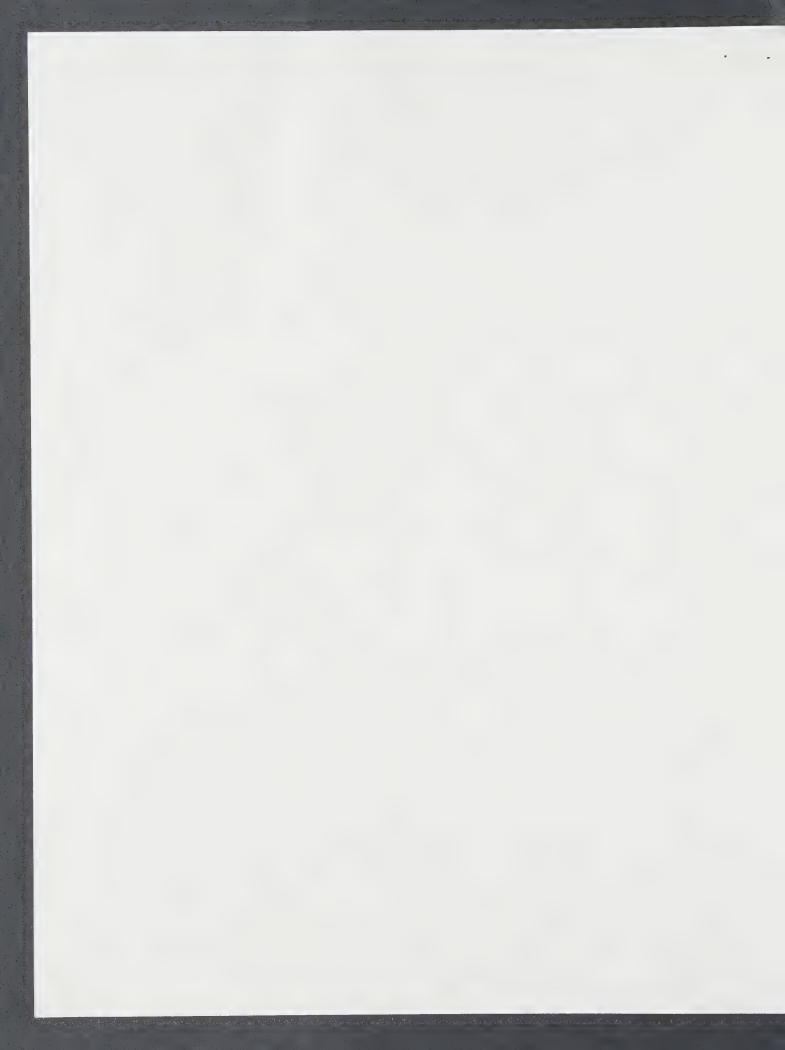
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Best wishes,



TO: 277-0709

- DRAFT -

TO:

DRAFT OF REPLY

April 7, 1993

As you know, I own many books in the Aldrich library; you have the list. Among the most valuable are the <a href="Berichte">Berichte</a> 1865-1965 and <a href="Beilstein">Beilstein</a> through 2 supplement, <a href="Vol.vI">Vol. VI</a>.

Miss Martha K. Turckes, Manager Office of High School Chemistry American Chemical Society 1155 16th Street, NW Washington, DC 20036

I think that the best place for these books is at Aldrich.

Provided that Aldrich will donate \$5000 annually to Project SEED of the ACS, beginning in 1993 and ending in 1997, I will donate all my books now at Aldrich to Aldrich.

Dear Miss Turckes:

I commend you for your role as coordinator of the American Chemical Society's project SEED.

We would like to support project SEED by making a cash contribution to this very worthy program. However, I request you to consider this as an anonymous contribution and not acknowledge Aldrich Chemical Company, Inc. in any form.

Enclosed is a check for \$5,000 for 1993 and we will consider continuing this support in the same amount for the next four years.

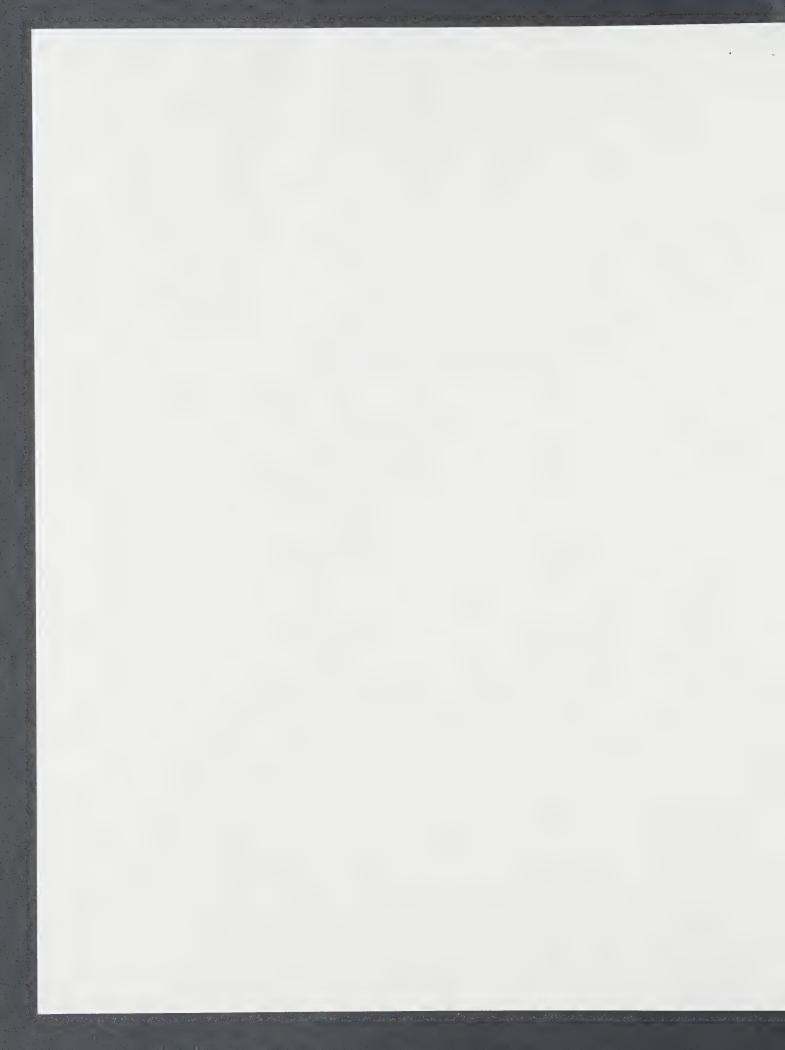
Sincerely,

Jai P. Nagarkatti President, Aldrich Chemical Co., Inc.

JPN/rjz

c: Leonard Rochwerger

Enclosure



7114

April 21, 1993

CERTIFIED MAIL Return Receipt Requested

Dr. Jai Nagarkatti, President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

This is to confirm our conversation today in which you told me that you would prefer my giving the books away and that you will allow me to bring in a book seller, Michael Hatcher, to appraise the books for me.

Enclosed is another copy of the list of books which I gave to you awhile ago, as well as a draft of a letter which I plan to send to Professors Bayer and Ochrymowycz on April 26th.

I personally believe that you are making a mistake, but of course the decision must be yours.

Best regards.

Sincerely,

Is your RETURN ADDRESS completed on the reverse side?	Complete items 3, and 4a & b.     Print your name and address on the reverse of this form so that we can retern this card to you.     Attach this form to the front of the mailpiece, or on the back if space does not permit.     Write "Return Receipt Requested" on the mailpiece below the article number.     The Return Receipt will show to whom the article was delivered and the date delivered.		Consult postmaster for fee.	Receipt Service.	
	3. Article Addressed to: Dr. Jai Nagarkatti Aldrich Chemical Co., Inc. 1001 W. St. Paul Avenue Milwaukee, WI 53233	p 0 4b. Ser □ Regis □ Certi □ Expre	icle Number  192 994 008  vice Type stered	ou for using Return	
	5. Signature (Addressee) 6. Signature (Agent) PS Form 381, December 1991   U.S.G.P.O.: 1992-307	8. Addressee's Address (Only if requested and fee is paid)  APR 2 3 1993  107-530 DOMESTIC RETURN RECEIPT		Than	



2/1

April 27, 1993

and

Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186 Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

Dear Richard and Leo:

I own a good many chemical journals and Beilstein which are at Aldrich, and Dr. Nagarkatti, the President of Aldrich has told me that Aldrich will be getting them replaced on microfilm so that I can do with them whatever I like. A list of these books is enclosed.

All the major universities in this country will have these books, but some of the smaller schools may not. My two favorite smaller schools are Carroll College and the University of Wisconsin in Eau Claire, and so I would like to split these between you.

Could you please help me by telling me the order of preference that you have for your libraries so that I can divide them between your schools.

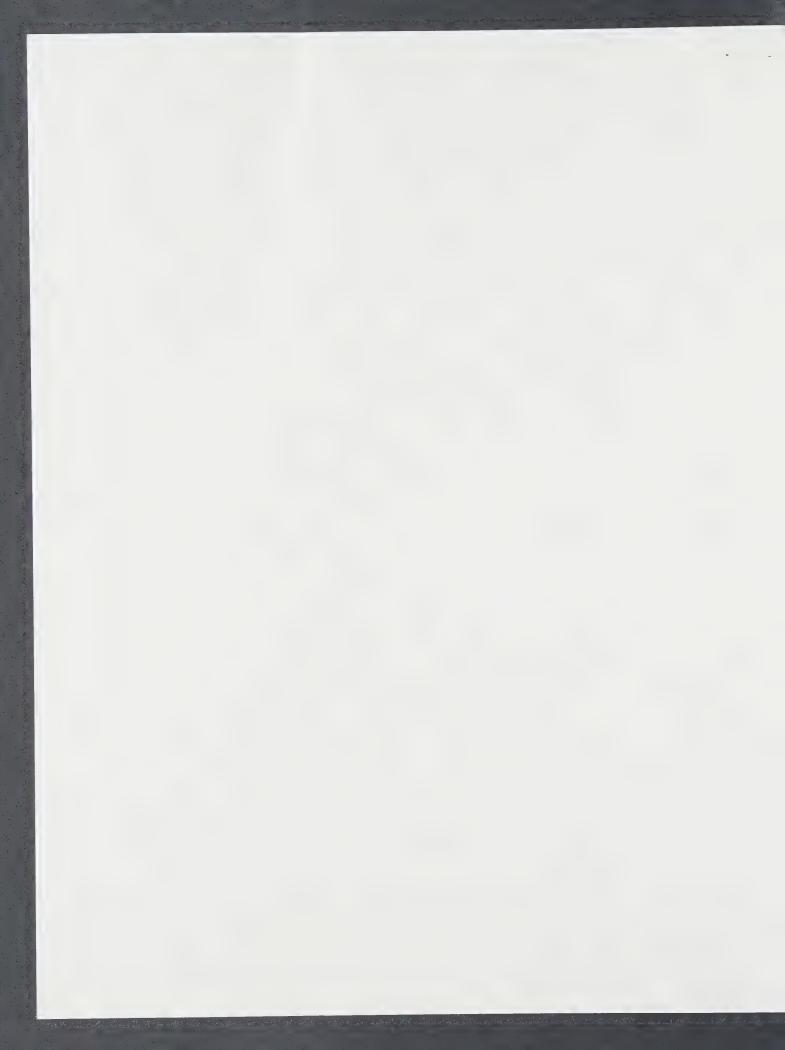
As I am leaving for Europe on May 14, I would like to finalize on the division and shipment to you before then. Dr. Nagarkatti has assured me that Aldrich will help with the packing and shipping of the books to you.

All good wishes and best personal regards.

Sincerely,

Enclosure

c: Dr. Jai Nagarkatti



January 5, 1993

6/6

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for once again discussing my books at Aldrich, and particularly for offering to have someone help me with packing.

If, upon careful reflection, your decision really is to let me take the books, then I should pay for the recent cost of rebinding the Berichte, from 1865 to 1965, which was done just two or three years ago; Accounting should have the invoice.

But remember: the books are worth much more than \$25,000, and I did not request that the check from Aldrich to Project SEED be made in my honor, or even mentioning me--just that Aldrich send it.

All good wishes for 1993 to you, your family and everyone at Aldrich

Sincerely,

hand







### April 27, 1993

and

Professor Richard E. Bayer
Department of Chemistry
Carroll College
100 North East Avenue
Waukesha, Wisconsin 53186

Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

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Enclosure

c: Dr. Jai Nagarkatti



FROM: ALDRICH CHEMICAL MKE

TO: 277-0709

- DRAFT -

DRAFT OF REPLY

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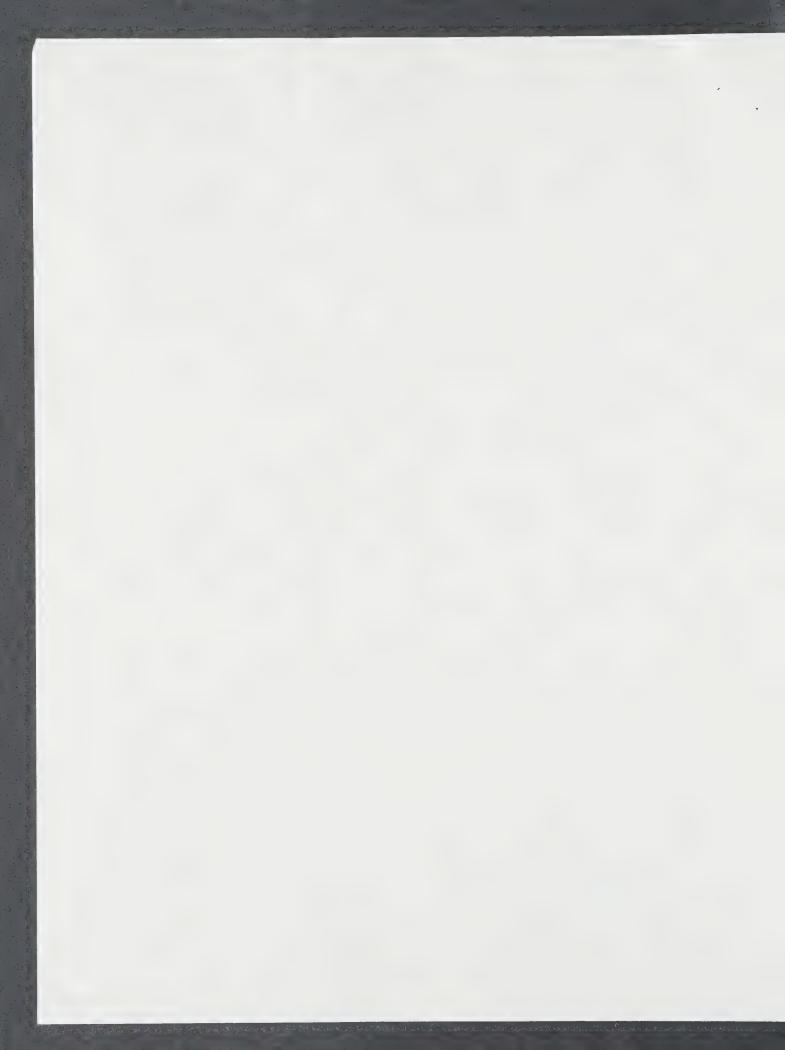
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Jai P. Nagarkatti President, Aldrich Chemical Co., Inc.

JPN/rjz

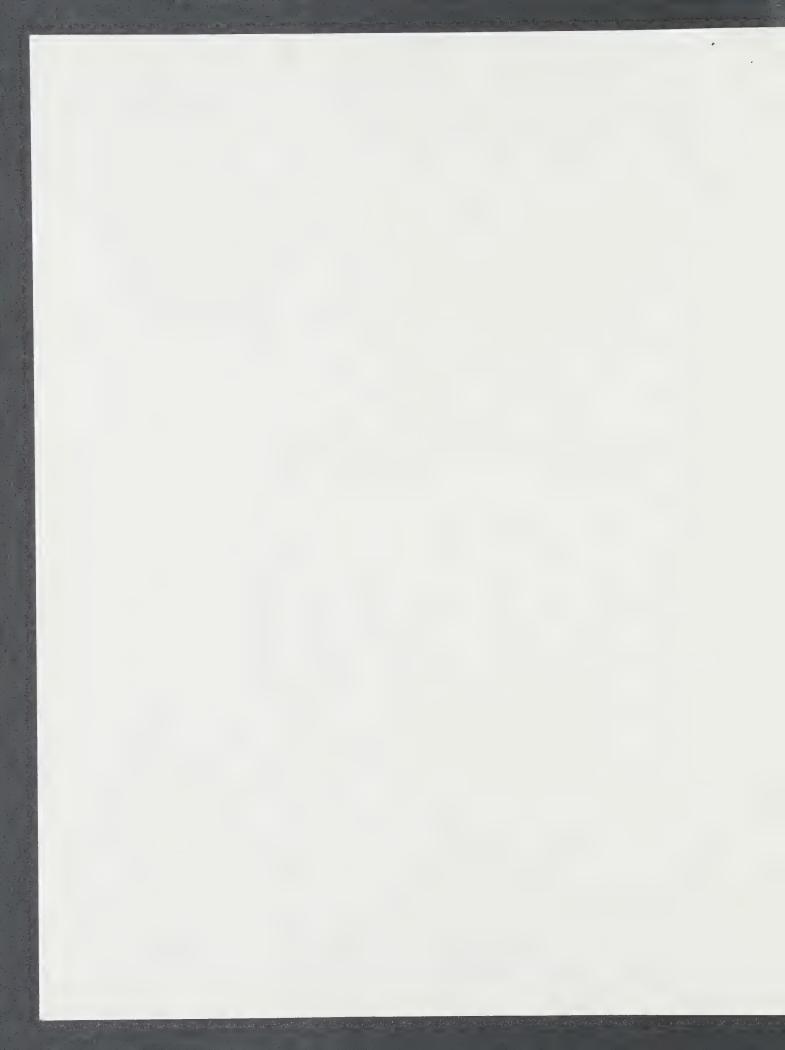
c: Leonard Rochwerger

Enclosure



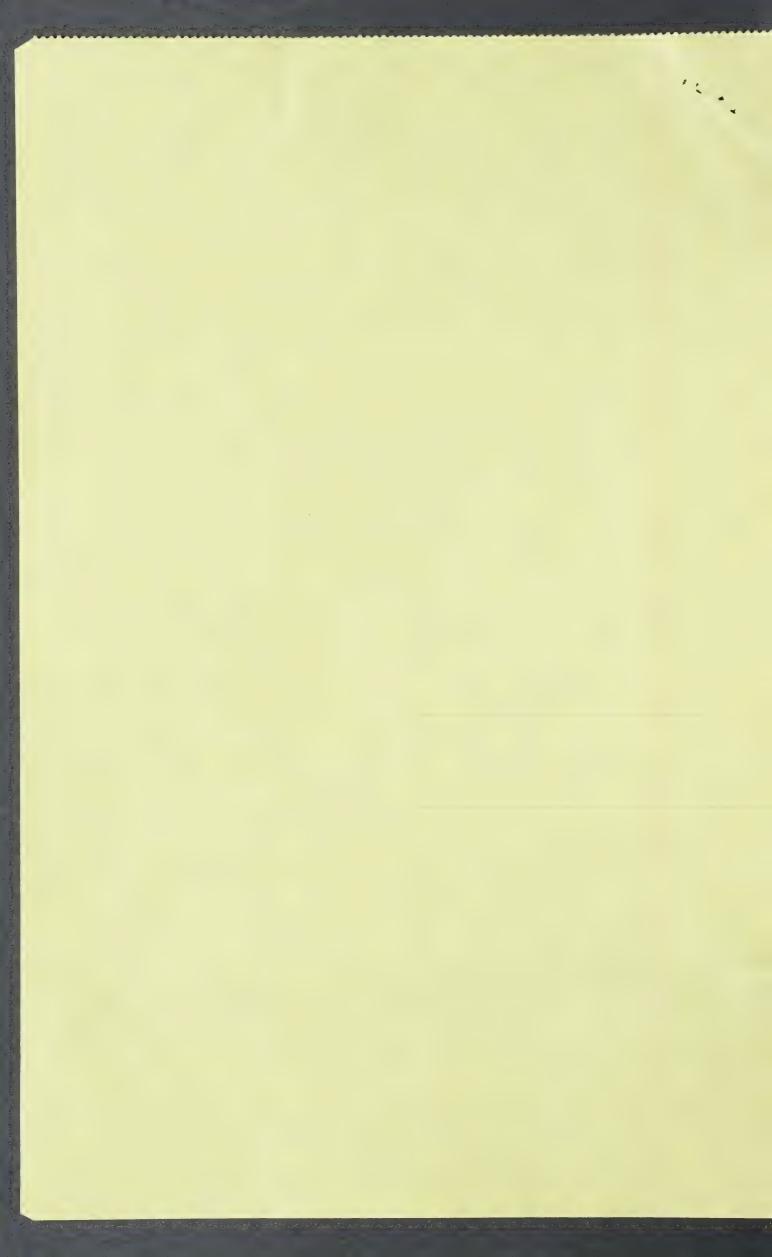
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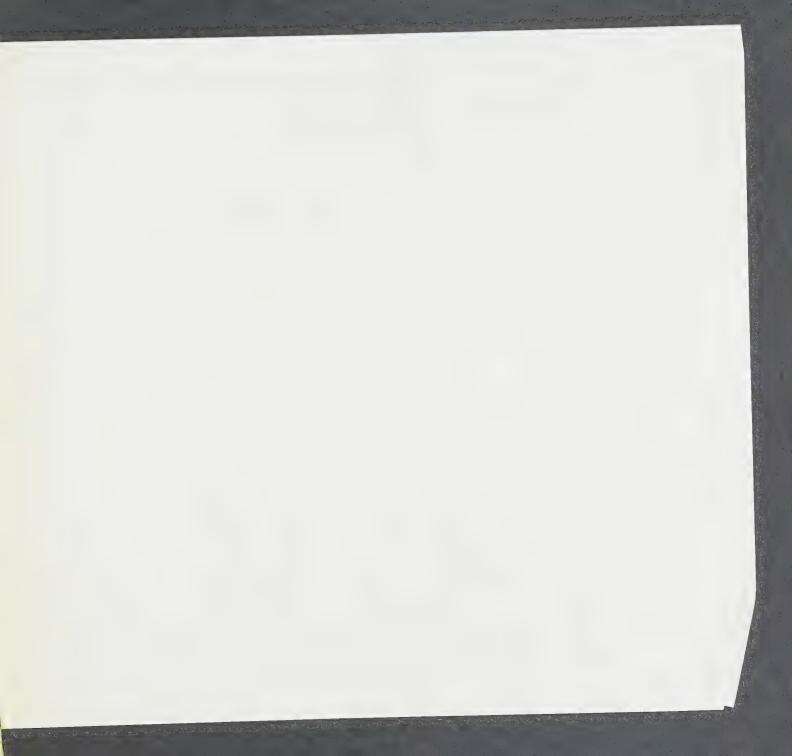
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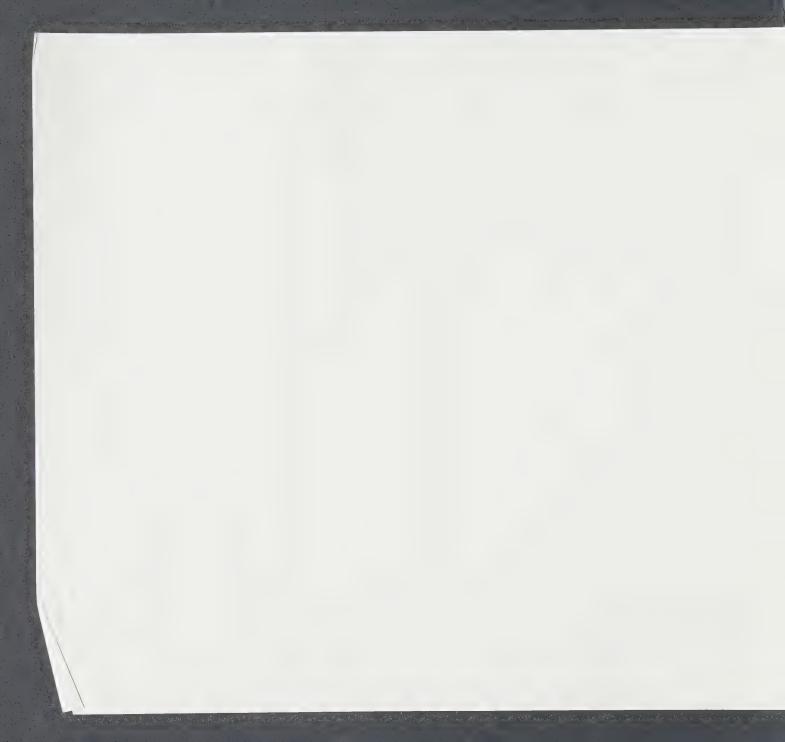


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Bed with







**FAX FROM** 

DR. ALFRED R. BADER Suite 622 924 East Juneau Avenue Milwaukee, Wisconsin 53202 Telephone 414-277-0730 Fax No. 414-277-0709

April 8, 1993

To:

M. Klitsner, Esq. 972 2 660 860

Dear Marvin,

As you know, I have been going back and forth with Aldrich about the books. Jai understands how important they are to the company and finally David Harvey told him to do what he thinks best. He told me that \$25,000 in one year would be a real burden and so I suggested \$5000 per year to Project SEED, guaranteed for 5 years.

Jai then drafted the attached letter in which I disliked the phrase "We will consider continuing this support...".

When I discussed this with Jai and asked him to change the last paragraph of his letter to "We will continue this support..." he said that he had difficulties with it, in case we run into real financial problems in the future.

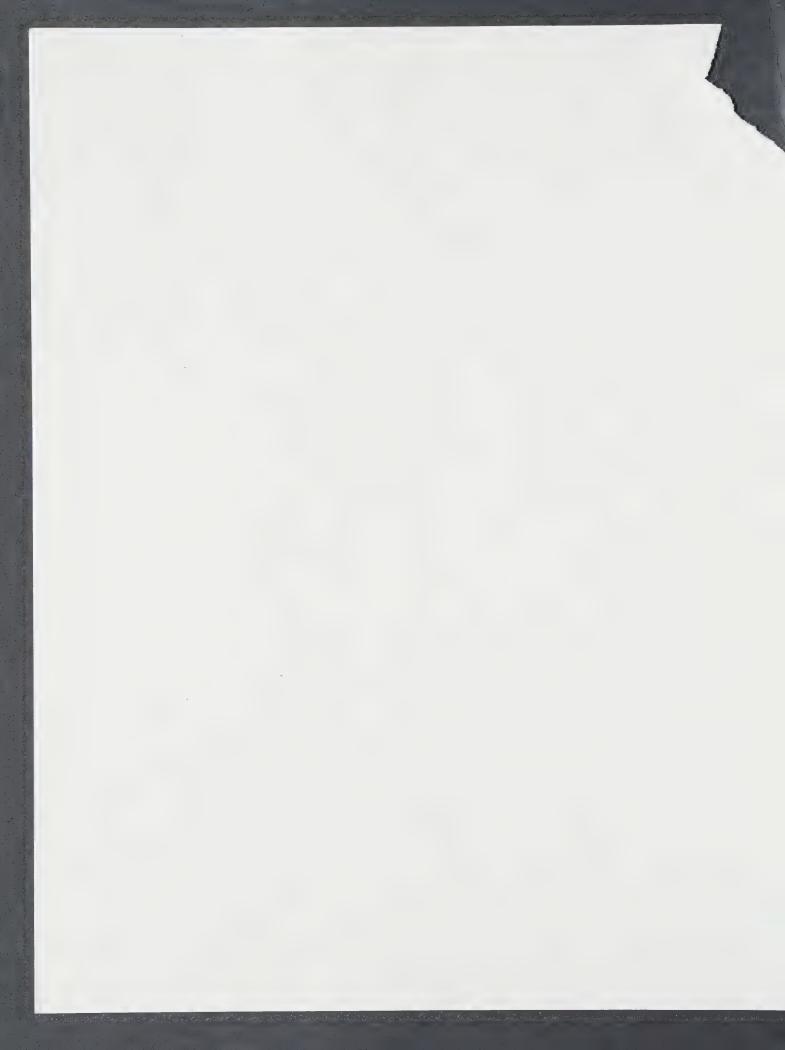
Should I strengthen my argument by saying something like "title to the books will pass to Aldrich when full payment of \$25,000 will have been made"?

Naturally I want to help Jai, but I also want to make sure that the books are mine until the full payment is made.

Fond regards from house to house,

EA down to 47.

Bill delisted received jan letter. Dhæned he ealt yen?





## ALFRED BADER FINE ARTS

DR. ALFRED BADER

ESTABLISHED 1961

February 26, 1993

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for your call yesterday with the good news that David Harvey is leaving the decision regarding my books in the library, to you.

Of course, you know that I would prefer to have the chemists at Aldrich continue to be able to use them; I don't think that there is another chemical library in Milwaukee as complete.

There is no question in my mind that the books are worth very much more than \$25,000 and that sum is not negotiable. Do check on what just the 100 years of Berichte from 1865 to 1965 would cost.

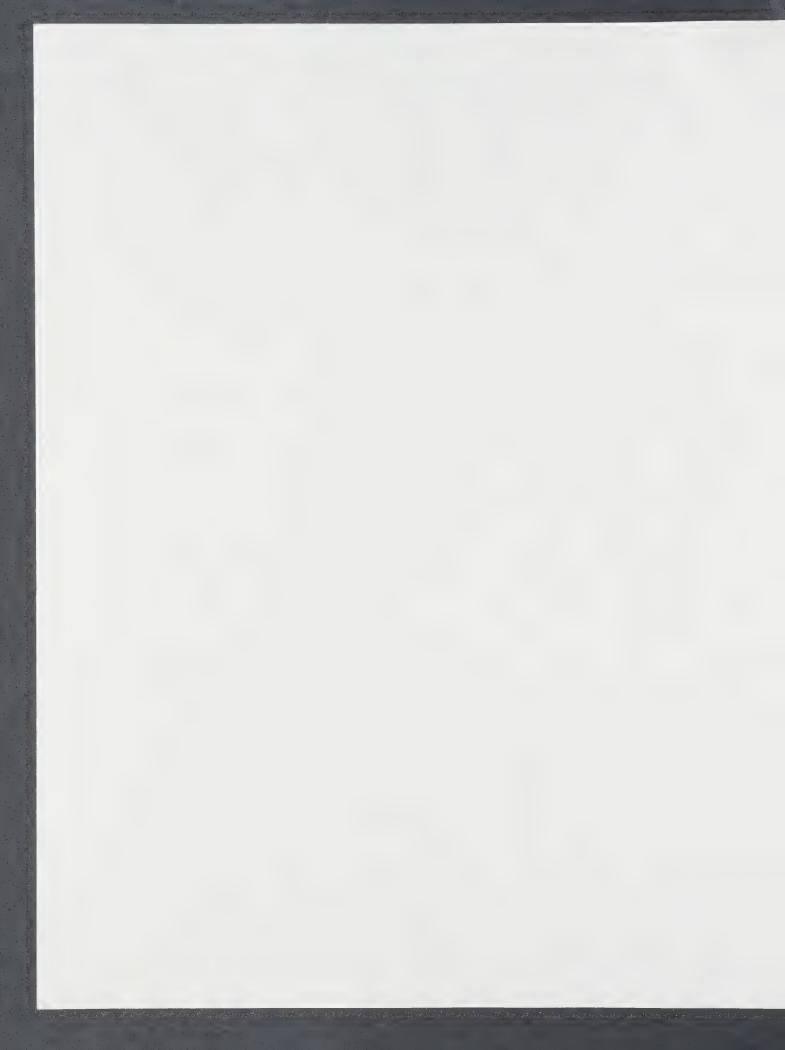
If you agree, then please send the check to Ms. Martha Turkes who is the Coordinator for Project SEED at the American Chemical Society, 1155 - 16th Street, N.W., Washington, D.C. 20036. There is no need to indicate in any way that this "gift" from Aldrich to Project SEED was initiated by me.

As you perhaps know, my family and I have committed \$300,000 to this very worthwhile project. Half comes from the Helen Bader Foundation and the other half from Isabel and me, and so far we have sent the A.C.S. half of the committed amount. The enclosed material will tell you a little about Project SEED.

If for any reason this is not agreeable, I will take up your offer for help packing, and I will then consider dividing the books between the chemistry departments at UW-Eau Claire (Professor Leo Ochrymowycz) and Carroll College.

Best wishes,

By Appointment Only
ASTOR HOTEL SUITE 622
924 EAST JUNEAU AVENUE
MILWAUKEE WISCONSIN USA 53202
TEL 414 277-0730 FAX 414 277-0709



January 5, 1993

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for once again discussing my books at Aldrich, and particularly for offering to have someone help me with packing.

If, upon careful reflection, your decision really is to let me take the books, then I should pay for the recent cost of rebinding the Berichte, from 1865 to 1965, which was done just two or three years ago; Accounting should have the invoice.

But remember: the books are worth much more than \$25,000, and I did not request that the check from Aldrich to Project SEED be made in my honor, or even mentioning me-just that Aldrich send it.

All good wishes for 1993 to you, your family and everyone at Aldrich

Sincerely,

By homa



September 17, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

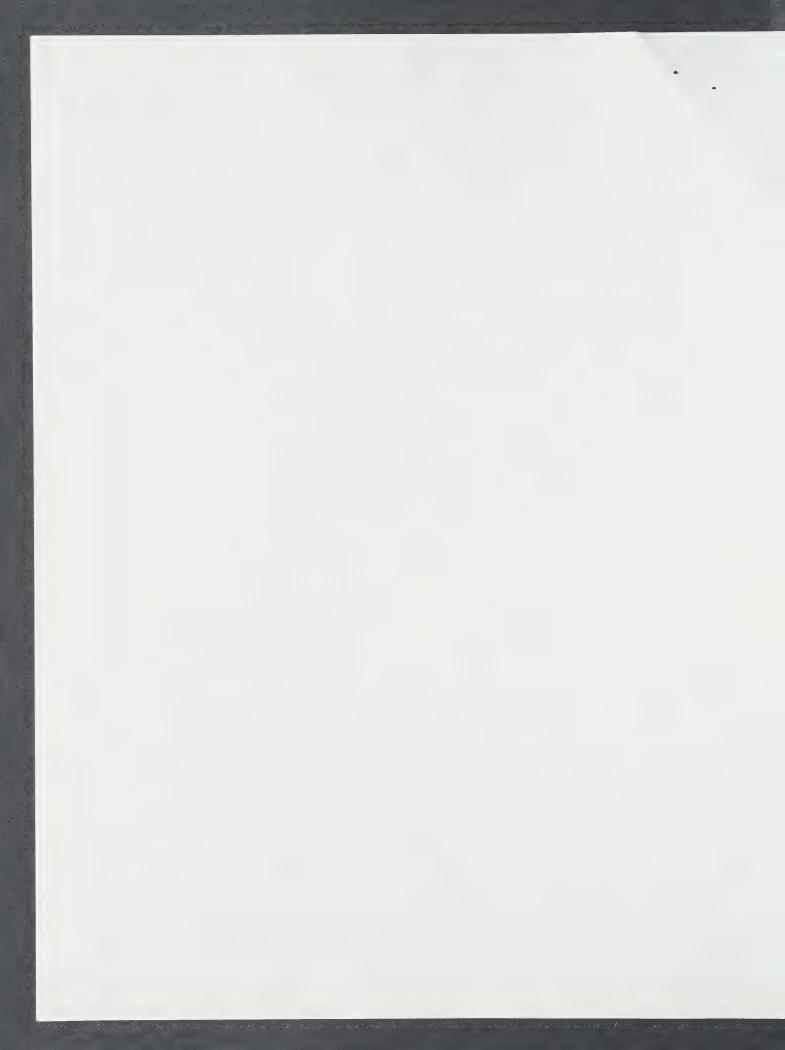
Thank you for your kind words on Tuesday, telling me that if you were I you would just take the books and give them to a school. Of course, that is an option, but if I am to do that I must reimburse Aldrich for the cost of binding some of the books. I believe the Berichten were rebound, and perhaps others also. Pleasse send me Xerox copies of the invoices to Aldrich.

I still believe that it would be in the best interest of the company to keep the books; doing library work without Beilstein, Berichter, etc., will not be easy. The books are certainly worth far more than \$25,000.

No matter how I was treated, I still think of Aldrich as a father would of his child.

Best personal regards,

a friidly 
Jo Spain



MY

# Dr. Alfred R. Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

September 10, 1992

BY HAND

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. 1001 West St. Paul Avenue Milwaukee, Wisconsin 53233

Dear Jai:

I have sent you the list of the journals I own which are in the Aldrich library. I acquired these between 1950 and 1965, largely through exchange with the sets of Beilstein, complete through Volumes VI of the second supplement which I purchased from the Alien Property Custodian. I purchased ten sets, of which one is still in the Aldrich Library.

I have never been paid for these journals by Aldrich.

I have these alternatives:

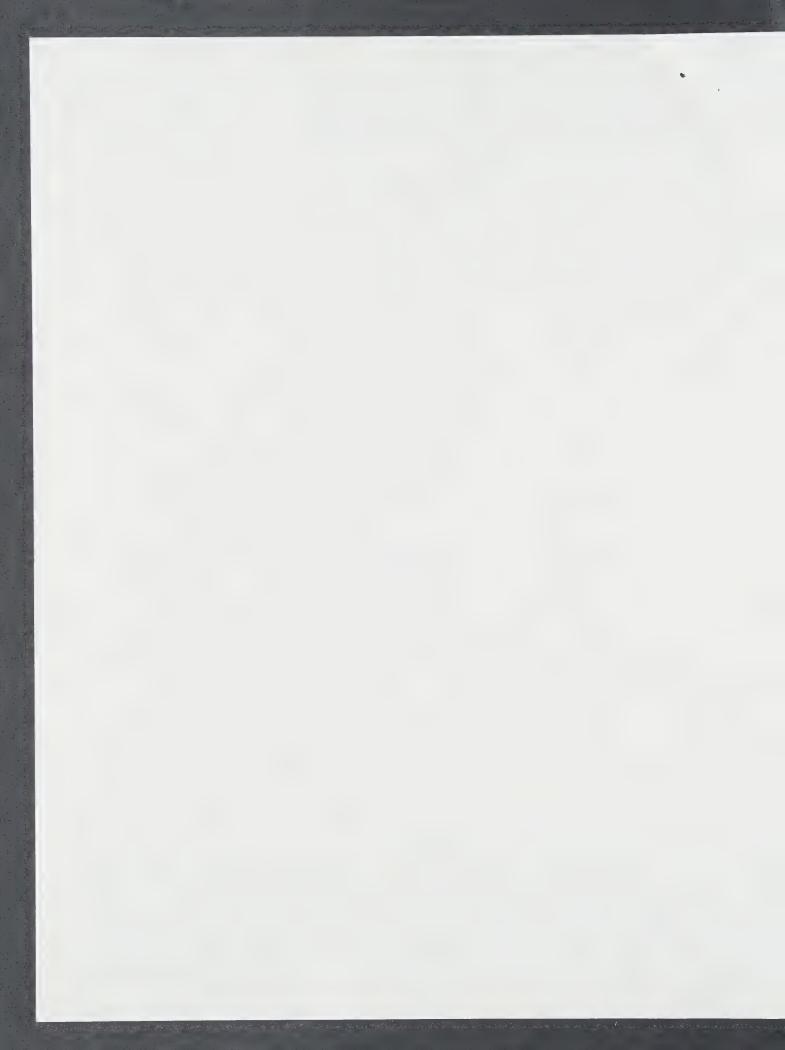
- (l) Take the books and sell them.
- (2) Take the books and give them to a university.
- (3) Sell the books to Aldrich.
- (4) Leave the books at Aldrich, provided Aldrich makes a gift to an organization of my choice.

My preference is (4), followed by (2). If you agree to (4), Aldrich's gift should be to Project SEED of the American Chemical Society, a project which tries to help disadvantaged students.

Please do have the journals valued. I think that you will find that the most valuable are the Berichte, one hundred years beginning with Volume I, and the Chemical Abstracts. I think that you will find that the replacement cost to Aldrich would be over \$50,000. If you agree to (4), Aldrich's gift to Project SEED should be \$25,000.

If you do not agree, I will pick up the books and give them to a school.

Best regards,



November 7, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Isabel and I have been travelling so much in the last two months that we hardly had two consecutive days in Milwaukee. Right now, we are on our way to England and will return on December 22nd.

I hope that my letter of September 17th, copy enclosed, has not gotten lost.

Please let me have your decision. If you really do want me to give the books to a school, please send me a copy of the invoice for binding, for reimbursement to Aldrich. But I really do believe that Aldrich puts these books to very good use and that they are really worth far more than \$25,000. On the other hand, Project SEED is very deserving and will surely put the money to good use.

Best personal regards,

Enclosure

(Dictated by Dr. Bader and signed in his absence)

September 17, 1992

Dr. Jai Nagarkatti President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

Thank you for your kind words on Tuesday, telling me that if you were I you would just take the books and give them to a school. Of course, that is an option, but if I am to do that I must reimburse Aldrich for the cost of binding some of the books. I believe the Berichten were rebound, and perhaps others also. Pleaste send me Xerox copies of the invoices to Aldrich.

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No matter how I was treated, I still think of Aldrich as a father would of his child.

Best personal regards,

Surricaly -Just off to Spain

## Books in Aldrich Library Owned by Alfred Bader

Beilstein I complete, II complete, III to Vol. VI

Annalen 1958--1968

Berichte 1 (1868)--98 (1965)

J.Soc.Chem.Ind. 12 (1883)--44 (1925)

J.Chem.Soc. 1913--1951

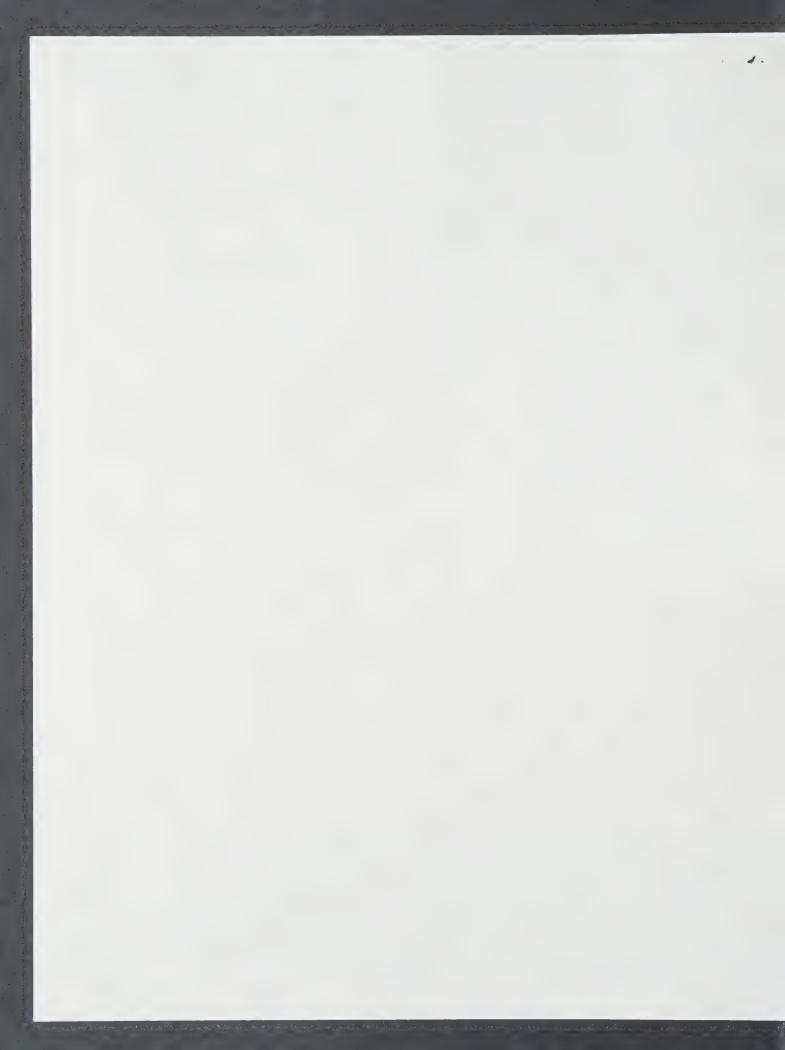
Helv. 29 (1946)--35 (1952)

JACS 29 (1907)--36 (1914)

JACS 37 (1915)--82 (1960)

CA 21 (1921)--64 (1966)

JOC complete to 1956







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Beilstein I complete, II complete, III to Vol. VI

Annalen 1958--1968

Berichte 1 (1868)--98 (1965)

J.Soc.Chem.Ind. 12 (1883)--44 (1925)

J.Chem.Soc. 1913--1951

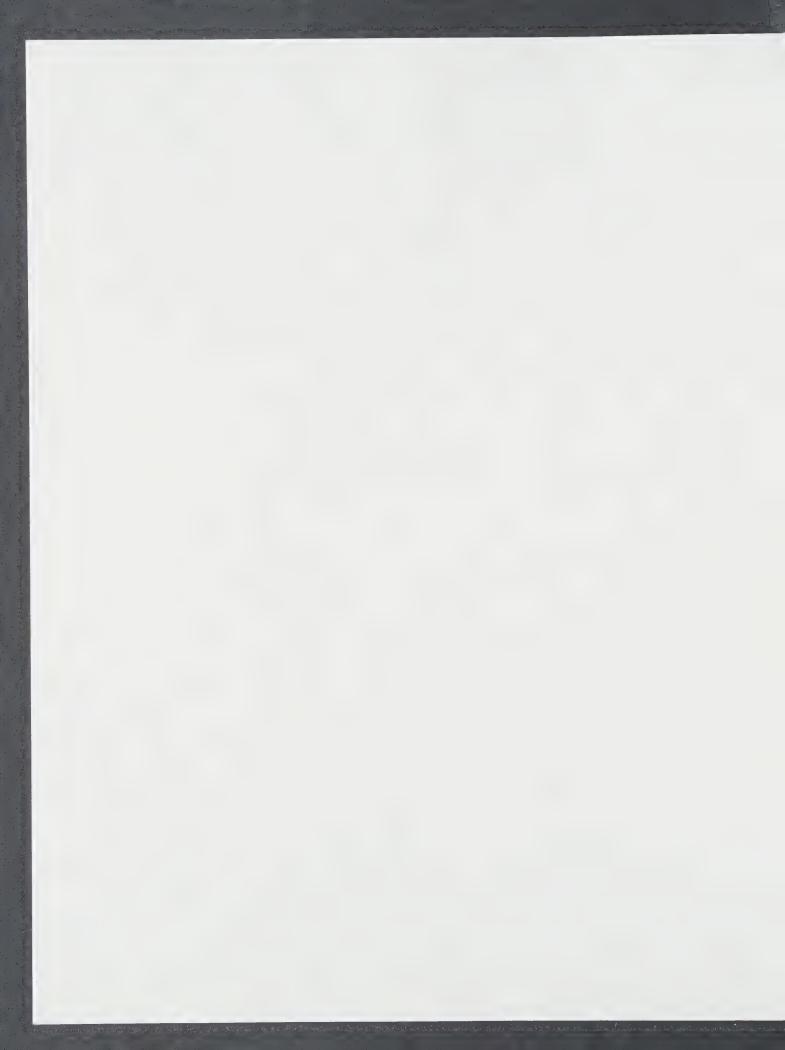
Helv. 29 (1946)--35 (1952)

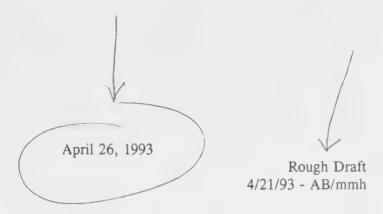
JACS 29 (1907)--36 (1914)

JACS 37 (1915)--82 (1960)

CA 21 (1921)--64 (1966)

JOC complete to 1956





Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186 Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

Dear Richard and Leo:

I own a good many chemical journals and Beilstein which are at Aldrich, and Dr. Nagarkatti, the President of Aldrich has told me that Aldrich will be getting them replaced on microfilm so that I can do with them whatever I like. A list of these books is enclosed.

and

All the major universities in this country will have these books, but some of the smaller schools may not. My two favorite smaller schools are Carroll College and the University of Wisconsin in Eau Claire, and so I would like to split these between you.

Could you please help me by telling me the order of preference that you have for your libraries so that I can divide them between your schools.

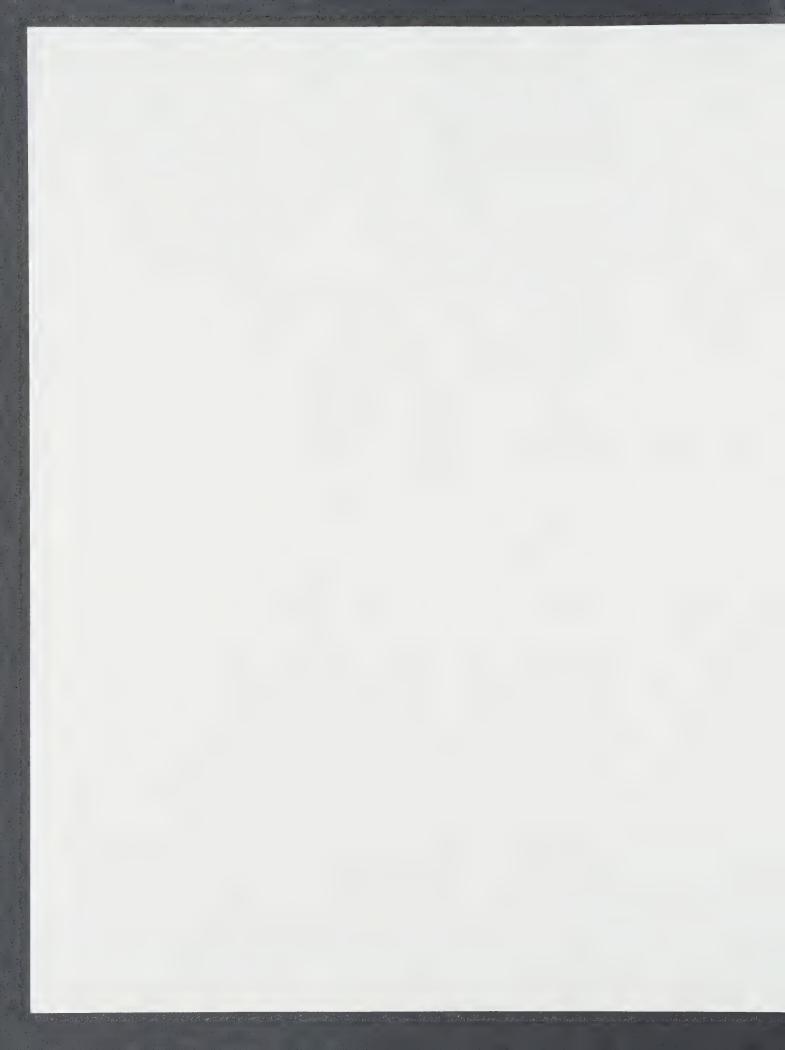
As I am leaving for Europe on May 14, I would like to finalize on the division and shipment to you before then. Dr. Nagarkatti has assured me that Aldrich will help with the packing and shipping of the books to you.

All good wishes and best personal regards.

Sincerely,

Enclosure

c: Dr. Jai Nagarkatti



Dr. Alfred Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

April 21, 1993

CERTIFIED MAIL
Return Receipt Requested

Dr. Jai Nagarkatti, President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

This is to confirm our conversation today in which you told me that you would prefer my giving the books away and that you will allow me to bring in a book seller, Michael Hatcher, to appraise the books for me.

Enclosed is another copy of the list of books which I gave to you awhile ago, as well as a draft of a letter which I plan to send to Professors Bayer and Ochrymowycz on April 26th.

I personally believe that you are making a mistake, but of course the decision must be yours.

Best regards.

Sincerely,

Enclosures

Dear Marvin

to make pure fler will

be no complications.

Love

Gep. a



April 26, 1993

and

Rough Draft 4/21/93 - AB/mmh

Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186

Professor Leo A. Ochrymowycz
Department of Chemistry
University of Wisconsin
Eau Claire, Wisconsin 54701

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Sincerely,

Enclosure

c: Dr. Jai Nagarkatti



SENDER:  Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. Print your name and address on the reverse of this form so the return this card to you. Attach this form to the front of the mailpiece, or on the back is does not permit. Write "Return Receipt Requested" on the mailpiece below the article. The Return Receipt will show to whom the article was delivered and delivered.	f space  1. Addressee's Address  cle number and the date  Consult postmaster for fee.
3. Article Addressed to: Dr. Jai Nagarkatti Aldrich Chemical Co., Inc. 1001 W. St. Paul Avenue Milwaukee, WI 53233	4a. Article Number  p 992 994 008  4b. Service Type Registered Insured Certified COD Express Mail Return Receipt for Merchandise  7. Date of Delivery
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Receipt for Certified Mail No Insurance Coverage Provided Do not use for International Mail (See Reverse)  Sent to Dr. Jai Nagarkatti	

Sent to
Dr. Jai Nagarkatti

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Milwaukee, WI 53233

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Dr. Alfred Bader Astor Hotel, Suite 622 924 E. Juneau Avenue Milwaukee, WI

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- 5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
- 6. Save this receipt and present it if you make inquiry.

Dr. Alfred Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

April 21, 1993

CERTIFIED MAIL Return Receipt Requested

Dr. Jai Nagarkatti, President Aldrich Chemical Co., Inc. P.O. Box 355 Milwaukee, Wisconsin 53201

Dear Jai:

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Best regards.

Sincerely,

Enclosures



Dr. Alfred Bader 2961 North Shepard Avenue Milwaukee, Wisconsin 53211

April 27, 1993

and

Professor Richard E. Bayer Department of Chemistry Carroll College 100 North East Avenue Waukesha, Wisconsin 53186 ✓ Professor Leo A. Ochrymowycz Department of Chemistry University of Wisconsin Eau Claire, Wisconsin 54701

Dear Richard and Leo:

I own a good many chemical journals and Beilstein which are at Aldrich, and Dr. Nagarkatti, the President of Aldrich has told me that Aldrich will be getting them replaced on microfilm so that I can do with them whatever I like. A list of these books is enclosed.

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Sincerely,

Enclosure

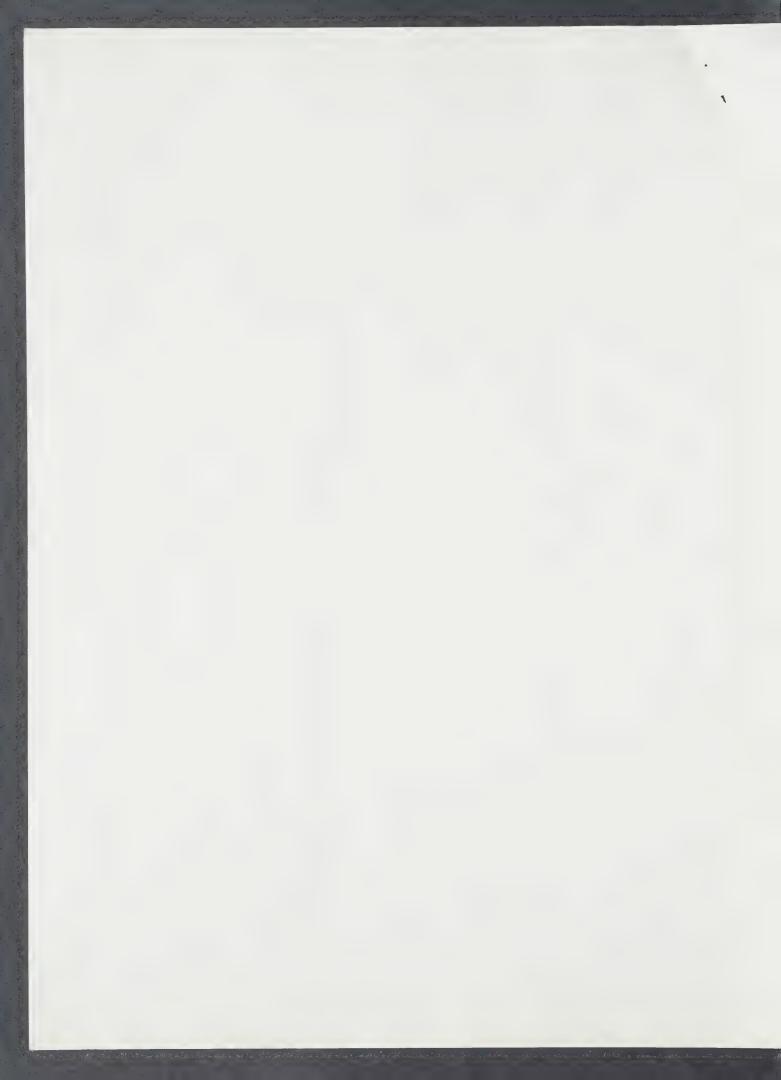
c: Dr. Jai Nagarkatti



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DR. ALFRED R. BADER
Suite 622
924 East Juneau Avenue
Milwaukee, Wisconsin 53202
Telephone 414-277-0730
Fax No. 414-277-0709

April 29, 1993

To: Mr. Kirk Richter

Sigma-Aldrich Corporation

1-800-535-2674

Dear Kirk:

In response to your fax of yesterday, the books of my list are not corporate assets, but were purchased and traded by me mainly in the 1950's. Aldrich never paid a penny for them.

Over many months, I have had long discussions and correspondence with Jai regarding this matter, and Jai clearly understands that these are my books; so do the older chemists at Aldrich.

Please consider my letter to Jai of February 26, 1993, Jai's draft of letter to Miss Martha Turckes of April 7, 1993, and my attempt to change Jai's mind as stated in my certified letter of April 21, 1993, with copy of my letters to Professors Bayer and Ochrymowycz. Please also note David Harvey's involvement in this.

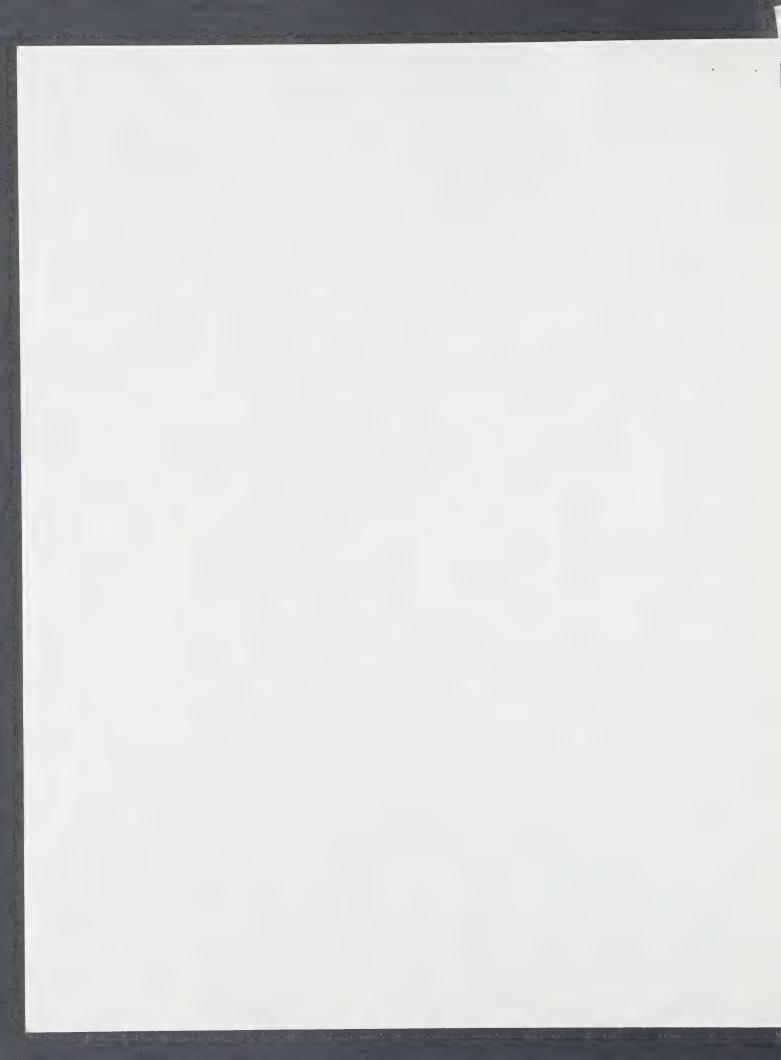
The clarity of the matter is corroborated by Jai's repeated offer to help in the packing of the books, and by his urging me last year to give the books to a school; see my letter to Jai of January 5, 1993 and the correspondence last year.

Please share all of this with your counsel, who will, I trust, agree that these are my books.

Best regards,

Enclosures

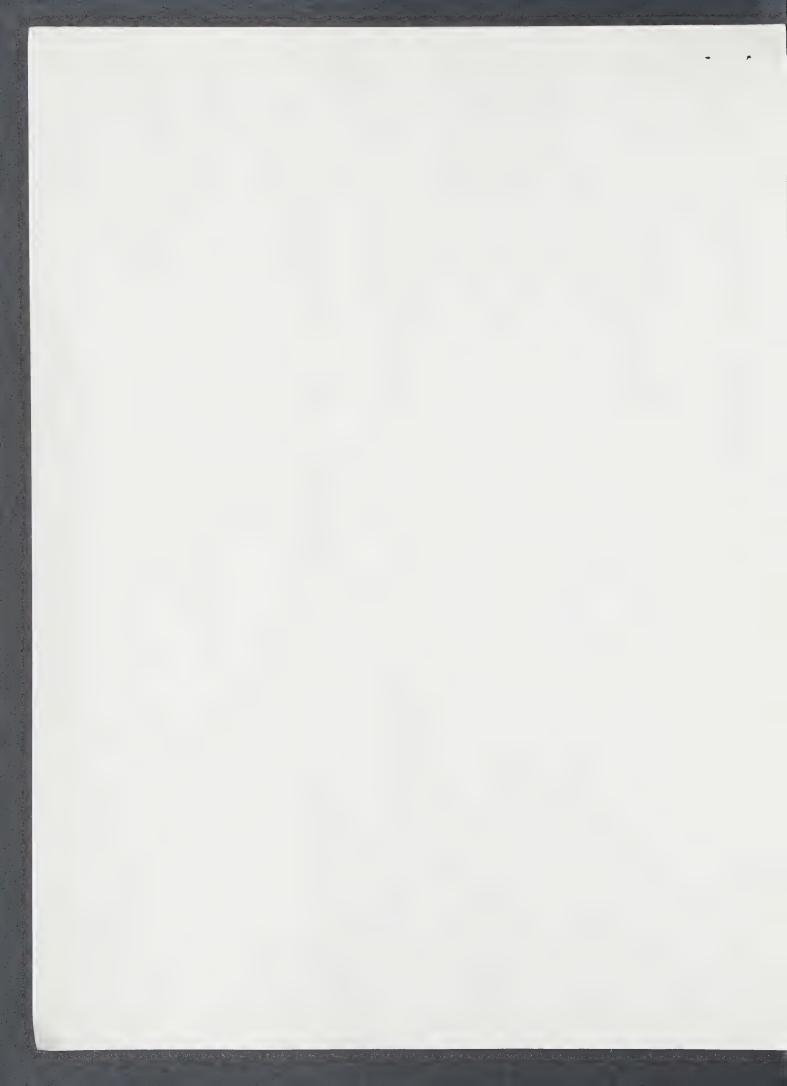
c: Dr. Jai Nagarkatti













SAMPLE SPRINGS STREET

SAMPLE OF THE ACCOUNT OF THE

CERPORATION

April 30, 1993

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Dr. Alfred Bader 2961 North Shepherd Avenue Milwaukee, WI 53211

Dear Alfred:

Thanks for the prompt response in your faxed letter of April 29, 1993.

I have noted the various points but am unable to carry out your wishes for the books and journals until our files are complete.

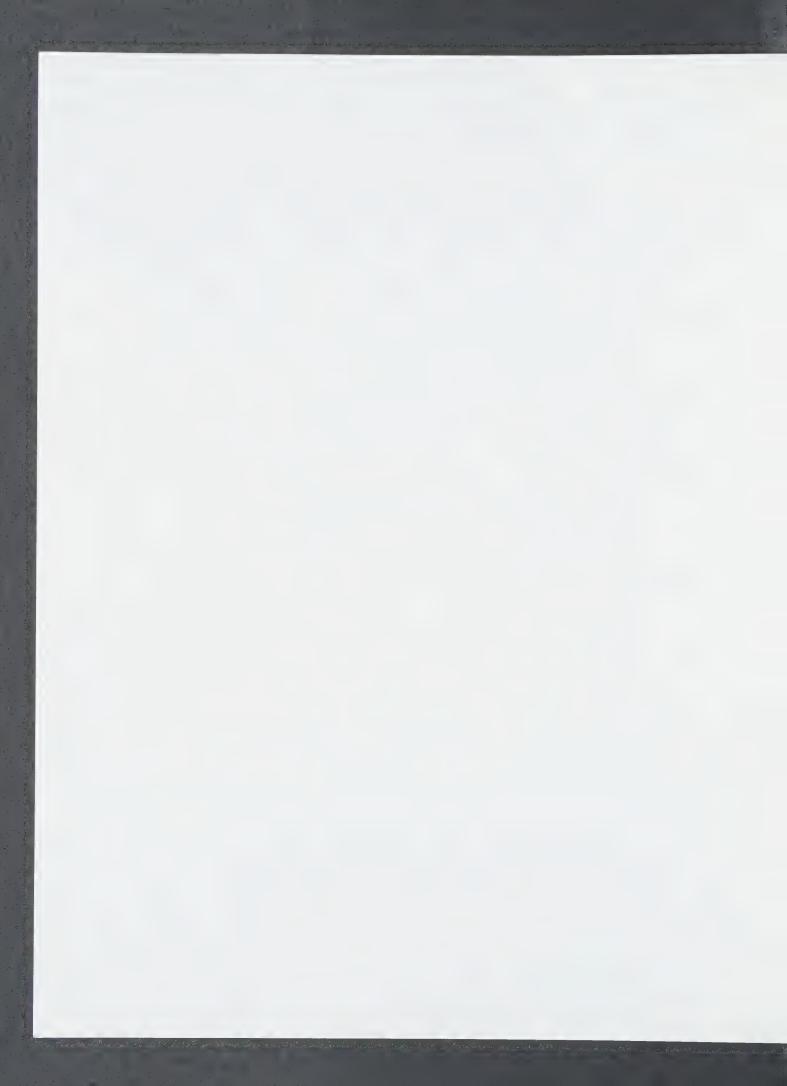
Please assist us in this matter by providing proof of your rights to possession and ownership.

Sincerely,

Kuli

Kirk A. Richter

KAR:tm





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April 28, 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dr. Alfred Bader 2961 North Shepherd Avenue Milwaukee, WI 53211

Dear Alfred:

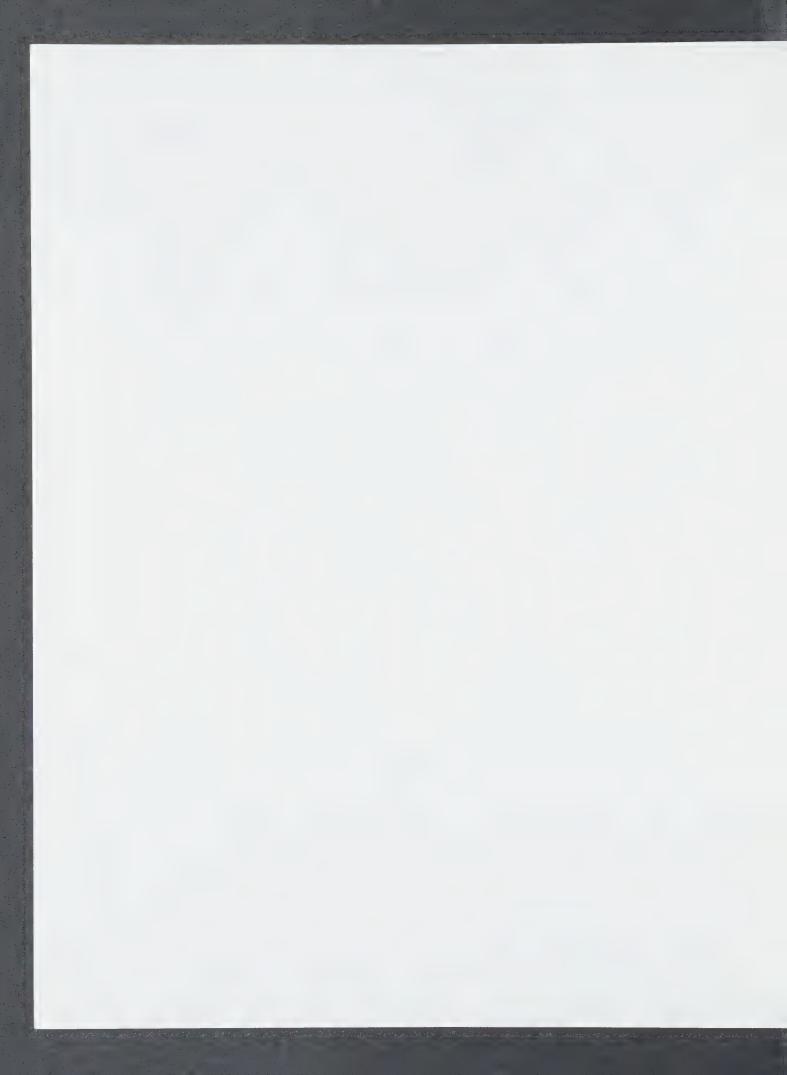
We have checked the list of books you furnished us. Most do exist, but they are in the Aldrich library, not a part of your personal effects. We have been advised by counsel that we cannot turn over corporate assets without clear documentation. Under the circumstances, please furnish proof of your rights to possession and ownership.

Very truly yours,

SIGMA-ALDRICH CORPORATION

Kirk A. Richter Controller

KAR:tm





# aldrich chemical company, inc.

CONTACT REPORT

Copies	to:
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# aldrich chemical company, inc.

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## aldrich chemical company, inc.

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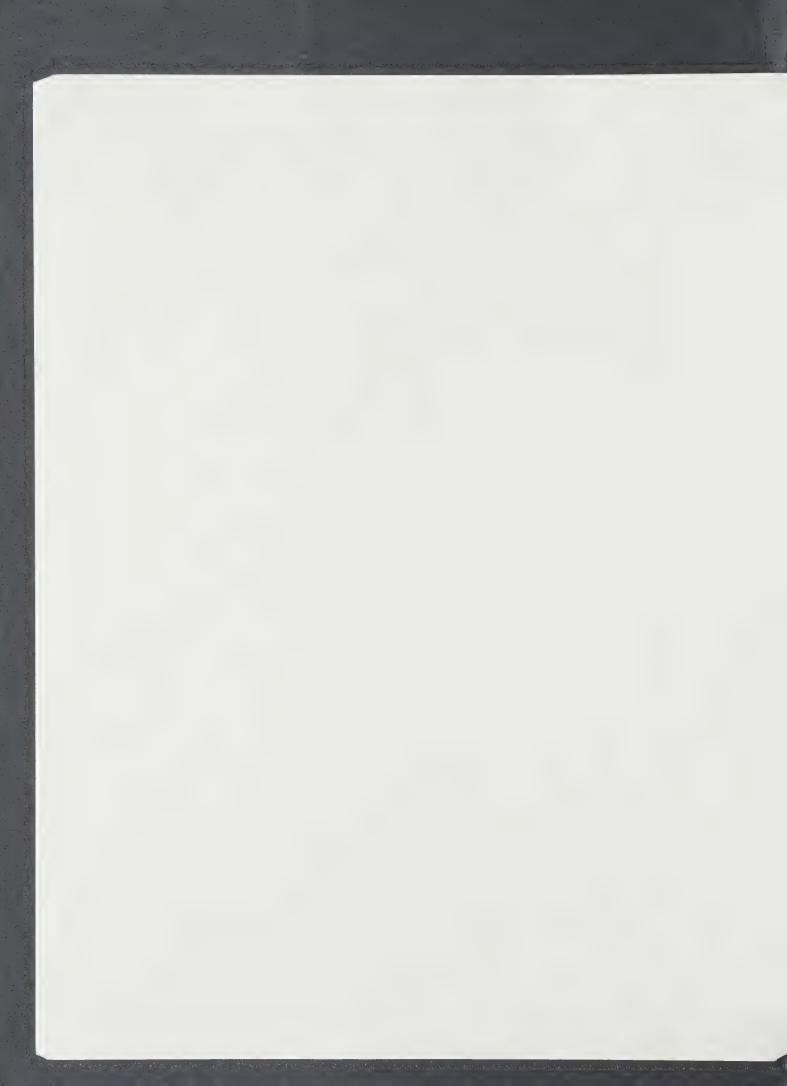
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# Aldrich seeks public funding to help move

Marquette Interchange project will displace company

By Pete Millard

Aldrich Chemical Co. Inc., a long-time manufacturing resident of Milwaukee's Menomonee River Valley, is seeking \$45 million in state and local aid to keep its operations in the city when reconstruction of the Marquette Interchange begins in March 2004.

To make way for the revamped Marquette Interchange, Aldrich estimates it will cost \$70 million to move the company's operations to land it owns on North Teutonia Avenue in Milwaukee.

Company officials are willing to absorb \$25 million of the relocation costs, but they would like help from the state or city on the remaining \$45 million.

Aldrich's preferred plan is to build a replacement building at its 74-acre Teutonia Avenue site, the former home of American Can Co.

While Aldrich is not threatening to move its 650 employees out of the city, the company has other options for replacing its plant at 940 W. St. Paul Ave. in the valley.

The company owns a new facility in Sheboygan that employs more than 230 people that could be expanded. It also has more than half a dozen operations in other states that would gladly take on more Aldrich operations.

Aldrich is the kind of new-economy company that would be aggressively recruited by other states, said Milwaukee Ald. Robert Donovan. Other states covet Aldrich's high wages, cutting edge technology, worldwide markets and growth potential, Donovan said.

Aldrich, a subsidiary of Sigma-Aldrich Corp., St. Louis, had sales of \$300 million in 2000. Aldrich produces more than 40,000 chemicals and other products used in pharmaceutical, life science, biotechnology and chemistry applications.

"We've seen double-digit growth in each

# State's Eq

By Paul Schwab

A revamped investment vehicle for parents saving for their children's education could bring in up to \$26 million in assets under management this year for Strong Capital Management Inc., according to state estimates.

That number could climb as more people learn about the investment option, said Marty Olle, program manager of Ed-Vest, Wisconsin's investment program for education.





As Mark Carstensen Construction and Development Companies enter our 21st year in business, we are proud to have Marine Bank as our financial partner. We have experienced significant growth for the past decade, and anticipate that trend continuing. Through it all, Marine Bank has been

# Aldrich

Continued from page 3

of the last five years and have good prospects for continued growth," said Michael Hogan, Aldrich's chief operating officer. "If the Marquette (Interchange) were not being reconstructed, we'd be content to stay in our current building another 50 years."

Aldrich Chemical owns the eight-story, 190,000-square-foot building on St. Paul Avenue. The building, known as the Tower, is a free-standing industrial-loft manufacturing building surrounded by the Marquette Interchange on all four sides.

The Marquette Interchange in the heart of Milwaukee's downtown is widely accepted as the state's most important freeway transportation link and has deteriorated to a level where it must be replaced. The \$1 billion reconstruction of the Marquette Interchange involves the demolition of the Aldrich Tower.

The Wisconsin Department of Transportation is in discussions with Aldrich about purchasing the building and tearing it down. However, the DOT has not yet made an offer to the company.

"Nobody will be shocked if the offer for the Tower is considerably less than \$45 million," Hogan said.

City of Milwaukee officials are taking a wait-and-see approach until after the DOT makes the first move.

"The (Department of City Development) has indicated a desire to work with Aldrich, and we all have the attitude of doing whatever it takes to keep them in the city," said Donovan.

The DOT is expected to pay a portion of Aldrich's costs of replacing the eight-story building. Hogan believes the total cost of replacing the Tower and its costly lab equipment, production machinery and complex HVAC system will not be part of the DOT offer.

"Everything begins with the DOT as the lead agency and what relocation benefits are offered," said Pat Walsh, president of Milwaukee Economic Development Corp. "(DOT's package) will frame what the shortfall may be, and that will determine what path the city will take."

The city could help Aldrich by creating a tax incremental financing district at the company's Teutonia Avenue site, use industrial revenue bonds or issue grants from the MEDC fund. Since Aldrich is profitable, it might be interested in a tax credit package from the state or direct aid from the DOT's transportation economic assistance program.

Donovan expects the state and city to be very creative in finding ways to keep the company in Milwaukee.

"Anybody would love to have this company in their community," Walsh said. "(Aldrich) is a great corporate citizen. It is dominant in its market and has a diverse work force."

An Aldrich spokesman said 28 percent of

the company's Milwaukee employees are minorities and 36 percent are women. The company's average annual wage paid to Milwaukee employees was \$36,697 in 2000, well above the statewide average of \$33,523.

For the company, the timing of the move from the old facility to a new building is just as important as the money required to make a seamless transition.

"We have a 36-month timeline from the beginning of the design to finishing the construction and beginning operations," Hogan said.

Aldrich also owns two adjacent buildings along St. Paul Avenue that are not

directly affected by the reconstruction of the Marquette. However, the loss of Aldrich's eight-story building would force the company to relocate all of its operations from the St. Paul Avenue location at an additional cost of \$25 million, Hogan said.

"I am impressed the company is willing to contribute to the move," said Assembly Speaker Scott Jensen (R-Waukesha). "I would hope the state can find the resources to get



Aldrich Chemical's eight-story, 190,000-square-foot building on St. Paul Avenue

this done."

The Wisconsin Department of Commerce and the DOT both declined to comment on negotiations between Aldrich and the state.

Democrats in the Senate, who have taken a hard line on tax breaks or other subsidies for corporations in Wisconsin, also declined to comment on the likelihood of the state defraying the costs of Aldrich's relocation plans.



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## University of Cambridge Melville Laboratory for Polymer Synthesis



## Dr Andrew B. Holmes (Director)

Pembroke Street Cambridge CB2 3RA U.K. Telephone: (01223) 334370 Fax: (01223) 334866 E-mail: abh1(a eus.cam ac uk

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# aldrich chemical company.inc.

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#### aldrich chemical company.inc.

Dr. Alfred R. Bader President

April 24, 1981

Dr. M. Love Vice Principal Queen's University Kingston, Ontario Canada, K7L 3N6

Dear Professor Love:

Thank you so much for your kind letter inviting me to the special meeting on Saturday, May 2, to discuss Queen's inventions.

When Professor Wolfe first discussed this with me some 3 weeks ago I told him that I hoped that I might be able to attend but have since found out that I can not, and of course I have let Professor Wolfe know.

The problem is that the connections between Milwaukee and Kingston are really very bad. However, next year I will not be teaching on Sundays and so I hope to be able to attend more of the Board of Trustees' meetings. Also, please keep in mind that I can only help with chemical inventions and would be happy to look at all chemical inventions being considered by Queen's, and advise you either by telephone or letter.

Best personal regards,

Alfred Bader

AB:cvb



### aldrich chemical company.inc.

April 24, 1981

Dr. Alfred R. Bader

Mr. Hiram Allen President Fairfield Chemical Co., Inc. P.O. Box 20 Blythewood, SC 29016

Dear Hiram:

It was such a pleasure to be able to spend a couple of hours with you on Wednesday, obviously for several reasons. We should become each other's better customers and suppliers. Also talking to you and going through your catalog brought back such happy memories of the time when Aldrich was smaller and the problems more manageable. Last not least, I sensed that you and I are very much the same kind of people who are convinced that one of our purposes on earth is to help others.

I have spent a few hours the last two evenings going through your catalog and am sending you under separate cover one copy of your catalog with errors in hyphenation marked in red. Could you please send me 3 more copies of your catalog.

Of course most of the hyphenation is correct as you will see. I suspect that the entries are being handled by one man in your organization and that he occasionally gets tired. There are a good many pages without any errors whatever, but nine on Page 49. I have not looked at the Classes of Compounds on pages 63-80 nor have I commented each time on the typographical error "benzly" which occurs on every uneven page. Over 90% of the errors involve compounds such as ethers, carbinols, ketones and esters being listed as one word when they should be two or three.

If you ever find similar mistakes in our catalog, please do let me  ${\tt know.}$ 

Could you please offer us kilo lots of your T4541, 3,4,5trimethyl-phenol and 100 kilo lots of your P2280, phenylacetylene. As discussed, I very much look forward to receiving from you two lists:

- a) All those compounds which you make yourself, which you believe we should have in our catalog and where you can offer us reasonable quantities at \$300 to \$500 per compound;
- b) Those compounds already listed in our catalog which you believe you can offer us attractively from your own production. There please give our catalog numbers and you don't have to limit your offer to \$500.

Also, please let me know which compounds listed by us you require in bulk, and I will send you our quotations promptly.

It would be a pleasure if I could visit you at your plant before long.

Best personal regards,

Alfred Bader

AB:cvb

cc: E. Segrin, L. Curry



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### Aldrich Chemical Co Ltd

The Old Brickyard New Road Gillingham Dorset SP8 4JL England Telephone Gillingham (074.76) 2211 (10 lines) Telex 417238 Aldrch G

Dr. Alfred Bader, Aldrich Chemical Co.Inc., 940 West St. Paul Avenue, MILWAUKEE, Wisconsin 53233. Date 24th March, 1981

Your ref

Our ref RNE/CD

Please reply to: 61 Redington Road, LONDON NW3 7RP.

Dear Alfred,

Reverting to our meetings last weekend with Bert, I do hope that you have mentioned that I should be "copied-in" on any correspondence or proposals on a revised contract. I also hope that we have your permission to continue to consult our lawyers in U.K. You seem to have at some time some doubts on the information passed to you on Clause 9. Please rest assured that I was merely passing on the feelings and sentiments of our lawyer who is a specialist on the subject. His opinion cannot, of course, be absolute, and it is always possible to take Counsel's advice which would probably cost a further \$ 500.

Our meeting has established that Aldrich-Europe finds the competition tough, and that the whole exercise is at present not very profitable. It was even suggested that if they are forced to make price reductions the situation will further deteriorate. I therefore do not consider it impossible that they may want to withdraw after fifteen years. Under those circumstances they could become a world competitor who cannot be ignored.

Although it is, of course, right to support them during the contract period with such information which is called for under the Contract, and which under national and Common Market laws may be given, we should tend to be more conservative than otherwise, taking into consideration that at any time that the contract ceases we shall not have the anticipated restrictive powers on Janssen for a period much exceeding a year.

Your very short weekend trip must indeed have been very exhausting, and I hope that you caught your 'plane without difficulties, and by now have overcome the ill-effects.

Ali food within

March 30, 1981 Dr. Alfred Bader President Aldrich Chemical Company, Inc. P. O. Box 355 Milwaukee, Wisconsin 53201 Dear Dr. Bader: Dr. John Ewers, who recently retired from his post as senior ethnologist at the Smithsonian Institution, has identified the Indians in the enclosed photograph as Plains Indians. Do let us know anytime we can be of further assistance. Sincerely, Tan Muhlent Jan Keene Muhlert Director JKM:agr Enclosure



## aldrich chemical company, inc.

Dr. Alfred Bader Chairman

October 17, 1989

Dr. Loren McBride G. Frederick Smith Company 860 McKinley Avenue Columbus, Ohio 43222

Dear Dr. McBride:

Thank you for your telephone call regarding Dr. Case's collection of research samples from Temple University.

I am sorry that I have not had a chance this year to visit Columbus, but I will certainly try to visit sometime next year.

If you should find that storing these samples is cumbersome, then by all means send them to us freight-collect, and I will telephone you to discuss an offer. Should that not be acceptable, then we would return the samples to you at our expense.

Many thanks for your patience, and best personal regards.

Sincerely,

Alfred Bader

AB:mmh





### aldrich chemical company, inc.

Dr. Alfred Bader Chairman

August 15, 1988

Prof. Viresh H. Rawal Department of Chemistry Ohio State University 120 West 18th Avenue Columbus, Ohio 43210-1173

Dear Prof. Rawal:

I am so happy to see from your thoughtful letter of August 9th that you have received an appointment on the staff of the Department of Chemistry of Ohio State University.

As you know by now, this is a really good school and many of its faculty members are as competent as they are friendly. Isabel and I already look forward to visiting your department next April and hope then to have a chance to chat with you.

I am sorry that Aldrich does not have funds to support young faculty members, and I am sure that you will be able to imagine the difficulties of helping some at some universities and not others. Instead, we have decided to fund a number of A.C.S. awards.

Best personal regards.

Sincerely,

Alfred Bader AB:mmh



MATER WOLFF

June 22, 1959.

Dr. Alfred Bader, Aldrich Checical Company, Ison 2369 E. 19th Street. Milwauder, 10, Wisconsin, U. S. A.

Dance Dr. Bankers

I have re-morred our accounting resords on the Martin Wolff Scholarship. According to these records, the first contribution to the Martin Wolff Scholarship was used in 1990, and additional payments to the Scholarship account town over as follows:

Love Roots Gistown

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The \$10.00 payments probably represent the contributions of Arc. Elkin. Prom 1950-57 inclusive 10 search of \$50.00 have been made, inswing a balance in the account after crediting your recent absolute for \$200.00, or \$689.00.

In chanking over our records of your centrioutions to Queen's, I found that, in eddition to the share payments, you contributed \$20.00 to Endowment in 1960, \$5.00 to the Alumni in 1950, and \$5.00 to the Science '45 Fund in 1965. In 1951, through the Friends of Queen's, Incorporated, we received \$200.00, which, because it was not specified as to its use, was credited to the Mational Fund. In 1958, a further \$300.00 was received, which was specified by the "Friends of Queen's" as a contribution to the Mational Fund.



Dr. Alfred Eader Page 2 June 22, 1959

If the latter two items, amounting to \$500.00 were intended for the Martin Wolff Scholarship, it would increase the balance on hand to \$1,189. This is \$61.00 short of capitalizing the fund to produce \$50.00 on a 4 per cent basis. Would you please re-check your own records to see if we are now in agreement as to the amounts paid by yourself to the University? If you wish the \$500.00 transferred from the National Fund to the Martin Wolff Scholarship account, I would appreciate directions to that effect, and we shall be pleased

Tours sincerely.

JWR = hm

John W. Hannister,

