

Standard Oil Admits Withholding Details Of Butyl From Navy

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Farish Testifies U. S.
'Wasn't Interested'
In Technical Facts

By J. A. FOX.

W. S. Farish, president of the Standard Oil Co. (New Jersey), today told the Senate Defense Investigating Committee that "technical details" of the manufacture of butyl, the synthetic rubber developed by the company, had been withheld from a representative of the Navy Department who visited the Standard plant at Bayway, N. J., in 1939.

Mr. Farish said he understood the Navy man—a Mr. Werkenthin—"was not particularly interested" in that phase of synthetic rubber but rather in the uses to which it could be put.

The disclosure caused Senator O'Mahoney, Democrat, of Wyoming to assert that any layman such as he could not "avoid the inference that an official of Standard was instructed to steer the Navy official away from a knowledge of the manufacturing process."

Arnold Made Charge.

Failure of Standard to give this information to the Navy man was cited last week by Assistant Attorney General Thurman Arnold, who alleged it was in conformity with the alliance between Standard and I. G. Farbenindustrie, the German dye trust, which has been broken up by a consent decree, and which the Government charged served to stifle production of synthetic rubber in this country.

Under the Standard-Farben agreement, the German company was given full details of the manufacture of butyl in 1938—a year before the Werkenthin incident.

Mr. Farish's admission was prompted by Senator O'Mahoney, who directed his attention to a letter from Standard files which had been introduced into the record by Mr. Arnold. Neither the writer nor the address of the letter were identified. Incorporated in the document was this statement:

"Because of the possible application of butyl rubber to some of the Navy's requirements, Mr. Werkenthin had been instructed also to look into the manufacturing process. You will recall that I took this question up with you before his arrival.

Couldn't Steer Him Away.

"As agreed upon, I took Mr. Werkenthin over to the "K" plant when it appeared that I could not very well steer his interest away from the process. However, I am quite certain that he left with no picture of the operations other than that a considerable amount of distillation and refrigeration is involved in the handling of light hydrocarbons, and that refinery gas rather than straight butadiene is the raw material."

Reading this letter, Senator O'Mahoney recalled that the witness had testified a full account of Standard's synthetic rubber activities had been furnished to the Army and Navy Munitions Board, in January, 1939.

"Actually you were not making a full disclosure to the Government?" the Wyoming Senator pressed.

"Everything the Government could make practical use of," the witness responded. "We understood that the

Government was not interested in technical details."

Senator O'Mahoney said he could understand how "Standard was entrapped" into a position where it was "knowingly diverting" the attention of a Navy representative away from the manufacturing process. Objecting to the use of the word "entrapped," the witness said it was a natural step. The Navy man, a civilian, had come to the Bayway plant at the request of Standard to view operations.

He said it was not customary to make a "ready exposition of experimental work." Senator O'Mahoney responded that if the witness was satisfied to have the country view the company's action in this instance as "natural," that it was all right with him.

Mr. Farish was recalled to the stand today to continue the testimony he started yesterday, when he vigorously denied that the cartel arrangement with Farben had stalled synthetic rubber production here while it flourished in Germany where Farben developed a product known as buna.