

A NEW BUILDING FOR BACTERIAL VACCINES AND TOXOIDS

On October 28 the Board of Governors of the University of Toronto approved a contract to Inducon Holdings Limited to construct a new building for the manufacture of bacterial vaccines, toxoids and antitoxins. The contract price is approximately \$1,416,000. The new building which is designated as Building No. 90 will be situated east of Stores Building, No. 89, and west of the Garage, Building No. 61. This will require some alterations to the Garage to make room for the new building. In addition to the contract price of about 1.4 million dollars, there will be other costs to provide sewers, electrical services, roads, landscaping and equipment, so that the full cost will probably be about 1.85 million dollars.

One might ask why it is necessary at this time to provide a new building to make products which we have been making successfully for many decades. The answer is that government requirements for the manufacture of all drugs, and biological products in particular, have been getting more stringent every year. These requirements relate not only to the quality of the products but to the premises in which they are made.

There is no question that the vaccines and toxoids made by Connaught are of the very best quality. This is due to the careful and skilful efforts of the staff who have worked for years under conditions which are far from ideal. The buildings in which they are made are anything but modern. Most of them are forty or fifty years old and some are converted stables. Further modernization of these buildings has become virtually impossible largely because of the age of the plumbing and electrical services as well as the structural features. Even if it could be done, the interpuptions to production and the total costwould be prohibitive. We must, therefore, have a new building acceptable according to the highest standards prescribed by the government authorities in Canada and the U.S.A. who control these matters. Without new premises we would not be long permitted to continue making these products, which are an important source of revenue to the laboratories. Once the production is moved into the new building, decisions will have to be made as to the disposal of the old buildings. Most of them will probably have to be pulled down.

The plans for Building 90 took more than two years to prepare. At several stages they were sent to the Food and Drug Directorate in Ottawa for approval, as required by regulation. They were also sent to the Division of Biologics Standards in the U.S.A., since we wish to maintain our access to the U.S. market and, if possible, to increase our sales there. The criticisms and suggestions received from both government agencies were detailed and helpful but they required many alterations to the plans and undoubtedly added to our costs.

The next interesting question is where the money is to come from to pay for the new building. None, of course, will come from the building funds of the University of Toronto. The cost must be met from the net earnings of the Laboratories. As was pointed out in last year's Annual Report, Connaught's net earnings are increasingly dependent on export sales. Our net earnings from export have suffered like those of other manufacturers for export, as a result of the increased price of the Canadian dollar on the foreign exchange markets of the world, particularly in relation to the U.S. dollar. There is no possibility of raising our prices in the world markets at this time. The pressure of competition keeps forcing them down.

The construction of Building 90 is an example of a capital expenditure

X

10.41

NO V.

1 9 7 1

necessary just to maintain our earning capacity. There will be additional capital expenditures required to increase our earning power each time we develop new saleable products. Development of new products takes longer now than ever before. We must, therefore, during the next year or two take all possible measures to accumulate the capital necessary to keep our plant modern and to increase our earning capacity to meet our essential requirements.

Jell Lerguson

* APPOINTMENTS * some Connaught staff members have cross क्षप्रवासम्बद्धमध्यमभूष्य appointments with the School of Hygiene. The appointments effective July 1, 1971 were as follows:

Dr. A. M. Fisher

Dr.R.J.Wilson Dr. J.F. Crawley Dr.D.R.E. MacLood Dr. P. Fenje Dr.H.M.Macmorine Dr.E.W. Pearson

Acting Head and Professor Professor Professor Associate Professor Associate Professor Assistant Professor Assistant Professor

Assistant Professor

Environmental Health Health Administration Microbiology Microbiology Microbiology Microbiology Microbiology Microbiology

C In Hospital: Stewart Bookalam A S L At Home: Jack Adams U Netta Banks A S

Bertha Hussey Cyetka Jakus William Janes Vladimir Kusmenko Leslie Lewis Mabel Moulton

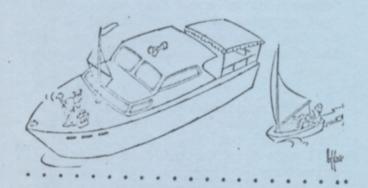
Newmarket Hospital.

Victor Najda Nada Papov Nick Pervan Michael Schmidt Margaret Smith Robert Stewart Michael Zonyk.



"My nurse tells me that you're in an awful hurry to get back to your office."

TRANSPORTATION



CONNAUGHT MEDICAL RESEARCH EMPLOYEES! ASSOCIATION

CHRISTMAS DANCE

TO BE HELD AT THE FIREFIGHTERS' CLUB Steeles & Woodbine

SATURDAY, DECEMBER 18, 1971

Door Prizes

Spot Prizes

BUFFET

L T

T

Y

DANCING 8 - 1

Tickets: \$4.00 each.

Contact: Wayne Beer-2712; Chris Gibson-266h; John O'Connor-2753 Jack O'Connor-2706.

Highway 89 & Jane (10th Con.) Francene Benson Pharmacy & 401 Julie Singh Jane & Wilson

Kipling Hts. Plaza (S.of Albion) Gerrard & Greenwood

A. Ambersley

2662 Mrs.J. Buckley 2732 Mrs. E. Jones 2661 2777

OFFERED

WANTED

College & Bathurst-Jarvis -Mt.Pleasant-Eglinton -Rayview-Steeles Quoen & Beech (8-4:45 when on days)

Michael Schmidt

F. Davis

2746

2673

Local

2673

CONNAUGHT BOWLING LEAGUE - CHRISTMAS TURKEY ROLL-OFF WEDNESDAY, DECEMBER 221D AT 5:30 P.M. - NEWTONBROOK BOWLERAMA, YONGE & CUPPMER. DON'T MISS THIS EXCITING EVENT!

UNIVERSITY OF TORONTO EMPLOYEES' CREDIT UNION SOCIAL CLUB-reports that the success of the Halloween Dance has encouraged it to start planning for another party in April. Details will be forthcoming after the New Year.