

a demonstration plant because we anticipated this problem. One is being planned and has been funded and will be put in operation to work out the economics of a process for recycling automobile scrap.

Mr. ROUSH. Where will that be located? Have you determined that yet?

Dr. HIBBARD. The location, I believe, hasn't been announced yet. This particular process involves presently unusable low-grade iron ore—nonmagnetic taconites from the Mesabi area—which are roasted with automobile scrap to yield a magnetic form of easily recovered iron ore. The process not only reuses the auto scrap, but it also gives value to a large reserve of iron-bearing material which hasn't been economic to treat heretofore.

Mr. ROUSH. Does this appear to be an expensive process?

Dr. HIBBARD. No, I believe it won't, but it must be tested on a large enough scale before one can be sure. The process is simple enough. It involves taking automobile scrap which has been cut into chunks of this size, and passing it through a suitable rotary kiln at a modest temperature along with the nonmagnetic taconites and out the other end comes an enriched iron ore which is then very useful. So, I would anticipate this to be economically very attractive. The major limitation will be the cost of transportation of junk automobiles.

Mr. MOSHER. When you build a demonstration plant such as this, is it operated completely by your own department, or is it done in conjunction with some industrial organization?

Dr. HIBBARD. This can be done several ways. In this particular case we are going to contract for the building of the plant but we will operate it ourselves.

Mr. MOSHER. Strictly for demonstration?

Dr. HIBBARD. Yes, sir. The purpose here is to demonstrate successfully the sound economics of this process, and by so doing we believe that industry will pick it up from there. So, this is solely a demonstration.

Mr. MOSHER. Before making that decision, did you consult with industry?

Dr. HIBBARD. Oh, yes.

Mr. MOSHER. On the possibility that some concern would do this?

Dr. HIBBARD. Yes, sir.

Mr. MOSHER. In cooperation with you?

Dr. HIBBARD. In fact, this is the result of 7 years of research which we have reported to industry through our regular publications. We have in our laboratories at Minneapolis, our Twin Cities research laboratories, a laboratory scale pilot plant. We brought people out to see it and get their advice and counsel and recommendations before we decided to proceed with the demonstration plant.

We then made the proposal to our appropriations people and they thought it was a good idea to proceed.

Mr. MOSHER. But, no industry or industrial concern was willing to gamble on doing this on their own?

Dr. HIBBARD. If this had been the case, our general policy is to pull out and give it to industry just as fast as they will take it.

Mr. VIVIAN. Mr. Chairman.

Mr. DADDARIO. Yes, Mr. Vivian?