

These men translated the theoretical knowledge found in text books into processes for the manufacture of chemicals. First, they learned how to make aniline, an important chemical used for over 500 of the most common dyestuffs and pigments, and later to become the most important raw material for the sulfa-drugs. Next they learned how to convert naphthalene into beta naphthol, another key intermediate for many dyes and pigments. They were on their way, and sharing in the real birth of the chemical industry in this country.

The plant at Bound Brook, N.J., has expanded enormously. Its benzenoid business has also given rise to other plant locations. The following chart shows the number of people employed and the annual wages paid, in the benzenoid segment of Cyanamid's business:

Plant location	Employment	Payroll
Marietta, Ohio.....	150	\$1,100,000
Damascus, Va.....	30	150,000
Willow Island, W. Va.....	260	1,950,000
Bound Brook, N.J.....	2,450	19,520,000
Other locations.....	10	80,000
Total.....	2,900	22,800,000

Not included in these figures are the family members dependent on the foregoing breadwinners, the shopkeepers, and retail merchants who depend on that payroll, or other workers at the plants, whose jobs depend on providing services to employees directly engaged in benzenoid production and research.

Cyanamid's benzenoid business pays the Federal Government millions of dollars each year in taxes. Other taxes are also derived from this business. For example, in 1967 the Bound Brook, N.J. plant alone paid some \$1.2 million to its home community of Bridgewater Township, 18 percent of the total municipal and school budgets.

Tariffs and their reduction have, therefore, an impact which extends beyond the immediate adverse economic effect on this segment of Cyanamid's business.

#### NATURE OF BENZENOID INDUSTRY

Benzenoid chemicals constitute an extremely complex and integrated industry. From a few basic materials which, if imported, are in most cases free of duty, stem a very large number of interrelated compounds known as intermediates, which by many and different chemical processes, are converted into a wide diversity of finished goods such as organic dyes, pigments, rubber chemicals, pharmaceuticals, fine chemicals or explosive. Because of the interdependent of chemical manufacturers, the increasing importation of intermediates, further facilitated by the reduction in tariff rates, will adversely affect not only the manufacturer of a specific item, but manufacturers of the raw materials going into it, and of the products made from it.

The attached charts (exhibit I) demonstrate the chemical development end uses of the derivatives of three of the major intermediate chemicals made by Cyanamid. Aniline oil, for example, is a source of 838 dyes and pigments, 24 medicinals, 16 rubber chemicals, and three products for explosives.