



TO: Daniel Nathans, M.D. / Baltimore

FROM: George F. Cahill, Jr., M.D., Director of Research

DATE: January 10, 1985

As I finish the proofreading of the 1984 HHMI Annual Report for which I want to thank you for your contribution, I thought I should again put together my own annual note to bring you up-to-date on the Institute in general.

Firstly, lest you get apprehensive, we have never been in better shape. As you may know, the Delaware Court earlier this year compromised the actions between the Institute and the Attorney General of the State acting in cohort with the Hughes family headed by Will Lummis. The Chancellor accepted the four Trustees nominated by the Institute - George Thorn, Irving Shapiro, Don Fredrickson and F. William Gay and the four of the opposing side, William Lummis, Hanna Gray, Helen Copley and James Gilliam and the eight together elected Mr. Frank Petito, retired Chairman of the banking firm of Morgan Stanley as the ninth. Thus we have a panel of nine, containing two biomedical individuals, Thorn and Fredrickson; three lawyers, Shapiro, retired Chairman of duPont, Lummis (Hughes' cousin and head of the Summa Corporation; all of the other Hughes assets outside the Institute and Aircraft) and Gilliam, an attorney in Delaware; an educationalist, Hanna Gray, President of the University of Chicago; Helen Copley, newspaper publisher and owner, and William Gay, former acting Trustee with Dr. Thorn and the late Chester Davis.

The papers have recently abounded with the possible sale of the aircraft company, our single asset, meaning the stock which the Institute now owns completely may be partially or eventually fully sold to the public. Newspaper estimates suggest \$3 billion of value, meaning a potential portfolio of this size and, of course, a very healthy increment in our annual available funds. Don Fredrickson, now President and Chief Executive of the Institute (George Thorn is now Chairman of the Board), has committed himself to the continuous support of our present operation and its mode, which, according to Mr. Hughes' charter, is biomedical research and education. Thus we will continue to grow, but with the aircraft going "public" there may probably be other activities as the "Institute" changes from an M.R.O. (Medical Research Organization) toward a foundational mode. I won't

bore you further about this, but Don will discuss it at our evening dinners during the four Program Reviews in Coconut Grove, January through April.

New Units are now being started in Palo Alto, Chicago, Dallas, Ann Arbor and underway at Philadelphia. Expansions are being made at Baltimore, Durham, St. Louis, Salt Lake and Seattle and there is a possibility of another unit or two being brought into the Institute's domain. Thus we are very actively searching and recruiting in collaboration with these various respective medical school faculties, and we need your help in identifying outstanding starting and, in some cases, mid-career individuals who are possible candidates. In fact, your advice has been one of our best sources of candidates.

Also, as part of our overall expansion, we have been considering ways of improving equipment and computer facilities at each of our locations which can justify an appropriate need. We are doing this to a sufficient degree that when the equipment is not in use by our Investigators, it will be available to the scientific community at large, thus improving our academic citizenship, so-to-speak.

Another point, and one that has disturbed me, is that our present system of ranking is inappropriate. When we had only Investigators a decade ago, most were in their late 30s and Assistant or Associate Professors at their locations. Our age and stature is such today that an individual with an equivalent background might not even make Associate Investigator today! Thus it is appropriate that we start a new group of Assistant Investigators who are clearly of RCDA stature, doing mainly independent work and thus well out of fellowship status. I hope the administration rapidly approves this and I will then solicit names of your colleagues on the Institute payroll who currently are Associates and whom you feel deserve Assistant Investigatorship rank (also send me their CVs).

You may have seen ads concerning the Cloister at N.I.H. The Institute will support medical students for research training up to a year at the N.I.H. These will be nominated from the 120 or so medical schools and 10-15 will be selected this spring to start after July, 1985. This way we hope to capture some of the potential medical student scholars not identified in the M.D.-Ph.D. programs or who haven't had the privilege of being in one of the major biomedical communities where they are surrounded by research. Again, one of the purposes of this program is to locate future HHMI personnel. We are also talking about other methods of finding and supporting young scholars and, please, give me your thoughts or other suggestions you may have for programs, either locally or nationally. We may have the opportunity of starting a number of novel approaches for both the M.D. or the Ph.D. sectors and, most important, for both combined.

Now a small point of unhappiness on my part, but a significant one. As a Medical Research Organization, we are responsible for all work done by the Institute Investigators, legally and proprietarily. Thus copies of all submitted manuscripts, chapters, books, even abstracts, should be sent to my office when submitted, with some additional information such as where it is submitted, date submitted and whether or not you feel it has potential proprietary implications. The same holds true for all requested funds to outside organizations (NIH, NSF, Cancer Society, etc.). A copy should be sent to me at the time of submission for approval. I am sending you forms to be filled out by your office to be returned with each manuscript or grant request to make this very quick and simple, but also as an obvious reminder. Most of you have been superb at doing this; others, far less well, and I've been musing about methods to try to tighten this up, but please, send them along as part of the submission process.

On one or two other points, we are getting so large that the four Program Reviews are becoming unmanageable. As you know, all in-depth reviews on a long-term basis will be done as "on site reviews" so there will be no "grading" at the sessions in Miami. Only one or two of the Medical Advisory Board will be present anyway at each review with the respective Scientific Review Boards. This year, only Associate Investigators and above will be invited to the reviews because we are getting so large, excepting a few people being recruited or being considered for promotion to Associate Investigator. For future years we are considering alternative plans, especially for giving a forum to the (I hope) to-be-named Assistant Investigators and other junior personnel.

Finally, the Institute is coming out of its adolescence. As you know, we have rapidly achieved national preeminence thanks to you and your colleagues and, with our good fortune for the future, to have the privilege of owning our single outstanding asset, which as an M.R.O. we are permitted to own. The future looks even stronger and more challenging. I wish to thank you personally for the significant part you have played and wish you a very successful 1985.

Most sincerely,

George F. Cahill, Jr., M.D.

George Cahill

Director of Research (ac)

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Enclosures: Sample forms (2) for Manuscript and Grant submission