

Date 24 February 1975

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MEMORANDUM

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Subject

Product Hazard Risk Analysis

FEB 24 1975

and Control Team

To Distribution

APCI CHEM. GROUP

LAW DEPT.

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From Richard Fleming

(Location, Organization, or Department)

To: Messrs. A. R. Adams
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All of us are concerned that we develop and maintain in our operations an appropriate understanding of any hazards or risks associated with the handling of materials we use or sell. These concerns have extended to our own people, our carriers, our suppliers, and our customers. With the increasing complexity of the governmental regulatory program in this area, the proliferation of product liability suits, and the increasing awareness of potentially significant toxicological problems with regard to many articles of chemical commerce, it is now apparent that a more formalized, detailed, and centralized approach to hazard assessment and risk control is needed. In the extreme case, of course, it is necessary to balance the cost of risk control against the desirability and profitability of a continuation of a particular business.

In order to assure a consistent approach to all of these problems, I am appointing a Product Hazard Risk Analysis and Control Team. The team leader is Dr. W. M. Smith and the assistant team leader is Dr. C. E. Blades. Other permanent members of the team will be Messrs. Jon V. Heider and John C. Novak.

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Specific sub-teams will be set up to consider the risks and control measures for each product line of the Chemicals Group. The Division President, working in cooperation with Dr. Smith and Dr. Blades, will define the product line groupings and assign representatives to the sub-team for each product line to cover marketing and technical aspects of the problem. Manufacturing, in the person of Mr. T. L. Carey, will assign a Manufacturing representative for each sub-team and assure appropriate representation on Distribution aspects. These arrangements will be made by Dr. Blades and Dr. Smith.

The primary objective of these assignments is to assure appropriate definition and control of any important product hazards throughout our own operations and those of our carriers and our customers. More specifically stated, Drs. Smith and Blades, utilizing the teams and any other needed inputs, will assure that the following responsibilities are met:

- (1) Collect and collate hazard data (toxicological and fire and explosion) associated with the handling of raw materials, intermediates, and finished products used or produced in Chemicals Group operations. A central file will be arranged for by Drs. Smith and Blades for the central accumulation of this information. All available external sources will be used for this purpose. Where special studies or experimental programs (such as animal studies) are required, they will be arranged for by Drs. Smith and Blades.
- (2) Establish guidelines, standards, and models for hazard risk analysis of particular products or product lines. They will assure the preparation of such a risk analysis for each material required in our commercial operations.
- (3) Select and document methods for control of those risks recognized to be of importance in our operations. Information concerning such control measures will be disseminated to all personnel who have a reason to be informed. This includes carriers and customers as well as other (outside) safety organizations.

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- (4) Assure the appropriate up-dating or preparation of material safety data sheets and see to their proper distribution both inside and outside the company, wherever this is required by regulation or by sound management practices. Specific team members will be assigned to assure appropriate inputs to these material safety data sheets from all pertinent parts of the organization.
- (5) Assure that satisfactory arrangements are made for the handling of emergency conditions that may arise in the shipping of any of these materials. This will include appropriate cooperation with the National Poison Control Center and the Chemtrec System of the MCA and an appropriate emergency handling system within our own organization when called upon at any time, day or night, weekends, or holidays.
- (6) Assure the drafting of appropriate warnings, instructions for use, and other verbiage relative to the potential use or misuse of our products, or of safety precautions to be taken in emergency conditions, that become part of our product labeling, and see that they are properly used.
- (7) Working through the Traffic Department, assure that required ICC regulations regarding labeling, containers, and the like have been complied with, that emergency information has been given to the carrier, and that instruction for handling emergency conditions, if needed, is in place.
- (8) Maintain an awareness of regulatory agencies' actions to the extent these have impact on the Chemicals Group's business or our customers' use of our products.
- (9) Where appropriate, require that economic analyses of risk relative to profitability be prepared on any given product or product line where this question is pertinent to a decision to continue in, or to enter a new, product business area. Assure appropriate review of such reports, and make recommendations concerning actions to be taken as a consequence of them.

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- (10) With regard to product liability, prepare an analysis of potential uses and misuses of our products, an assessment of the hazards arising therefrom, and the liabilities that might accrue to Air Products, and then establish control programs to minimize such contingent liability.
- (11) In general, establish and keep current appropriate guidelines and standards for our hazard risk analysis and control programs, modifying these as the environment or future information requires.

Beginning 1 April 1975, Dr. Blades will issue a monthly status report on the work currently in progress and that which is planned in the various areas where such work has been activated or is contemplated. It is intended that the Chemicals Group bring its posture in this very difficult field to a level of excellence which represents the way in which we wish to do business. That means that there is a great deal of progress which must be made.

The cooperation of the entire Group is absolutely essential if we are to have a successful effort in this regard. To the extent that you are involved, I will count upon you for your full cooperation in working with Drs. Smith and Blades to get this program moving and keep it going. Completion may be two years ahead, but the starting time is now!

Dick
Richard Fleming

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