FILE NAME: Allied Signal Bendix (ASB)

DATE: 1973 June 4

DOC#: ASB031

DOCUMENT DESCRIPTION: Memo - Asbestos Fiber Study

Johns-Manville

Internal Correspondence

To: N. W. Hendry, 3W

Date: June 4, 1973

From: D. L. Walling, Corporate Marketing Research

Copies: H. G. Donovan, 3W
M. J. Cowan, 1W

Subject: ASBESTOS FIBER STUDY

The following are selected comments from individuals interviewed at Bendix with regard to asbestos in brake linings:

Mr. Menz, General Manager

"Under present conditions Bendix is not afraid to use asbestos fiber in brake linings." No ultimatum has been issued internally or externally by automotive manufacturers to discontinue asbestos usage.

According to the Bendix long term growth plan, asbestos brake lining business is expected to increase by 30% during the next five years. This percentage includes a 2+% inflation factor.

105A Test (1976) -- The Department of Transportation on May 4th reduced the standard on brake lining performance at high temperature which indicates the stability of materials. This reduction is viewed as a plus by Bendix in that current asbestos containing linings can't meet standard and most probably upon modification will be able to reach new standard.

Bendix is not entirely within the five fiber standard. They expect to spend $1.5 million in the near future on material handling equipment which will no doubt help to bring them within standard. Engineering work on the project is from their corporate group in Detroit. OSHA in February 1972 cited the Tennessee facility, Bendix contested and has now just been informally cited which allows time for making necessary corrections. The first inspection of Green Island came this March and results as yet have not been disseminated to Bendix. Tennessee is expected to provide a more comprehensive environmental standard than New York state.

Mr. Aldrich, Chief Engineer

Bendix now uses semi-metallics as substitues for asbestos in brake linings for heavy duty applications. There is an increased cost of approximately 3 times that of asbestos fiber containing linings. General Motors provide semi-metallic linings as an option on all vehicles. Other automotive manufacturers have yet to follow as hoped by Bendix in that they are the principal supplier of semi-metallics.

Mr. Lovegrove, Purchasing

Bendix asbestos suppliers -- Johns-Manville, Lake, GAF, Carey and Bell. Johns-Manville now has 60-70% of their business; however, the division of business is subject to change. Long term contracts are desired by Bendix reflecting price and other considerations. Mr. Lovegrove states if other suppliers are more willing to offer concessions JM business could drop to around 30%. Current requirements are estimated between 14,000-15,000 tons annually with a 10-15% growth in Tennessee and Green Island requirements remaining static.

D. L. Walling

Approved: J. R. Gibson