

FILE NAME: Copeland (COP)

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DOCUMENT DESCRIPTION: Memo RE New Gasket Material

Copeland®

Interoffice Correspondence

*cc. Jim Cole
Kent List
Jossy Long*

July 6, 1988

TO: W. Granville

CC: E. Crist S. Jannides
H. Freitag E. Muir
J. Green D. Peltier
F. Kalivoda W. Simpkins
M. Solich

FROM: J. Dukro/Dave Kirk *JD*

SUBJECT: New Gasket Material *DLK*

After the meeting of June 29th with T. Ruef's data on inventory amounts of 1.3 million dollars it has become obvious that we can't get out of the old gasket by September 30th. It will take about 7 months to reduce this to any kind of manageable level with a use of about \$200,000 a month. Since no agency is really mandating "stop" on use and since there is no problem to our people, it is probably most sensible to treat this as a new material from an old cutting supplier and let it gradually phase in with periodic reevaluation, in light of inventory costs, about February 1st. It was decided to expand the control of disposal of waste or scrap gaskets from all plants in the U.S. to "special waste" which we can dispose of anywhere with specially labeled bags of 5 mil plastic that Purchasing is now looking into.

Europe is faced with an entirely different problem in that they now have an outside agency (in this case Sweden) saying "stop" (effective July 1, 1988). This lends a different importance to their problem of inventory control and phase out. This will be discussed with Horst Freitag next week (July 11th). It has been recommended that Europe buy directly from Industry Products and work out a phase out system of their own, encompassing their problems with distribution, marketing, and inventory control.

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Reference responsibility:

1. Matt Solich to issue letter to plants telling them of disposal methods. Expansion of corrective action to Wichita and maintaining records of actions which also pass to Legal.
2. Spiros Jannides to monitor OSHA and EPA requirements inside the plants and aiding the plants, with the help of Matt Solich, on technicalities.
3. Plants must make an effort to use up old inventory to facilitate minimizing "risk"/intervention of outside regulatory agencies and compliance to Matt Solich's EPA and Spiros Jannides' OSHA efforts.
4. Purchasing to acquire appropriate waste disposal bags and periodically monitor inventory so that we are aware of financial risks in case of legislation changes.
5. Remanufacturing to set up warranty identification to monitor results of material change in field usage and impact on overall reliability and warranty.

Engineering will issue EN's to cover the material changes but the EN to be released August 1 needs perhaps some added detail. B/P's that actually have the wrong material spelled out, other than in an ES form, will have to be altered and a final record of all the Engineering activity given to Legal and Facilities for record keeping. Z

per Duke - 7/19/88 - this means that the current prints that have current materials specified would need to be changed.