

ORIGIN

AFFIDAVIT OF ROBERT C. COHEN

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

ROBERT C. COHEN, of full age, upon his oath, deposes and says:

1. I am principal in the firm of Knipes Cohen Associates , a shorthand reporting service located at 400 Market Street, Philadelphia, Pennsylvania.
2. In 1978 Knipes Cohen Associates was designated as the official repository for documents of the Asbestos Textile Institute.
3. In February 1980 the deposition of Doris Fagan, executive secretary of the Asbestos Textile Institute, was taken at the offices of Knipes Cohen Associates.
4. Ms. Fagan produced at her February 1980 deposition the original minutes of ATI meetings as maintained by her as executive secretary of the Asbestos Textile Institute.
5. From the date of that deposition, I have been custodian of records of those original minutes.
6. The originals of the ATI minutes have remained in the drawers at the offices of Knipes Cohen Associates under my direction since Ms. Fagan's deposition of February 1980.
7. Whenever copies of those minutes are requested by a party to the asbestos litigation, they are xeroxed by Knipes Cohen Associates' employees under my direction and are certified.
8. The copies of the ATI minutes which I have provided are indicated as Exhibit "A" and are true and accurate copies of documents identified by Doris Fagan at her deposition on September 9, 1980.

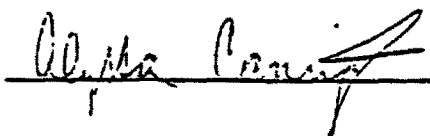
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9. There have been no additions to, deletion from or alterations to the documents as identified by Ms. Fagan on Septemebr 9, 1980.



ROBERT C. COHEN

Sworn to and subscribed before
me this 4th day of October, 1980



ALYSSA CARRINGTON
Notary Public State of Ohio
My Commission Expires Dec 3, 1990

ASBESTOS TEXTILE INSTITUTEGeneral Meeting

June 7, 1973
Key Bridge Marriott, Arlington, Virginia

In AttendancePHATEX CORPORATION

W. Maaskant
M. J. Scanlan
H. R. Walter

GIRLOCK INC.

S. G. Dixit
A. Kuzmuk

JOHNS-MANVILLE CORPORATION

C. G. Guerin
C. P. Jackson
J. P. Power (C.J-M)
W. B. Reitze
M. C. Straib

NICOLET INDUSTRIES, INC.

E. W. Russell
J. K. Whittaker

H. K. PORTER COMPANY, INC.

E. C. Bratt
D. E. Childers
J. W. Echert
L. E. Moody

ASBESTOS-MANUFACTURE, INC.

M. M. Brooks
J. W. Frampton, Jr.
J. W. Hawkins
R. T. Matthew
H. Q. Seavercroft
L. H. Weaver

UNIROVAL, INC.

W. D. Rittinger
D. E. Carden
L. F. Dieringer
E. A. Morris

ASBESTOS CORPORATION LTD.

P. E. Leclerc

BELL ASBESTOS FIBER LTD.

W. R. Smith

LAKE ASBESTOS OF QUEBEC LTD.

E. A. Farrell
R. Lefebvre
C. E. Stiefhan (Quebec)

MANUFACTURAS MULTIPLES S.A.

R. Arnal Olivo

CONRADSEN, HICHERSON & BART

E. J. Leff

AMERICAN SOCIETY FOR
TESTING AND MATERIALS

P. O. Micodenus

ASBESTOS TEXTILE INSTITUTE

D. M. Fagan, Executive Secy

GUESTS OF THE A.T.I.

Asberit S.A.
Marchello Cattaneo Adorno

Asbestos Information Associ.
North America
Matthew W. Swetonic

Industrial Safety Equipment
Association
Charles M. Sunwalt, Jr.

U.S. Bureau of Mines
Robert A. Clifton

Total attendance during the two-day meeting was 46 people, incl:
10 women and 36 men - representing 15 companies or associations.

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M I N U T E S

1. The General Meeting of the Asbestos Textile Institute was called to order by President M. G. Scowcroft at 1:00 P.M., June 7, 1973.

2. President Scowcroft welcomed the members and guests in attendance and introduced four guests; namely, Matthew H. Swetonic, Executive Secretary, Asbestos Information Association/North America; Marchello Cattaneo Adorno, Asbestit S.A.; Robert A. Clifton, Dir. of Nonmetallic Minerals, U.S. Bureau of Mines; and Charles R. Walt, Jr., Secretary/Treasurer, Industrial Safety Equipment Association, and member of its Safety Wearing Apparel Product Group.

3. Following past tradition, President Scowcroft asked each member in attendance to rise and state his name and company affiliation.

4. President Scowcroft called for the reading of the minutes of last stated General Meeting. It was moved by A. Ruzmah, seconded by T. P. Jackson, and so carried, to dispense with the reading of same.

5. Treasurer E. A. Morris presented the Report of Funds of the Institute as of April 30, 1973. C. F. Stiefhen moved the report accepted. The motion was seconded by E. G. Dixit and so voted, unanimously. A copy of the full Report is attached to these minutes.

6. In the absence of W. B. Alcorn, the Legal Counsel address was given by Eugene J. Loff of Cadmuslaw, Pickershan & Taft. The text of his report is attached hereto. Mr. Loff discussed two cases -- one concerned with the illegal division of the market, and the other noting a connection between anti-trust violations and the private exercise of governmental power.

7. W. H. Smith, Technical & Sales Representative, Bell Asbestos Mines Ltd., delivered the Fibre Producers' Report (see attached). Mr. Smith stated that crudes and ultra-long spinning fibers continue to be in short supply but medium and short spinning fibers from Grades 3F to 3S are in fair supply from most producers. He also stated that in these grades is foreseen for the remainder of this year and change in the situation is not indicated, at the present time, 1974.

8. Pursuant to calling for Committee Reports by the respective Chairmen, President Scowcroft advised that C. G. Guerin had replaced I. Barnett on the ATI Technical Committee.

9. The following reports of ATI activities at the Committee level were presented by the respective Chairmen to the general meeting. A copy of each Report is attached hereto, i.e.:

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Air Hygiene & Manufacturing - R. E. Gordon, Chairman;
 Asbestos Advisory - R. W. Russell, Chairman;
 Technical - J. W. Echord, Chairman;
 Filter Research & Testing - G. E. Stiefhan, Chairman;
 Environmental Health - L. F. Ditzinger, Chairman.

10. It was related by President Scowcroft that recent technical breakthroughs in basic yarn production techniques have induced the Institute to seek wider representation in its membership. It was reported that as a result, the ATI Board of Governors had approved a change in the Constitution and By-Laws of the Inst involving Associate Membership requirements. Article III, Paragraph 2(c) of the Constitution has been revised as follows: "weavers of asbestos-containing fabrics and tapes, for resale such, who do not manufacture the asbestos-containing yarns used same, shall be eligible for Associate Membership in this Inst.

11. President Scowcroft referred to the new identification card that had been given to each member in attendance, asking that be returned to the Executive Secretary for use at future meeti

12. As stated by President Scowcroft, there seems to be some difficulty with the postal process in that some reservation cards are arriving at ATI headquarters. In an endeavor to avoid undue pr at future meetings, it was advised that each member who makes reservation with the Executive Secretary would receive a brief acknowledgment within approximately ten days' time. If cards do not arrive in due course, it would be well to so advise the Secretary.

13. The next General Meeting of the Asbestos Textile Institute will be held:

October 3-5, 1973
 Wyckmere Harbor Club, Nantuxport, Massachusetts

Guest Speaker will be Dr. J. Corbett McDonald, Epidemiologist, McGill University, and Medical Advisor to the Quebec Asbestos Mining Association.

14. President Scowcroft advised that every effort is being made to oblige the wishes of the membership-at-large by scheduling, wherever possible, future General Meetings of the Institute so that they end on Fridays. Beginning in 1974, future meetings will be February 7-8, 1974, at the Mills House, Charleston, South Carolina; June 6-7, 1974, at Twin Bridges Marriott, Washington, D.C.; September 25-27, 1974, at The Cloister, Sea Island, Georgia; February 6-7, 1975, at Holiday Inn-Independence Hall, Philadelphia, Pennsylvania. Tentative future meeting sites include Ponte Ved Club, Ponte Vedra Beach, Florida, in October 1975 and the Marri in New Orleans, Louisiana, in February 1976.

15. Before introducing the Guest Speaker, President Scowcroft referred to five booklets that were distributed prior to calling

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meeting to order. Just off the press, the booklets were published by the AIA/NA and are entitled: The Asbestos Information Association/North America, What Asbestos Is--How And Where It Is Us. Asbestos And Health, Questions and Answers--Asbestos And Man. and Protecting The Asbestos Worker. Single copies of the book are available from the AIA/NA, 22 East 40th Street, New York, York 10016 (bulk rates on request).

16. President Scowcroft introduced the Guest Speaker: Matthew Swetonic, Executive Secretary, Asbestos Information Association North America. Mr. Swetonic (whose profile is attached) discussed the AIA/NA, its formation, its history and the work it is doing on behalf of the asbestos industry in the United States. He also talked about the impact of OSHA and EPA regulations to control amount of asbestos dust in the atmosphere. He discussed the question: Why has the Asbestos Industry been singled out by government and various conservative groups? He stated that the industry is passing through a crisis period in the U.S. and closer ties between trade associations would be beneficial. Swetonic advised that he has been talking with the press about asbestos and health since 1968 and that out of 150-175 reports, only 2 were over 35. We are dealing with a young and idealistic group, he said. From a survey taken of the awareness and attitude toward the use of asbestos, it was discovered that asbestos is relatively unknown to the general public. The situation changed little between urban and rural areas. It was interesting to find that the survey indicated that those in the 16-25 age bracket knew little about asbestos but that awareness increased in those interviewed who were between 46 and 49 years of age. A copy of Mr. Swetonic's presentation, in its entirety, is attached to these minutes.

17. There being no further business, he brought before the membership, the meeting was adjourned at approximately 3:30 P. as per a motion by R. A. Farrell, seconded by R. A. Morris, and unanimously approved by the attending members.

Respectfully submit

Doris M. Fagan
Doris M. Fagan,
Executive Secretary

NOTE: Enclosed herewith is your copy of the Constitution and Bylaws of the Asbestos Textile Institute, revised as of June 6, 1973. Paragraph 9 of the By-Laws (page 7) is subject to approval by the Internal Revenue Service.

ADDITIONAL FINANCIAL INFORMATION

Report of Funds as of April

Balance on Hand January 2, 1973 --

General Fund	\$ 1,356.03
Reserve Fund	9,886.00
Petty Cash Fund	160.00
Total on Hand	\$ 11,402.03

Receipts

To Reserve Fund --	
Interest adjustment to 12/31/72	\$.01
Dues for Year 1973	14,250.00
To General Fund --	
Book Sales	115.28
Insurance Credits	37.00
Total Receipts	\$ 14,302.29

Disbursements

Rental of Office Space (6 months)	\$ 270.00
Telephone (4 months)	135.00
N.J. Employment Tax (4th Qtr 1972)	33.75
Federal Income Tax (4th Qtr 1972)	78.00
Federal Unemployment Tax (Year 1972)	15.00
Federal Income/FICA Taxes (1st Qtr 1973)	162.00
Pa. Unemployment Tax (1st Qtr 1973)	5.25
Pa. Income Tax (1st Qtr 1973)	12.00
Secretary's Net Wages (4 months)	578.00
Insurance for New Office quarters	145.00
Postage, Printing, Office Supplies, etc.	210.00
Revision of Fibre Cost Manual	20.00
Legal Services & Expenses (4th Qtr 1972)	207.40
Secretary's Travel Expenses (2/72 meeting)	175.10
Petty Cash Vouchers \$01-10	25.00
Total Disbursements	\$ 2,914.45

Miscalculation from last Statement \$ 21.00

BALANCE ON HAND APRIL 30, 1973 \$ 21.00

Funds as of April 30, 1973 --

General Fund	\$ 1,462.06
Reserve Fund	10,846.01
Petty Cash Fund	7.93
TOTAL AVAILABLE FUNDS	\$ 12,316.00

Assets as of April 30, 1973 --

Total Funds as listed Above	\$ 12,316.00
Accounts Receivable (Book Sales)	6.00
Furniture & Equipment (nominal value)	1.00
TOTAL ASSETS	\$ 12,323.00

TOTAL LIABILITIES \$ 12,323.00

TOTAL NET WORTH \$ 0.00

Doris M. Fagan
Respectfully submitted,
Doris M. Fagan

FIBRE PRODUCERS' REPORT

[Presented at AIA General Meeting, June 7, 1973, at May Fair Marriott, Arlington, Virginia]

There has been an increasing demand throughout the world in for a number of fibre grades, notably in 6 Group and 7 Group. After the fall-off in 1972 in 5 and 6 Group fibres, this market has begun to recover, although not to the same extent as the previously-mentioned 4 and 7 Groups.

Of main interest to members of the A.T.I. are the spinning Group 3 grades. Cruden and ultra-long spinnings continue to be in short supply, but the medium and short spinnings in the 13-32 range are in fair supply from most producers. No shortages foreseen in these grades during 1973, although individual producers may be tight in some specific gradings.

There are no indications at present that there will be a market change during 1974 in spinnings; however, in short fibres, current oversupply of 60 fibres may be closer to balance next year.

One or two new mines in Canada are scheduled to come into production in 1975, but there is no likelihood that they will produce any spinning fibres. The same is true of new sources in Australasia.

Walter H. Smith
Technical & Sales Representative
Hall Associates Mines, Ltd.

M E E T I N G

AIR POLLUTION & MANUFACTURING COMMITTEE

Asbestos Textile Institute
June 7, 1970 - - Key Bridge Marriott, Arlington, Virginia

The Committee met with sixteen members and guests in attendance representative of ten companies, as follows:

Amatex Corporation
E. H. Walter, Norristown, Pennsylvania

Asberit S.A.
H. Cattaneo (Adorno), Rio de Janeiro, Brazil

Cadwalader, Wickersham & Taft
R. J. Leff, New York City

Canadian Johns-Manville Company Ltd.
J. P. Power, Asbestos, Quebec

Garlock Inc.
S. C. Dixit, Palmyra, New York

Johns-Manville Corporation
C. G. Guarin, Manville, New Jersey
H. B. Reitze, Denver, Colorado

Lake Asbestos of Quebec Ltd.
B. A. Farrell, New York City
A. L. Lafabvre, Black Lake, Quebec

H. K. Porter Company, Inc.
E. C. Bratts, Charlotte, North Carolina
L. E. Moody, Charlotte, North Carolina

Raybestos-Manhattan, Inc.
R. T. Matthew, North Charleston, South Carolina
I. H. Weaver, Hanahan, Pennsylvania

Uniroyal, Inc.
H. D. Pittinger, Wintashore, South Carolina
B. E. Cardan, Hogansville, Georgia
L. P. Dieringer, Middletown, Connecticut

The meeting included discussions in the following areas: dust (fiber) counts improvements, special checking, etc.; and recent experiences with OSHA inspections.

When taking dust counts, one company now is using a method of placing the filter intake valve near the person's mouth and nose

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and in some cases will use two units with the second on the employee's shoulder.

Also, it was pointed out, again, that the height of the person being checked has some bearing on the dust count. Dust on samples, when checked by different people, shows a difference a variation of as much as 5 to 1 and an average of 40% variation plus or minus, with more variation on higher counts.

Spacing of equipment using a larger area and using a second to recirculate the air has shown some reduction in dust count. When stripping cards, use hoods placed as low as possible on the area and strip with a brush attached to a vacuum. Some utilize the Abington system when stripping cards.

One plant reported the use of a light spray (T-2-X) on mixes roughly 2%, while another plant sprays carrier only with a mix of water and ban-set. Both plants report some reduction in as a result of using the sprays.

In a recent plant inspection by OSHA, one company received 3 fines for the following items:

- 1) Some employees with no respirators;
- 2) Company had not provided protective clothing in required areas;
- 3) Citations resulting in two \$750.00 fines for exceeding five (5) fibers in one area and a time-weighted average of over ten (10) fibers in another area.

In some recent cases the OSHA Agency has reduced dust counts 25% before actually issuing a citation. Some plants are under rental uniforms and lockers both furnished by the rental uniform people. The uniforms, two per employee each week, averages \$22.50 weekly.

In most cases the rental uniform is a short-sleeved shirt and pants only, and this has been acceptable.

Respectfully submitted

Ruel F. Carden, Chair

M I N U T E SASBESTOS ADVISORY COMMITTEE

Asbestos Textile Institute
June 7, 1973 -- Key Bridge Marriott, Arlington, Virginia

IN ATTENDANCE:

D. W. Russell, Chairman
T. P. Jackson
A. Kuzmuk
H. J. Scanlan
H. Q. Scovcroft
D. M. Fagan, ATI Executive Secretary
E. J. Loff, ATI Legal Counsel

The Board of Governors of the Asbestos Textile Institute took action at its September 1972 meeting to change the Institute's Constitution and By-Laws. The change permits weavers of asbestos-containing fabrics and tapes, for resale as such, who do not manufacture the asbestos yarns used in same, to be eligible for Associate Membership. In light of this action, the Asbestos Advisory Committee was requested to determine a method of extending membership.

After considering several alternatives, the Committee accepted the offer of H. Q. Scovcroft to prepare a news release for insertion in the July 1973 issue of ASBESTOS magazine. The release will state the By-Law change and will publicly extend membership to those qualified and interested. T. P. Jackson of Johns-Manville Corporation will serve as Membership Chairman.

Respectfully submitted,

D. W. Russell, Chairman

M I N U T E S TECHNICAL COMMITTEE

Asbestos Textile Institute
June 6 & 7, 1973 - - Key Bridge Marriott, Arlington, Virginia

IN ATTENDANCE: J. W. Hawkins, Raybestos-Manhattan, Inc.
W. Marshant, Wuxton Corporation
P. O. Nicodemus, General Electric Company/ASTM
C. G. Guerin, Johns-Manville Corporation
J. W. Richard (Chairman), W. H. Porter Company, Inc.

Carl G. Guerin, of Johns-Manville Corporation, was welcomed as a new member of the ATI Technical Committee, replacing Irvin Barn

A special meeting of the Committee was held on June 6th to review the ASTM Standards for Yarn, Roving, and Lap. The Committee's proposed statements on precision and accuracy were approved by the Editorial Committee of ASTM D-13 as being editorial. However, the statements were rejected by the ASTM Standards Editor who specified they must be put to letter ballot after assigning a schedule for inter-laboratory testing. The samples of yarn, roving and lap will be analyzed by Raybestos-Manhattan, Inc., Wuxton Corporation, General Electric Company, Garlock Inc. and W. H. Porter Company, Inc. Testing should be completed prior to the Spring 1974 meeting.

The Johns-Manville tumbler-test procedure was discussed as a test to determine the relative dustiness of various asbestos products. J. W. Hawkins will determine if this equipment is available for ATI evaluation. The feasibility of building a similar tester also will be considered.

ASTM Subcommittee D13.14 has been requested by the U.S. Navy to change D-315 Asbestos Tapes to conform with Federal Specification MIL-T-1782 so it may be used for direct procurement purposes. Revision would require the addition of a quality assurance provision, a section on packaging and an obsolete table on tape styles. The ATI Technical Committee feels that this information should not be included in a "Material Specification." P. O. Nicodemus will review the objectionable items with ASTM before replying to the Navy.

A draft of proposed Military Specification MIL-I-3053V--"Insulation, Electrical, Asbestos-Fiber, Treated and Untreated" was submitted for approval. The Chairman was instructed to request extension for comments until after the October 1973 Committee meeting.

Respectfully submitted

J. W. Richard, Chairman

MINUTESFIBER RESEARCH & TESTING COMMITTEE

Asbestos Control Institute
June 7, 1973 -- Key Bridge Marriott, Arlington, Virginia

IN ATTENDANCE:

W. C. Geseib, Johns-Manville Corporation
W. H. Smith, Bell Asbestos Mines Ltd.
D. E. Childers, H. E. Porter Company, Inc.
C. E. Stiefken (Chairman), American Smelting & Refining

The meeting was totally devoted to discussions of the progress of the 3rd Edition of the Chrysotile Asbestos Test Manual.

It was noted that the ACPA (Asbestos Cement Products Association) has become defunct and all references to that organization have been removed from the new manual.

It was decided that for future test deletions, a substitute would be inserted into the manual, containing the previous test number with an explanation of the reason for deletion. It was also indicated that the test could be obtained from ATI, if required.

Since ACPA is defunct, the ATI has, for the record, agreed to sponsor an original ACPA test -- Strength in Asbestos Cement Products, T-3.

Test G-2, Bulk Magnetic Rating, has been approved for sponsors by the ATI.

The Test Manual has been assembled in rough form, requiring editorial changes. This draft will now be reviewed by the Fiber Research & Testing Committee. When approved, the draft will be submitted to the printer for a reasonably-accurate estimate. All original typing, sketches and photographs will then be assembled for printing, hopefully by the end of this summer.

It will be helpful for the membership to submit copy requirements to Doris Pagan as soon as possible.

Respectfully submitted

C. E. Stiefken, Chair

M I N U T E S

ENVIRONMENTAL HEALTH COMMITTEE

Asbestos Textile Institute
June 7, 1973 -- Key Bridge Marriott, Arlington, Virginia.

No formal meeting of the Committee was held, and the three met sat in on the discussions of the Air Hygiene & Manufacturing Committee.

As of meeting time, the following is the status of various proposed OSHA occupational health standards which are of interest to our companies:

1) Noise -- A Department of Labor Standards Advisory Committee is meeting periodically to consider this standard. At its meeting in Boston on May 21, 1973, the American Conference of Governmental Hygienists (ACGIH) recommended the adoption of a notice of intent to change the Noise Threshold Limit Values to 95 dBA for an 8-hour-a-day, time-weighted exposure. At the OSHA Standards Advisory Committee meeting in Washington, D.C., on May 30, 1973, Dr. V. H. Milward, Committee Chairman, stated that the level of exposure to noise for employees will probably remain at 90 dBA.

2) Heat Stress - ACGIH also recommended at its Boston meeting the adoption of the Heat Stress Threshold Limit Values which were published as a notice of intent in 1972. It differs slightly from those recommended by NIOSH in its criteria package in that permissible work-rest regimens are specified. The status of the proposed standard is clouded by recent criticism that the 'WBGT' index is not an adequate indicator of heat stress. Proposals have been made that sweat rate and heart rates are more indicative of heat stress.

Recent articles of interest from the Annals of Occupational Hygiene, Volume 16, 1973, house organ for the British Occupational Hygiene Society, are:

1) Pages 1-5, Hygiene Standards for Airborne Amosite Laborers' Dust - "The subcommittee (on asbestos) has reviewed all information on human exposure to airborne amosite dust and animal experiments. The subcommittee believes it has insufficient knowledge of the relationship between airborne amosite dust exposure and the risk of asbestosis to permit an accurate statement of the degree of protection afforded by a specified hygiene standard. Nevertheless, on the basis of comparisons between the effects of amosite and chrysotile dust on man and animals, it is recommended that the standard for amosite should be no less stringent than those for chrysotile."

2) Page 7, Review of the Hygiene Standard for Chrysotile. Asbestos Dust - Based on information of Quebec Ministry of

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morbidity data, no new reported adverse comments and initiation of new studies not available for a number of years, subcommittee on asbestos stated, "It is therefore recommended that no changes be made at the present time, but that the standard be kept under review."

3) Pages 9-17, Biological Effects of Cancer - Report of Advisory Committee on Asbestos Cancer to the Director of International Agency for Research on Cancer - Report divided into two parts, the first a question-and-answer section devoted to the latest thinking on the relation of asbestos exposure and cancer, and the second to recommendations for future research in epidemiology, pathology and physics or chemistry of asbestos-related cancer.

Respectfully submitted

L. F. Dieringer, Chair

REVIEW OF COUNSEL

Asbestos Verity Institute General Meeting
June 7, 1973, Arlington, Virginia

At the February General Meeting in Atlanta, Wendell Moore gave to you remarks of counsel dealing with illegal divisions of territory among competing sellers. The cases he referred to to deal with explicit agreements in which the map was carved up by the selling companies involved on the principle of "one region, one company". The decided cases have held such agreements to be unlawful, with a few limited exceptions.

A recent case has focused attention on the division of markets. The agreement or plan is not clearly spelled out. In Holbert Bag Company v. Malcolm S. Gilliland, Inc., 471 F.2d 894 (5th Cir. 1973), cert. denied, 41 U.S.L.W. 3542 (May 20, 1973), a distributor of vending equipment was assigned by the manufacturer "primary responsibility" for distribution in Northern Georgia. The naive commercial instincts of the firm, however, led it to begin sell in Tennessee, which was not only outside the Northern Georgia territory, but was within an area supplied directly by the manufacturer. Eventually, the distributorship agreement was cancelled by the manufacturer, and the distributor sued the manufacturer, charging an illegal division of territories.

The defense emphasized the absence of a written contract prohibiting the distributor from selling in any particular area. There had been such an agreement years earlier, but counsel had remedied the problem by drafting new contracts assigning "areas of primary responsibility", which did not on their face limit sales elsewhere.

The courts nevertheless held the arrangement to be illegal. The Fifth Circuit Court of Appeals stated that "A silent understanding can be shown by the course of conduct of the parties." The chief damaging evidence was an intra-office memo from the Tennessee district representative of the manufacturer to the home office which reported the distributor's sales in Tennessee and urged the manufacturer to "counter" by selling directly in the distributor's territory, Northern Georgia.

One of the important teachings of this case is that compliance with the antitrust laws - whether the issue is prices, distribution schemes, refusals to deal with certain companies, or any other sensitive trade regulation matter - is not achieved by merely avoiding the obvious, spelled out forms of transgression. Care must be taken not to lessen competition indirectly or through unexpressed understandings as well.

Having mentioned violations of the law through mere devious means which seems to me appropriate at this gathering, so close to the Watergate building, I would like to note another connection between antitrust law and politics.

ABOUT THE SPEAKER

The names Matthew M. Swetonic and Asbestos Information Association/North America are synonymous. It was Matt who developed the original AIA/NA Prospectus in the Fall of 1970 and who prepared the presentations for both the introductory and the organization meetings.

Upon J-M's decision to move its corporate headquarters to Denver and Matt's electing not to make the move, he was employed as AIA/NA's first full-time Executive Secretary. For the first three months of 1972 he handled two jobs: Manager of Environmental Affairs for J-M and Executive Secretary for AIA/NA. During this time he organized the industry effort for the EPA and OSHA hearings and wrote for others or presented himself six major presentations in a period of 45 days, a record which he states he hopes he "will be never asked to break."

Matt is 30 years of age and is married. He is a native New Yorker, was reared in Easton, Penna., and now resides in Manhattan. He holds a B.A. in Creative Writing and an M.S. in Journalism.

Following a tenure as Feature Writer for The Easton Express, he joined J-M in July 1965 as Associate Editor of News/Pic, an employee magazine. He was promoted to Editor in January 1967 and one year later was named Coordinator, Special Projects. This is the job that granted him the expertise to superbly fulfil his duties as Executive Secretary of the AIA/NA as the major responsibilities included writing J-M asbestos-health position papers, preparing speeches on asbestos-health for top J-M executives, working with J-M public relations counsel and learning asbestos-health literature backwards and forwards.

WHY ASBESTOS ?

A Presentation Before the
Asbestos Textile Institute
Arlington, Virginia - June 7, 1973

By: Matthew M. Svetonic, Executive Secretary
Asbestos Information Association/North America

I am sure that many of you have asked yourselves, as I have as myself, why has the asbestos industry seemingly been singled out as the prime target for so many assaults by government, labor, the press, certain segments of the medical profession, and by various environmental and consumer activist groups?

Why us? Can asbestos really be all that bad? Are the products produce truly going to kill millions of Americans, as some experts have predicted? Or is there some sort of nefarious conspiracy afoot to destroy the asbestos industry?

The answer to the question of "Why us" is both complex and simple. Complex because it is a combination of three interrelated but separate factors. Simple because each of the factors is, when considered by itself, quite obvious.

The three factors are: (1) asbestos can cause disease, (2) a spokesman arose to champion the need for asbestos control, and (3) a cornucopia of new government agencies were set up to control materials and products that can cause disease. Let us look at each of these factors in turn.

First, there is no doubt that the inhalation of substantial amounts of asbestos can lead to increased rates of various types of lung disease, including two forms of cancer. These are facts which not be denied, even if they do not apply in all circumstances under all conditions. The medical literature is full of solid data linking asbestos to disease. In my office, I have on file more than 2,000 medical papers dealing with the health risks of asbestos and hundreds more are published every year.

Secondly, the spreading of concern over the health risks of asbestos has as its prime spokesman one of the most talented medical publicists of the age -- Dr. Irving J. Selikoff of New York's Sinai Hospital. Not only is Dr. Selikoff capable of arousing the fire and moral indignation of the most conservative reporter or politician with his graphic descriptions and predictions of the ravages of asbestos, but he has also surrounded himself with a group of similarly talented associates who have carried the Sinai message to the far corners of the nation.

While Dr. Selikoff has, in his zeal, unquestionably painted a darker picture than the facts warrant, we should always remember in his defense that the insulation workers he has been studying

Page 2 - Why Asbestos?, by H. H. Swetonio, AIA/AAA
Presented to the AIA at Arlington, Virginia - 6/7/73

more than a decade were and still are dying from asbestos related disease at an appalling rate. Such a situation would be sufficient to make a crusader out of the most conservative of scientists.

Finally, in the past decade there has been a tremendous growth in public and governmental interest in environmental and occupational health matters. This interest has been translated into a series of far-reaching laws affecting industry in a manner hitherto unknown in this or any other country. I believe it is accurate to say that these new laws, such as the Occupational Safety and Health Act, the Clean Air Act, the Consumer Product Safety Act, and so on, have forever altered the concept of the free enterprise system as it was known in this country for a hundred and fifty years.

Thus, in combination, these three factors created a situation in which a cadre of freshly created federal agencies, with strong statutory authority, were prodded into assigning priority status to asbestos by Dr. Selikoff and his followers, who achieved these results through skillful use of the great wealth of negative asbestos-related data contained in the medical literature.

In short, the asbestos industry was singled out because it was vulnerable to attack, because there was someone willing to lead the attack, and because Congress had graciously provided the vehicle for such an assault.

The background of industry efforts to deal with the asbestos-health problem as a national issue goes back nearly a decade, to Dr. Selikoff's now famous 1964 seminar on asbestos disease at the New York Academy of Sciences. While this seminar did much to prick industry's conscience about asbestos and health, the problem still remained one of limited public and press interest until around 1967, when the media began heaving the medical bushes searching for stories that would graphically portray American industry's supposed disregard for the environment and for the health and safety of workmen and the American public. The asbestos-health problem was found to be tailor-made for such stories. As a result, starting with Paul Brodeur's infamous New Yorker article of March 1968, asbestos has since grown into an item of major press interest.

In those years, industry efforts to combat the spate of negative press articles on asbestos were carried on primarily by the Johns-Manville Corporation, which set up a task force of specialists in various fields to do what it could to portray the problem in its proper perspective. While some minor successes were achieved, it was found that no one company acting independently could adequately or effectively represent an entire industry in dealing with the press and with government officials.

As a result, in late 1970, eight companies gathered in New York to launch the Asbestos Information Association of North America.

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which was patterned after the British Asbestos Information Committee, which had been established some three years earlier.

In our original concept, the Association would limit its activity to providing accurate, unbiased information on asbestos and be to the press, to the public and to interested politicians and government officials. It must be remembered that at this particular time, the enormous problems that would later develop with regard to OSHA and other Federal regulatory agencies were as yet the distant horizon and basically unrecognized by the industry.

Fortunately -- and properly -- the Association has had the wisdom to alter its original limited concept of its proper functions. Now endeavors to assume whatever activities and responsibilities deemed necessary to protect the interests of the asbestos manufacturing industry in the United States vis-a-vis asbestos-health.

From this rather narrow initial public relations concept, the Association has grown in the last two years into an organization with priorities in eight major fields of endeavor. These are: Medical Affairs, Legal Affairs, Environmental Control, Customer Relations, Employee Relations, Inter-industry Relations, Public and Public Relations, and Government Affairs.

To take these activities one at a time, let us start with medical affairs.

It is an obvious fact that if an organization is to speak authoritatively on a medical matter, it must not only be steeped in the literature of that particular medical subject, but it must also keep itself constantly informed of new discoveries and developments. This we have accomplished in a number of ways. For example, by sending representatives to important medical meetings, such as 1972 Lyon, France, international conference on the biological effects of asbestos, which was sponsored by the World Health Organization.

We also meet on an irregular basis with various medical experts in the field, both from the United States and abroad, to review and discuss recent developments and discoveries.

Our literature research is eased considerably by receiving the monthly medical paper distribution of the Institute of Occupational and Environmental Health in Montreal, which is funded by the Asbestos Mining Association.

This year, for the first time, the AIA has elected to sponsor medical research of its own. Currently underway is a completely AIA/MA funded study of chest sounds, which is being conducted by Dr. Raymond Murphy of the Harvard School of Public Health. The purpose of the study is to find a new method of determining an individual's potential susceptibility to asbestos disease.

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The Association has also recently decided to contribute to some exciting research into a possible cure for mesothelioma through electrotherapeutic treatment. This study is being conducted at St. Joseph's Hospital in New Jersey.

In the legal affairs area, the Association participated in an amicus curiae capacity in the law suit brought by the Industrial Union Department of the AFL/CIO against the Occupational Safety and Health Administration on the asbestos standards. In our brief, the Association supported OSHA against the IUD, somewhat of a unique position for an industry to find itself in vis-a-vis a government regulatory agency. Oral argument on the case was held April 1973 in Washington. While a decision has yet to be handed down by the Supreme Court of Appeals, we are confident that the case will be decided in favor of the industry.

The Association has retained the services of a special technical consultant on environmental control affairs. At the present time, he is working with the AIA/NA Environmental Control Subcommittee on the development of a series of five Association compliance manuals on the OSHA standards.

Last year, because of the well established unreliability of the membrane filter method as a monitoring tool in the asbestos industry, the AIA undertook the sponsorship of a study at a research laboratory in California to determine the effect of various variables on the overall accuracy of the method. The results of the study showed an error factor of plus or minus 50 per cent under the most favorable of measuring conditions. These results were sent to both OSHA and to the National Institute for Occupational Safety and Health. A number of the recommendations contained in the study for improving the accuracy of the method have been incorporated into a soon-to-be-released revised NIOSH operations manual on fiber counting.

In the customer relations area, the total effect of negative publicity and government regulations on industry customers is today rather poorly defined. Some members of the Association reported serious problems in this area, while others have experienced few or no difficulties thus far.

Where customer problems do exist, they normally fall into one of five categories.

First, the customer has thoroughly investigated his situation and has found that he can no longer afford to continue using asbestos or asbestos-containing products, either because the cost of control is too high or because he would have to raise the price of his product to a level that would make it non-competitive with non-asbestos containing substitutes.

Second, the customer has not thoroughly investigated his situation and only thinks that he can no longer afford to continue using asbestos.

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Third, the customer has read one or more negative articles on asbestos in the public press and has made the snap decision that "we ought to get that dangerous stuff out of our plant." Often decisions of this nature are forced on top management by ill-informed medical advisors or safety and health directors.

Fourth, the customer has neither a control problem nor is he particularly afraid of using asbestos in his own plant. However, he is fearful that those of his competitors whose finished products contain asbestos will stress the adverse health effects of asbestos in trying to take business away from him. Customer fears of this nature are essentially "gut" reactions and are hence extremely difficult to deal with.

Fifth, the customer has none of these problems or fears but he has been advised by a government official or inspector that he would be better off if he quit using asbestos or asbestos-containing products in his plant. While this problem does not appear to be widespread, we have learned of a number of situations where it has occurred. Actions of this nature by government officials are totally unacceptable and should be dealt with promptly and decisively. The best solution is to obtain complete details on the incident and then register a formal complaint with the offending official's immediate superior or with the government agency involved.

The Association's first reaction to the overall customer relations problem was to approve funds for a series of four regional seminars at which industry customers would be given a number of basic presentations on the various aspects of the asbestos-health problem. Seminars were tentatively scheduled for the Spring of 1973.

However, the experiences of a number of our member companies show that general "catchall" type seminars of the type originally contemplated would not be effective in dealing with the major customer relations problems. In order to do the job properly, it was found that customer presentations have to be tailored to the needs and problems of the individual customer.

As a result, the Association cancelled its scheduled series of seminars and instead elected to develop a number of packaged presentations on such topics as "The Facts About Asbestos and Health," and "Understanding the OSHA Regulations," which could be used by member companies as part of a tailored presentation to individual customers.

As with customer relations, the Association feels that employee relations is a problem best handled by the individual member companies. Thus far, the AIA's sole contribution in this area of industry concern has been to prepare the draft of an Employee Safety and Health Guide on Asbestos-Health. The draft was made available to the member companies for their own use and at least one has produced it in booklet form for distribution to all its employees.

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I personally believe that the employee relations aspect of the asbestos-health problem is one that has been sorely neglected most companies within the industry, and that it could develop a major problem area in the near future and that steps should be taken now to deal with it. We know that various organized labor groups are planning a full scale campaign to bring their interpretation of the asbestos-health problem to the attention of asbestos industry employees throughout the nation. If the industry per this interpretation to be disseminated without rebuttal, the consequences could be grave indeed.

Inter-industry relations are best defined as keeping the industry informed about important new developments on the governmental, medical and press relations fronts that affect asbestos. This is accomplished within the AIA by periodic distributions of documents and information to the member companies and to others on our mailing list.

The value of this activity can be gauged by the fact that our overall mailing list increased from approximately a dozen names in 1971 to more than 60 a year later. While we have had to trim the list somewhat this year for logistical reasons, we assume from frequent requests we still receive to be placed on the list that the material we send out is being read and is of considerable value to those receiving it.

Next to government affairs, our public relations and publicity activities constitute the single largest consumer of time, effort and money within the Association. Those of you who are familiar with the treatment that asbestos has been receiving in the public press over the years can readily understand why this activity is so high on our priority list.

What you may not understand are the reasons why our extensive efforts in dealing with the nation's press have been so unsuccessful to date in producing the theoretical "balanced" or "positive" story on asbestos and health.

The simple fact is that from the standpoint of today's young activist reporter, industry is the bad guy, and nothing we do, or achieve can ever change this impression. If we spend \$100 million dollars on environmental control, the press either says we ought to have done it ten years ago or that we should have spent \$200 million. If we sponsor medical research, they say we are trying to buy favorable results. If we are opposed to ridiculous stringent standards, they say we are in favor of letting our employees die.

A television executive in Minneapolis described this new breed of reporter as being "so intent on demolishing the establishment that they would blindly destroy the credibility of the media in the gain." Another TV executive, this time in Chicago, stated "the

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want to make moral and political and social judgments on their assignments and then take sides. Never mind getting the facts straight."

As a result of this "industry is a monster" philosophy, asbestos will remain a hot news item only so long as the news is bad. "good" that asbestos does in protecting lives and property is no concern to the press. Likewise, industry efforts to protect workmen and the general public from asbestos exposure will also be given minimal coverage, since such information is directly contrary to the portrait of an irresponsible industry producing "killer" product that is the sole element of news worthiness in the asbestos story.

The press relations battle will therefore be won, not when the media starts to print positive or balanced articles about asbestos but when the press ceases to print anything about asbestos at all. As long as negative news on asbestos-health continues to be generated, the media will continue to eat it up. The media will only cease to carry such stories when the generation of negative news ceases. It is as simple as that. Positive or balanced stories are a chimera, since they are, by definition, not newsworthy.

Let me give you a very specific example of this last principle in action. As most of you already know, the Association is currently engaged in an extensive campaign to interest the trade press in articles on the benefits of asbestos and on industry accomplishments in the environmental control area. The trade press, unlike the national or public media, is much more receptive to articles of this nature and we expect to be seeing a number of positive stories in the trade press in the next few months.

In any case, we also from time to time put out press releases on various subjects relating to asbestos-health. A few weeks ago, we issued a release on the report of the advisory committee on asbestos cancers of the World Health Organization. In brief, the report concluded that the general public is not in danger from asbestos in the environment. Thus far, we have received nearly two dozen press clippings from trade publications that carried the story. To the best of our knowledge, not a single newspaper, magazine, radio or TV station, or any other segment of the public media ran the story, with the solitary exception of a French language paper in Toronto. As I said before, if the news is good, the press simply isn't interested.

Nonetheless, the Association has no intention of abandoning our efforts vis-a-vis the national media. We will continue to issue appropriate press releases, cooperate with feature writers doing stories on asbestos, write letters to the editor when those stories appear, and in short, do all we can to present the press with a balanced view of the asbestos-health situation.

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Our most recent effort in this regard has been the preparation and printing of an Asbestos and Health Information File, which we mailed to some 3,000 newspapers, magazines, trade publications, radio and TV stations, science writers, etc., across the United States.

Basically, the file contains copies of five industry position papers on asbestos and asbestos-health, as well as a number of important medical papers and a pair of photographs illustrating the benefits of asbestos and industry efforts at environmental control. While we don't expect our information file to change the whole attitude of the press toward asbestos, we are hoping that the media will make use of it to accurately report the industry position when doing stories on the subject.

And now, having heard the bad side of the public relations pro, it's time for some good news.

And the good news is that despite all the negative articles on asbestos-health that have appeared in the press over the past dozen years, very few people have been paying attention. Let me explain.

In February, the Association undertook a personal interview research survey of the American public to determine its attitude toward asbestos and its awareness of the health issue. The survey was conducted by the Opinion Research Corporation during March and April. More than 2,000 demographically selected Americans were interviewed.

Without going into enormous detail, the results show that only 10 per cent of the American public are aware of the health hazard of asbestos, and that 80 per cent of these consider it a hazard only to those who are occupationally exposed. A mere three per cent of those interviewed stated that they considered asbestos a health hazard to the general public, and less than one quarter of one per cent considered it the most dangerous material on the list they were given to choose from. Surprisingly, the college age youth of America are no more aware of the hazards of asbestos than are parents and grandparents.

These results should be reassuring to those industry customers who fear that the general public will stop buying their products because they contain asbestos.

Before going on to describe our activities in the government relations area, I think it might be interesting at this point to take a very brief look at the manner in which Dr. Selikoff and his supporters have used his research results to dramatize and exaggerate the seriousness of the asbestos-health problem. I have two charts which point this out rather conclusively.

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The first chart shows the actual results of Dr. Selikoff's for mortality studies of asbestos workers. The numbers in parenthesis beside the figures for total number of workers indicate those who have so far died from all causes. The percentage figures also the total number of deaths from asbestosis, lung cancer and mesothelioma are based on the total number of deaths from all causes, not on the number of workers in the study.

The most important study of the group is the second from the : showing the deaths from asbestos-related disease among all men of the insulation workers union, regardless of length of exposure. You will note that 34 per cent of those workers who have died far have died from one of the three asbestos-related diseases.

These, then, are the facts Dr. Selikoff works from. This is what he knows from his own investigations. Now let us take a look at what he has done with these figures in order to dramatize the problem.

Chart number II shows Dr. Selikoff's predictions about asbestos-related deaths in the United States. Without going into detail Dr. Selikoff has arrived at his projections by the simple process of multiplying the percentage of deaths from asbestos-related disease among his insulation workers by the total number of employees in the entire industry.

You will also note that he has raised his projected death estimate to enormous heights over the past year by simply increasing the base figure of employees exposed, while still retaining the percentage multiplier of 34 per cent being experienced by the insulation workers.

I might point out that this tactic, however deceptive, has been enormous success since each raising of the estimate has earned Selikoff correspondingly greater coverage by the media. No fine example exists of the total gullibility of the press than the manner in which it allowed its prejudices to be manipulated and played upon in this situation.

Please don't get me wrong. I have no doubt that the insulating workers are in fact dying as rapidly as Dr. Selikoff says they. The problem is that he has translated their mortality experience to the rest of the entire industry, which is completely untrue.

In the first place, the estimated number of employees in the industry is too high -- five times too high to be precise. Even more important, according to an analysis by the Association of more than a dozen mortality studies, including those of Dr. Selikoff, our prediction is that approximately 25,000 past and present employees in the asbestos industry have died or will eventually die of asbestos-related disease. This is less than one-third

CHART NUMBER IDR. I. J. SELIKOFF --- RESEARCH DATA

	<u>NO. OF WORKERS</u>	<u>DESCRIPTION OF COHORT</u>	<u>TOTAL FROM TOSIS CANCER MESOT</u>
MORTALITY STUDY OF TWO LOCALS OF INSULATION WORKERS UNION	625 (423)	THOSE WITH A MINIMUM OF 20 YEARS EXPOSURE	149
MORTALITY STUDY OF ALL MEMBERS OF INSULATION WORKERS UNION	17,300 (1092)	ALL WORKERS ON ROLLS 1/1/67	368*
MORTALITY STUDY OF WORKERS IN A WORLD WAR II AMOSITE INSULA- TION PLANT	933 (484)	EXPOSED ONLY TO AMOSITE ASBESTOS	107
MORTALITY STUDY OF WORKERS AT JOHNS- MANVILLE CORP. DENVER, N.J., PLANT **	639 (199)	THOSE WITH A MINIMUM OF 20 YEARS EXPOSURE	66

* 348 OF THESE DEATHS WERE AMONG THE 5,119
EMPLOYEES WITH GREATER THAN 20 YEARS EXPOSURE

**UNPUBLISHED DATA TAKEN FROM ARTICLE IN
THE NEW YORK POST, MAY 1972

Page

CHART NUMBER IIDR. I. J. SELIKOFF -- PREDICTIONS

	<u>NO. OF WORKERS</u>	<u>DESCRIPTION OF COHORT</u>	<u>TOTAL D. FROM ASBESTO: LUNG CAN MESOTHE</u>
ARTICLE IN WALL STREET JOURNAL - 6/8/72 - "STUDIES BY DR. SELIKOFF... LEAD HIM TO PREDICT..."	250,000	ALL WORKERS CURRENTLY EMPLOYED IN THE ASBESTOS INDUSTRY	85
ARTICLE IN THE NEW YORK TIMES - 6/13/72 - (5 DAYS LATER) - "IF OUR EXPER- IENCES...ARE A GUIDE..."	500,000	ALL WORKERS CURRENTLY & PREVIOUSLY EMPLOYED IN THE ASBESTOS INDUSTRY	170,
TESTIMONY AT TOXIC SUBSTANCES HEARING - 2/21/73 - "OUR STUDIES INDICATE..."	1,000,000	ALL WORKERS CURRENTLY, PREVIOUSLY & WHO WILL BE EMPLOYED IN ASBESTOS INDUSTRY IN THIS CENTURY	240,
AP STORY ON TOXIC SUBSTANCES HEARING	1,000,000	(AS ABOVE)	1,000, (MIS-QU

ACTUAL QUOTED PREDICTION WAS 95,000,
BUT THIS INCLUDED DEATHS FROM GI CANCER,
WHICH I HAVE SUBTRACTED FROM THE TOTAL.

Page

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of Dr. Selikoff's most recent estimate. In addition, our figures show that 20 of the 25,000 deaths -- or 80% -- will occur among those in the insulation trades.

While these estimates should be reassuring to those in the mine and manufacturing areas of the industry, we should not forget that 5,000 of our workmen are still going to die of asbestos-related disease and that, all things considered, there is absolutely nothing that we can do to prevent it. The only thing we can do is to clean up our plants to assure that those entering the industry in the future will not have the same experience.

Within the past year and a half, the main thrust of Association effort has shifted to the government affairs front. The principal agencies in Washington with which we have been dealing are the Occupational Safety and Health Administration; the Environmental Protection Agency; the Food and Drug Administration; the Bureau of Mines; and, to a lesser degree, the National Institute of Occupational Safety and Health, and the National Institutes of Health, both of which are mainly involved in research efforts.

In addition, a few weeks ago we were contacted by the Federal Trade Commission, which had received a petition from the Center for Science in the Public Interest requesting an investigation of consumer uses of asbestos for the purpose of determining whether certain products ought to be labeled as hazardous and whether warnings should be required on all advertisements for those products. On the basis of a preliminary meeting with an investigator from the FTC it would appear that we have little to worry about this particular area.

The Occupational Safety and Health Administration has been of enormous concern to the industry over the past 18 months. As most of you already know, the Association expended tremendous efforts during the six month period leading to the promulgation of last June's OSHA standards on asbestos. I think it is a gauge of the effectiveness of the total industry involvement in this most crucial matter that of eleven main requirements in the standards the industry position was accepted totally by OSHA on nine of the eleven, about fifty per cent on a tenth, and totally rejected on only one.

OSHA is now planning to redo the standard package and we are working closely with them on this project. The first step will be the formation of a 15 man advisory committee to review the current standards and any additional medical and technical data that has become available in the year since the standards were promulgated.

Working in cooperation with nine other trade associations we have selected four individuals as industry-wide recommendations to OSHA for the four so-called "employer" spots on the advisory committee.

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In discussing the formation of the advisory committee with Jo O'Neill of the OSHA Standards Development Section, we were as to add a couple of names to the list so that OSHA would have of a selection to choose from. This we have agreed to do.

The committee will be given up to nine months to complete its deliberations and prepare for OSHA a revised standard package. This will be followed by public hearings, approximately a year from now. We do not expect to see a new standard promulgated before the Fall of 1974.

It is of course impossible to determine at this time what the standards will look like, however, I would venture to say that they will certainly not be less strict than the ones we have today, although they will probably be less confusing and leave less room for employer interpretation. Something will unquestionably be done to improve the current difficulties with the monitoring requirements.

The main function of the National Institute for Occupational Safety and Health is to conduct research and to prepare so-called CRI Packages, which are essentially recommendations to OSHA for standards on various materials, chemicals and activities. Such a package on asbestos was prepared by NIOSH at the time of the proceedings last year. NIOSH will not be preparing a new or criteria package for the upcoming review of the asbestos standard.

I do not believe it would be unfair to say that of all the agencies in Washington dealing with asbestos, Dr. Selikoff has had greatest influence on the young idealistic scientists and doctors at NIOSH. Consequently, industry influence is weakest in this agency. It was NIOSH, after all, that made the original recommendation for a two fiber standard in the United States asbestos industry.

Next to OSHA, the Environmental Protection Agency has the great potential of any federal agency for adversely affecting the future of the asbestos industry in this country. Not only is the EPA responsible for developing and enforcing air and water pollution standards, but the Toxic Substances Control Act, now pending in Congress, will also become an EPA function after passage.

For this reason, I am pleased to be able to say that the asbestos industry has an excellent relationship with the EPA. No finer proof of this exists than the fact that there was not a single major industry recommendation made to the EPA at the public hearings on the proposed asbestos emission regulations that was not accepted either in toto or in principle in the final standards which were published in early April of this year.

We are presently working with the EPA on the development of wastewater effluent standards for asbestos manufacturing plants. "

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certainly hope that these standards will turn out to be as reasonable as the air pollution regulations. The proposed effluent standards are scheduled to be published in the Federal Register sometime this Summer, to be followed by public hearings, with final standards being promulgated in the Fall, perhaps as early October.

We are also planning, in the near future, to meet in Washington with representatives from the standards development and enforcement branches of the EPA to discuss with them questions of interpretation and compliance policy with regard to the new air pollution regulations.

We have already resolved one interpretation question that is of special interest to the asbestos textile industry. Approximately two weeks ago I was asked by a member company of the Association to find out whether the EPA was planning to require the manufacturers of asbestos safety clothing to register as potential emission sources under the law.

In discussing the situation over the phone with EPA compliance officials, I argued that the producers of asbestos safety cloth were not manufacturers as defined in the regulations but were in only fabricators of an asbestos product, and as such, should not have to register as potential emission sources.

After our phone conversation ended, a brief meeting was held among the EPA compliance people. I was then called back and informed that they agreed with me that the safety clothing producers should not be required to register.

While this rather minor problem took approximately an hour and a half and two or three phone calls to resolve, it is indicative of the type of day-to-day services that the Association provides for its member companies.

Over the past year the Food and Drug Administration has shown an increased interest in asbestos as a possible hazardous contaminant in various foods, beverages and drugs. Late in 1972 they set up an asbestos task force to review the situation and to propose regulations and guidelines where appropriate.

Thus far they have concentrated their efforts in two areas -- on the use of asbestos-contaminated talc in food packaging and in cosmetics, and secondly, on the use of asbestos cellulose filter pads in the beverage and drug industries.

In our first meeting with the FDA task force last November on the filter problem, they demonstrated and admitted to an appalling ignorance about the health hazards of asbestos. Since then, they have gotten one heck of a lot smarter, due at least in part to a tremendous amount of data and information which the Association

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has been supplying to them. As a consequence, the FDA is today less panicky about asbestos and therefore less likely to propose foolish, unsupportable regulations. Spokesmen from the FDA have in fact, defended the filter industry against environmentalist attacks in the press and elsewhere in recent months. This is, quite obviously, a healthy sign.

Our activities in the area of Congressional relations have been quite minimal to date, although we are preparing for the upcoming struggle in Congress over workmen's compensation reform, at which time asbestos is unquestionably going to be racked over the coals by Dr. Selikoff and by representatives of organized labor.

Unfortunately, the Association has neither the manpower nor the time to embark on a full-scale legislative information program. We have met on occasion with the legislative and legal assistants to various Senators who have attacked asbestos, however much more needs to be done in this area and I am afraid individual member companies are going to have to be the prime ball carriers and not the Association.

For essentially the same reason, our government activities at the state and local level have declined to essentially zero over the past year and a half. This has not been too serious a deficiency as most of the authority of the cities and states in asbestos control has been usurped by various Federal regulatory agencies. Nonetheless, more individual company activity is required at the levels of government.

In conclusion, I think we can all be justifiably pleased with what we have been able to accomplish in the past few years in resolving the cornucopia of interrelated problems that constitute the asbestos-health situation.

Our plants are cleaner and our workmen better protected. The general public has been shown to be in no danger from asbestos, if it ever was. While we have been regulated extensively, for the most part the standards that have been developed have not been as bad as we feared they might be, and in some cases they turned out far better than we ever dared hope. In addition, while we are still to our lungs in the public press, the net effect of all this adverse publicity has been shown to be surprisingly small.

We have sweated a lot and we have groaned a lot, but we are still standing and we are still viable. I sense today within the industry a greater feeling of confidence in the future than at any time in the past few years. But we must not rest contented.

We must remember that Dr. Selikoff has to date been far less successful than our industry has in influencing the decisions of the various governmental regulatory agencies. This will make him try

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Trade associations as well as other commercial groups can run a part of the law by assuming power in their private activities which properly belongs to the government.

The early price-fixing cases reflect the view that private parties should not be permitted to regulate so sensitive a feature of the economy as prices. Similarly, any joint action which excludes certain companies from important commercial benefits is viewed by the courts as the imposition of a punishment - which is a power reserved to the courts.

In Fashion Originators' Guild, Inc. v. Federal Trade Commission, 312 U.S. 57 (1942), for example, a combination of manufacturers of women's garments and manufacturers of textiles tried to prevent copying of their fashionable clothes by so-called "style pirates". The fashionable clothes group refused to sell their products to manufacturers or retailers of garments who dealt with the competition "style pirates". The Supreme Court rejected the defense that such a practice was justified by the necessity of ridding the business of unscrupulous garment designers. The Court said:

"... the combination is in reality an extra-governmental agency, which prescribes rules for the regulation and restraint of interstate commerce, and provides extra-judicial tribunals for determination and punishment of violations, and thus 'trenches upon the power of the national legislature and violates the statute' [i.e., the Sherman Act]." 312 U.S. at 405.

So long as private companies retain their competitive individuality, however, and restrict their joint efforts to constructive objects which reasonably serve that individuality, there is little danger of antitrust difficulties.

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