

MINUTES OF ANNUAL MEETING

of the

FRICTION MATERIALS STANDARDS INSTITUTE, INC.

Wednesday and Thursday, June 28 and 29, 1978, 8:30 A.M.

at

Camelback Inn, Scottsdale, Arizona

PLAINTIFF'S EXHIBIT

MAR-117

MEMBERS PRESENT

Abex Corporation
Auto Friction Corporation
Bendix Corporation
Brassbestos Manufacturing Corp.
Carlisle Corporation
General Motors Corporation
Lear-Siegler Inc.
Muturn Corporation
Raybestos-Manhattan Inc.
Reddaway Manufacturing Co.
S.K. Wellman Corporation
Wheeling Brake Block

REPRESENTATIVES

R. L. Cutler
Adrian Comins
F. E. Messier
W. Simon
W. E. Harris, Jr.
R. J. Kick
D. J. Ogilvie
J. W. Greenen
R. K. Moalli
F. W. Barton
G. A. Carrigan
L. Burgess (6/28)

PROXY AVAILABLE

Lasco Brake Products
H.K. Porter Co.

T. J. Laher (E. W. Drislane)
J. C. Black (E. W. Drislane)

OTHERS PRESENT

Auto Friction Corporation
Bendix Corporation
 Friction Materials Division
 Automotive Aftermarket Operations
 Heavy Vehicle Systems Group
Carlisle Corporation
Delco-Moraine Division

Lear-Siegler Corporation

Muturn Corporation
Raybestos-Manhattan, Inc.
Reddaway Manufacturing Corp.
S.K. Wellman Corporation
Wheeling Brake Block
Gorman & Cole
Friction Materials Standards Inc.

B. Kublin

W. F. Messier (6/28)
D. Godfrey
R. Elliott
R. Perritt
E. E. Kettering
G. P. Baynes (6/28)
D. Lee
R. Luellen
J. Mellow
D. Cunningham
J. Moore
R. Kaminski
G. Stratton (6/28)
R. P. Gorman
E. W. Drislane

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The minutes of the meeting held June 22-23, 1977 had been distributed. No corrections were suggested.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: That the minutes of June 22-23, 1977 Annual Membership Meeting be accepted as written.

PRESIDENT'S REPORT

Mr. F. E. Messier, President, reported on Institute activities over the past fiscal year. Please refer to Exhibit 1, the President's report.

Mr. Messier reported on increased activities by the Asbestos Study Committee along with Task Force work on a work practices booklet for the user of friction materials. He reported briefly on the financial results of the Institute for 1977-78, along with the changes in Membership of (1) Haremont to Muturn Corporation, and (2) Royal Industries to Lear-Siegler Inc. Mr. Messier extended a warm welcome to Mr. Gene Baynes, Chief Engineer of the Delco-Moraine Division of General Motors, who was to address the Membership Meeting. He reported on trademark registration work as well as on the "History" of the Institute that had recently been prepared by the Institute Office.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the President's report as written.

TREASURER'S REPORT

Mr. William F. Messier was elected Treasurer at the June 1976 Meeting. This was the first Membership Meeting he had been able to attend because of a conflict in 1977. Mr. Messier's report referred to the Balance Sheet and Income Statement for the year ended June 30, 1978. Please refer to Exhibit 3.

He noted that all data had to be preliminary because it was based on trial balance figures at April 30, 1978. In essence, the Income Statement showed approximately \$7,000 income in excess of expenses for the 1977-78 year. He indicated that expenses would come in about \$1,500 under budget.

The most significant variances were discussed. A ten year chart showing 3 prior years, figures projected for 1977-78, and preliminary budget figures for 1978-79 was shown. It was noted that the number of Active Members has leveled off or decreased slightly, while there has been a substantial increase in the number of Regional Members. Annual fees have not been increased since 1971. In summary, the Treasurer indicated that the Institute continues in healthy financial shape.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the Treasurer's report as written.

The Chairman advised that Mr. W. H. Sleeth who had served as Director from Lear-Siegler Corporation was no longer affiliated with Lear-Siegler. Based on the Constitution and By-Laws a replacement to complete Mr. Sleeth's term is required. The Nominating Committee Chairman then presented the name of Mr. Francis Messier of Bendix Corporation to serve the unexpired term of Mr. Sleeth until June 30, 1979. Other nominations were called for but none were made.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: That nominations be closed.

The Secretary was directed to cast one ballot for the election of Mr. Francis Messier to fill Mr. Sleeth's unexpired term on the Board of Directors. The Secretary advised that the ballot had been cast. Mr. Francis Messier was elected as a Director to serve until June 30, 1979.

Mr. Greenen advised that with the election of these candidates, and the continuation in Office of the Directors whose terms had not expired, the Board now consists of the required 7 members.

DATA BOOK & TECHNICAL COMMITTEE REPORT

Mr. Phil Grim of Abex Corporation is Chairman of the Data Book and Technical Committee. In Mr. Grim's absence the Secretary read his report. Please refer to Exhibit 8.

The Chairman's report covered items such as the disclaimer language in the catalogs, information on printing the 1978 catalogs, the Committee's interest in computerized type-setting for the Automotive Data Book, and the possibility of a publication of a new Brake Block Identification Catalog. In addition, the Chairman covered various technical matters and guidelines for the Institute. One item referred to was the 15 x 6 and 16-1/2 x 7 Cam brakes with hydraulic actuation. In Mr. Grim's report he indicated that GMC uses a "Hy-Power" booster for some trucks, and the cams are actuated by the hydraulic system. Mr. Baynes commented that the hydraulically actuated cam brakes are teamed with the "Hy-Park" system which is a hydraulic brake apply system with a spring-loaded parking brake. This "Hy-Park" package is now starting in production.

In Mr. Grim's report he thanked Mr. Ron Moalli who had served for some 12 years as Chairman of the Committee and who had provided the necessary leadership for this committee.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the report of the Data Book and Technical Committee as written.

ASBESTOS STUDY COMMITTEE REPORT

Mr. E. H. Wagner of Carlisle Corporation, Chairman of the Asbestos Study Committee prepared this report. In Mr. Wagner's absence the Secretary read the report. Please refer to Exhibit 9.

Mr. Wagner reported on work that a Task Force from the Committee had completed on preparation of a work practices booklet concerning the handling of asbestos-containing friction materials. Considerable progress had been made in the preparation of this booklet but it was noted that at the Board of Directors meeting on June 27, 1978 that the Board directed that the Task Force submit this booklet to the Asbestos Study Committee who would then make recommendations to the Board of Directors.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the report of the Asbestos Study Committee as written.

Mr. Adrian Comins asked that the Institute consider the question of a possible recall of asbestos-bearing friction materials if such action were taken by the Consumer Product Safety Commission. Mr. Comins was concerned with the recall provisions of the Federal Hazardous Substances Act which the Consumer Product Safety Commission administers. If asbestos-bearing friction materials were to be recalled under the Federal Hazardous Substances Act, manufacturers would have to refund not only their distributors or rebuilders for the manufacturers' selling price but would have to pay shipping and packing costs of all those further down the line in the distribution network. He indicated that this was the bill that manufacturers would pick up for the Tris recall. He indicated that this could be a substantial cost should asbestos-bearing friction materials be recalled under the Federal Hazardous Substances Act. A question was raised as to whether product liability insurance would cover the costs of any such recall. It was not known whether this insurance would cover this type of recall. One member indicated that he didn't believe that there could be such a recall by the Consumer Product Safety Commission because he questioned whether the Consumer Product Safety Commission had jurisdiction over asbestos-bearing brake linings. Discussion on the Consumer Product Safety Commission problem was enlarged to include other Federal regulatory agencies including OSHA, EPA, etc. It was indicated that even if a government recall could not be supported by a rational review of scientific data, that in the existing environment, with pressures from environmentalists, the media, and some regulators, that a recall is still a possibility. Mr. Carrigan indicated that beryllium users have scientific data which would indicate that certain sections of the OSHA beryllium standards are unsupportable, but that regulations have nevertheless been adopted. Mr. Harris noted that the Asbestos Information Association has given outstanding service to manufacturers with valuable legal and medical information concerning the asbestos problem. He particularly suggested that friction materials manufacturers who are not members consider supporting and joining the Asbestos Information Association. The study that Dr. Jacko of Bendix had run for the Environmental Protection Agency was discussed. In that paper Dr. Jacko attempted to quantify the amount of asbestos emissions into the atmosphere from brakes and clutches. That paper provided data that supported the view that the general public

is not subject to excessive exposure to asbestos from vehicular brakes or clutches. A member commented that the basic area where asbestos is a problem is in the workplace and not in the general environment and he questioned whether asbestos-bearing brake linings could be considered a harmful consumer product, much less a hazardous substance.

Mr. Comins suggested that the Institute should ask for a hearing while the Consumer Product Safety Commission may be re-drafting rules on recall procedures. The Secretary advised that in 1977 Mr. Comins suggested that individuals write to the Consumer Product Safety Commission as regards recall procedures under the Federal Hazardous Substances Act. Mr. Comins was now asking that the Institute act as an organization to bring this question to the attention of the Consumer Product Safety Commission. The Secretary quoted from the minutes of the January meeting of the Asbestos Study Committee where Mr. Ed Fenner of Johns-Manville stated that there was litigation underway concerning whether aluminum wiring in a house is a consumer product. Also it was noted that there was a survey being made for the Consumer Product Safety Commission by Kearney Associates concerning asbestos-bearing products which might emit respirable asbestos and be covered by regulations of the Consumer Product Safety Commission. The Secretary indicated that he would check the status of the Kearney report and advise.

Mr. Comins stated that as regards individuals writing the CPSC, that to his knowledge no action had been taken by anyone, and that it would be necessary for the Institute to take an active role as regards Consumer Product Safety Commission recall procedures. One member indicated that his company was concerned about the possibility of Consumer Product Safety Commission action and had given serious consideration to the question of recall procedures. It was suggested that the Institute work through the Asbestos Information Association to call this problem to the Consumer Product Safety Commission's attention. In response to a question, the Secretary indicated that the Institute has good liaison with the Asbestos Information Association. Mr. Comins indicated that he was not satisfied with the Asbestos Study Committee's handling of the recall problem with the Consumer Product Safety Commission. After additional discussion Mr. Comins made a motion as follows:

RESOLVED: That the Friction Materials Standards Institute take an active role with the Consumer Product Safety Commission regarding the position of friction materials manufacturers as to recall procedures that could possibly affect asbestos-containing friction materials.

The motion was duly seconded. A count of the members indicated that there were 11 in attendance when this motion was put on the floor. Six members voted in favor of this resolution, with two opposed and three abstaining. According to the Constitution and By-Laws, the resolution passed with a majority of those in attendance voting in favor of the resolution.

Mr. Comins indicated concern about non-asbestos bearing friction materials, and noted that there may be federal funds available for a project such as joint research to develop non-asbestos friction materials because of the alleged hazards of asbestos in the work place and environment. Mr. Comins suggested that the Institute seek federal funding to establish such a joint research project. It was asked if a joint research project

would be legal and feasible. Were there anti-trust implications from this type of research? Several members indicated that their companies would not contribute either directly or indirectly to funding of such joint research.

Reference was made to a proposed New Jersey law which was scrapped about a year ago which proposed to ban the manufacture, use, or sale of any carcinogenic material, which included asbestos. If such a statute were to pass in one state it could effectively ban asbestos in brake linings throughout the United States. This proposed New Jersey statute was abandoned after it was realized that it would just about close down the manufacturing industry in New Jersey. Even if such a ban were feasible, even Dr. Selikoff has indicated that there are controls that can keep asbestos concentrations to non-harmful levels. Several delegates indicated that they were strongly opposed to any kind of joint research project for the development of a non-asbestos lining and this subject was then dropped.

Brake Performance Study Committee

Mr. Nelson, Chairman of the Brake Performance Study Committee prepared his committee's report. Mr. Nelson could not attend this meeting and Mr. Ron Cutler of Alex read the report. Please refer to Exhibit 7.

The Chairman's report discussed items such as the Quality Control Program and recent moves in Washington and the courts concerning Federal Motor Vehicle Safety Standard 121 (air brake systems standard). The Chairman also discussed Standard 105-75 and contact with Mr. Fred Redler of the National Highway Traffic Safety Administration concerning Docket 1-4 (replacement brake shoe and lining assembly). He indicated that this docket was being reactivated and we could expect to hear more on it in the near future.

Mr. Nelson reviewed his discussions with Mr. Redler concerning projects that could effect brakes including such items as longer life friction materials, brake system inspectibility, and the up-grading of both the hydraulic and air brake systems standards. He also discussed AAMVA certification requirements and activities of the Vehicle Equipment Safety Commission. He noted that the Institute had been in contact with the Defense Supply Agency concerning the proposed federal brake lining specification HHL-361E, and that the Defense Construction Supply Center indicated that the revision E variation of this specification calling for full dynamometer tests was not satisfactory. They indicated agreement with the Institute position about the unworkability of Revision E. The Defense Construction Supply Center is now working on a Revision F which it is hoped will include some of the suggestions that the Institute made over the past year.

In reading Mr. Nelson's report, Mr. Cutler commented on the Quality Control Program where he asked for some feed-back concerning work of the Quality Control Sub-committee. It was asked if members had been

implementing suggestions of the Quality Control Program. One member indicated that they had reviewed the Institute Quality Control Program and strengthened their own program with some of the recommendations. Another indicated that they had installed a Quality Control Program featuring recommendations in the Quality Control Program.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the report of Brake Performance Study Committee as written.

PUBLIC RELATIONS COMMITTEE REPORT

The Secretary read the Public Relations Committee Report. Please refer to Exhibit 12.

The Secretary reported that Mr. Ernie Ryso of Hayes-Albion Corporation had been Chairman of the Public Relations Committee. As Hayes-Albion withdrew from the Institute, the Secretary gathered information for the report for the year. In summary, the only release for the 1977-78 year was the election of Officers at the June 1977 Meeting. There was additional publication in late 1977 in trade journals concerning the Institute's recommended procedures for reducing asbestos dust during brake servicing, which release had been reported at the June 1977 Meeting.

Upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To accept the report of the Public Relations Committee as written.

INTRODUCTION OF OFFICERS

Mr. Messier, President advised the members on the election of Officers at the Board of Directors Meeting. Officers who had been re-elected to serve from July 1, 1978 through June 30, 1979 were:

President:	Francis E. Messier
	Bendix Corporation, Automotive Aftermarket Operations
Vice-President:	Ronald E. Moalli
	Raybestos-Manhattan, Inc., R/I International Division
Treasurer:	William F. Messier
	Bendix Corporation, Friction Materials Division
Secretary:	Edward W. Drislane
	Friction Materials Standards Institute

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There being no other business being brought to the attention of the Membership, upon motion duly made, seconded and unanimously passed, it was;

RESOLVED: To adjourn.