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Johns-Manville

Internal Correspondence

3819

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Date: March 11, 1976

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Subject: WESTINGHOUSE CORPORATION
POTENTIAL LOSS OF BUSINESS

The Westinghouse Corporation of East Pittsburgh, Pennsylvania has been purchasing MX-4293 from J-M since 1939. This is basically our standard Style 71 sheet packing which we consider an encapsulated sheet as regards the asbestos fiber. The purchases from Westinghouse over the years have varied from $50,000 to $100,000 per year. There were never any quality problems here. Westinghouse was well satisfied with our product and they accepted our price increases without any objections.

The situation has now changed and we are threatened with a loss of this valuable business. Because of the expense involved due to the OSHA regulations regarding medical examinations and medical record keeping of employees, Westinghouse has decided that it will be less expensive to develop a replacement for our MX-4293 rather than be burdened with the expenses of the OSHA requirements. To this end they have established a new department with a special assignment for replacing asbestos contained products. A Mr. John Botts has been assigned as manager of this department.

The purpose of this letter is to inform you of the effect these OSHA regulations have on our business. If all of our customers on sheet packing alone took the same stand as Westinghouse, this could be the beginning of the demise of a 6 million dollar business with an 8.9% net after taxes.

TPJ:lj