

**UNION
CARBIDE****INTERNAL CORRESPONDENCE****MINING AND METALS DIVISION**

P. O. BOX 579 NIAGARA FALLS NEW YORK 14302

To (Name) Mr. J. W. Rawlings
Division Mining & Metals
Location New York, New York

Date February 7, 1972

Originating Dept. CALIDRIA Asbestos - Marketin
 Research and Development Department

Answering letter date**Copy to****Subject** Degussa

The following comments are for your consideration in answering Degussa's letter dated 1-27-72.

- R 1 - Degussa did not discredit the activities of UCC but they did discredit A-14 and A-28. This impedes the progress of another UCC distributor for moving the same products under different names.
- R 2 - Degussa should also advise their U.S., Japan, and other representatives not to discredit our products. Dr. Fratzscher made a tie between A-28 and RG-244 when he "Discredited" both of them in Japan.
- R 3 - Asbestos is proven to be harmful only when TLV's are exceeded for 10-30 years.

General- A list of customers "in due time" is not adequate - our new distributor (W. R. Grace) needs them now so they can squelch Degussa's comments.

If they became so concerned late in 1971 why didn't they request our assistance and/or advise us of their intentions before taking customer action?

It is not a proven fact that asbestos dust causes cancer when regulations are observed.

Their customers are not forced to reformulate because the products are now available from Grace as SX-14 and SX-28.

John L. Myers
 John L. Myers

/cvb

**PLAINTIFF'S
EXHIBIT**
 UC- 76

ALL-STATE LEGAL
**PLAINTIFF'S
EXHIBIT**

WK UC 5076

FEB 8 1972

LETTER FROM DECUSSA, FRANCE TO SACI

Re : Thickening agents A 14 and A 28

Gentlemen,

We noted with pleasure your order of A 28, our thickening agent.

Unfortunately, it has been found out that A 28 is noxious and probably subject to cancer. Subsequently, our company decided to stop selling this product.

Some quantities will be, however, available before end of this year. In order to continue your manufacturing, we would be grateful if you could let us have your orders immediately. A 28 will be replaced by our Aerosil COK 84 or Aerosil 300.

Please do not hesitate to contact our technical department if any problems arise.

Looking forward to receiving your further news, we remain

With kind regards.

*Date ?
March 18*





UNION CARBIDE CORPORATION

MINING AND METALS DIVISION

270 PARK AVENUE, NEW YORK, N. Y. 10017

January 5, 1972

Dr. Milton Stern
38th Floor

Dear Dr. Stern:

The new RG-244 and RG-144 distributor agreement with W. R. Grace was executed on January 4, 1972 and is effective as of January 1, 1972.

For your information, the termination with Degussa is not going smoothly in that they are making very irresponsible statements to customers concerning the toxicology of asbestos. The attached file will bring you up-to-date on this matter.

Very truly yours,

J. W. Rawlings.

JWR:mc
Attachments



D E G U S S A

Geschäftsbereich Pigmente

DEGUSSA, D-6000 Frankfurt 1, Postfach 3362

Mr. James W. Rawlings, Vice President
Union Carbide Corporation
270 Park Avenue

New York, N. Y. 10017

USA

Frankfurt (Main) Weissfrauenstrasse 9

Telefon: (06 11) 218-1
Telegramme: Degussa Frankfurt/Main
Telex: 4 1221 dgfm d
Bank: DEGUSSA Bank, Frankfurt (Main)
Postcheck: (B) 1501 Frankfurt (Main)
Geschäftszeit: montags-freitags 7.30-12.40
Register-Nr.: 72 HRB 8239 Frankfurt (Main)

Ihre Zeichen

Ihre Nachricht vom

Unsere Zeichen

Telef.-Durchwahl

Datum

PT-V

218-2322

27th Jan., 1972

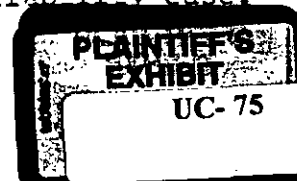
Dear Mr. Rawlings,

We refer to your letter of Jan 11, 1972, and the letter of Union Carbide Europe to our subsidiary company Degussa-France of Jan 6th. In both these letters we are reproached that our subsidiary company in France do market our own products in violation of the rules on fair competition by making disparaging statements on asbestos thickening agents of your company. As already pointed out in the letter of our subsidiary company in France to Union Carbide Europe, we can assure you that it was never our intention to make statements discrediting the activities of your company, all the more so since our representatives do not have any knowledge that the asbestos products in question are products supplied by your company.

We have, however, in addition, immediately taken all steps to make sure that the representatives of our company or its affiliates limit their statements, as far as the toxic properties of asbestos thickening agents are concerned, strictly to the contents of the publication which we distributed in Germany and which we attach hereto for your information.

As you will see from this circular letter, we emphasize that our decision to stop the sale of asbestos thickening agents is due to our personal opinion that numerous scientific publications have in the meantime with increasing certainty confirmed our suspect of the toxic properties of the products at stake. We outline in this statement further that this our opinion is not shared by some other sellers of asbestos products.

We feel we had to proceed this way and even sacrifice a very promising line of business in the light of the enormous risks which could follow from any product liability case.





2nd Blatt on Mr. James W. Rawlings, Vice-President Datum 27th Jan. 1971
Union Carbide Corporation, New York

Naturally, we very much regret that we had to make this decision but we trust that, after this explanation, you will at least understand the reasons for the measures taken by us.

The list of our asbestos-clients which we promised to you in case of the termination of our cooperation - another fact indicating our bona fide approach in this matter - will be forwarded to your Geneva office in due time.

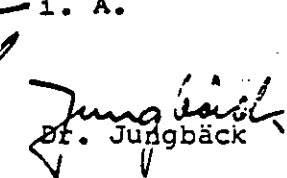
With best regards,

Yours truly,

Encl.

D E G U S S A
i. A.


Frankenbusch


Dr. Jungbäck



DEGUS S A

Geschäftsbereich Pigmente

DEGUS S A, D-6000 Frankfurt 1, Postfach 3993

Frankfurt (Main) Weissfrauenstrasse 2

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Telegramme: Degussa Frankfurt/Main
Telex: 4 1221 dgffm d
Bank: 500 (0700) LBS Frankfurt (M)
Postcheck: (8) 1501 Frankfurt (Main)
Geschäftszeit: montags - freitags 7.50 - 16.40
Registrier-Nr.: 72 HRB 8239 Frankfurt (Main)

Ihre Zeichen

Ihre Nachricht vom

Unsere Zeichen

Telef.-Durchwahl

Datum

PT-MV/Krs-us

218-2045

29. Nov. 1971

Asbestverdickungsmittel A 14 und A 28
Einstellung des Vertriebs zum 31. 12. 1971

Sehr geehrte Herren!

Sie gehören seit einiger Zeit zu unseren treuen Kunden für Asbestverdickungsmittel und haben sicherlich die Vorzüge dieses Materials schätzen gelernt.

Trotz der technischen Erfolge haben wir uns entschlossen, den Vertrieb von Asbestverdickungsmitteln mit Wirkung vom 31. 12. 1971 einzustellen.

Der Hauptgrund für diese Maßnahme sind unsere gesundheitlichen Bedenken im Hinblick auf mögliche Nebenwirkungen. Es war schon früher bekannt, daß das Einatmen von größeren Mengen Asbestfasern zur Entstehung von Asbestose führen kann, die sich jedoch durch Einhaltung der vorgeschriebenen Schutzmaßnahmen vermeiden ließ. Wie erst neuere statistische Arbeiten ergeben haben, ist nicht auszuschließen, daß auch bei Beachtung der Sicherheitsvorschriften Lungen- und Bauchfellkrebs verursacht werden kann.

Wir halten es deshalb für unsere Pflicht, die Asbestfaserprodukte vom Markt zurückzuziehen, obwohl nach unserer Kenntnis nicht alle Anbieter unsere Bedenken teilen.

Zu unserem großen Bedauern müssen wir Sie daher mit dem Problem konfrontieren, Ihre unter Verwendung von A 14 und A 28 ausgearbeiteten Rezepturen umzugestalten. Als Austauschprodukte können wir Ihnen unsere AEROSIL-Typen



TOX-D.Me-Kr./us

Frankfurt, 29. Nov. 1971

Zusammenfassung der toxikologischen Literatur
über Asbestfaserprodukte

Vor der Markteinführung der Asbestverdickungsmittel wurde 1968 ein toxikologisches Gutachten erstellt. Zu diesem Zeitpunkt war bekannt, wie in dem Merkblatt 30/31 der Berufskrankheiten-Verordnung beschrieben, daß Asbestfasern bei entsprechend starker Exposition zu einer fortschreitenden Lungenfibrose (Asbestose) führen können, daß Lungenkrebs in Verbindung mit Asbestose relativ häufig beobachtet wurde und Pleuraendotheliome (Krebs des Lungenfells) vorkommen können. Wenn Schutzmaßnahmen angewandt wurden, wie in dem Merkblatt ZH 1/138 gefordert, schien die Gefahr gebannt.

Erst nach 1968 verdichteten sich die Informationen, die zu folgender neuer Beurteilung führten:

Asbeststaub gefährdet nicht nur den Hersteller von Asbestprodukten, wobei angezweifelt wird, daß der bisher angenommene TLV (Threshold limit value) als zuverlässig anzusehen ist, sondern kann auch die Verarbeiter von Asbestprodukten und sogar die Bevölkerung, die in der Nähe von asbestbe- und-verarbeitenden Betrieben wohnt, gefährden.

Die neueren statistischen Untersuchungen von Dr. Selikoff, New York, berichten in verstärktem Maße von Fällen von Mesotheliomen bei Personen, die nur kurzzeitig einer relativ geringen Menge Asbestfasern ausgesetzt waren. So verdichtete sich der Verdacht, daß Asbestfasern nicht nur eine Gefahr am Arbeitsplatz sondern auch für die Umwelt darstellen.



DEGUSSA

Geschäftsbereich Pigmente

DEGUSSA, D-6000 Frankfurt 1, Postfach 3993

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Telef.-Durchwahl

Datum

PT-MV/Krs-us 218-2045 Dec. 7, 1971

Asbestos thickening agents A 14 and A 28
Sales-stop until December 31, 1971

Dear Sirs,

You have been a regular customer of ours for some time and have no doubt come to appreciate the advantages of our asbestos fillers.

Although these products have much to offer technically, we have decided to withdraw them from the market between now and the end of the year. We are doing so mainly because of our misgivings regarding the possible health effects of asbestos fibres. It has long been an established fact that the inhaling of asbestos dust in larger amounts can cause asbestosis which it is possible to prevent, however, by adherence to the relevant safety regulations. Only more recently has statistical evidence begun to build up from which it appears that asbestos dust cannot be ruled out as a possible cause of lung and peritoneal cancer, even when these regulations are observed.

We consider it our duty, therefore, to withdraw this material from the market although, as far as we know, not all who offer such products for sale share our misgivings.

As a result, you will to our great regret be faced with the problem of having to revise any formulations of which A 14 and A 28 are constituent parts. We can offer you our AEROSIL as alternatives although they are not in every respect functionally fully equivalent substitutes. You may rest assured, however, that our service technicians will be only too pleased to help you with the necessary formula modifications that such a change entails.



2nd Shift on

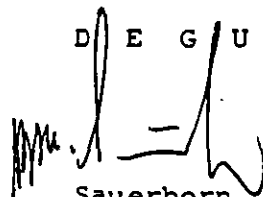
Date Dec. 7, 1971
PT-MV/Krs-us

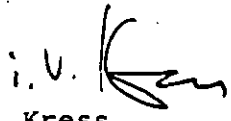
If, in spite of our misgivings you decide you need to continue using A 14 and A 28 for the time being, we are prepared to meet any orders reaching us up to and including the 31st december 1971 at your risk.

We trust that you will appreciate our reasons for taking this action and remain,

yours faithfully,

D E G U S S A


Sauerborn


Kress

Geneva, January 6, 1972

REGISTERED

DEGUSSA - FRANCE S. à r. l.
99 Avenue du Roule
F - 92 Neuilly s/Seine

Gentlemen:

We have become aware of numerous oral and written statements made by representatives of your company which discredit certain products of our parent house in New York, notably the thickening agent A 28.

According to you, this product in effect should have been declared harmful and even carcinogenic, and you would be obliged to halt the sale thereof. You further proposed replacing our agent with a product of your manufacture.

Such statements, as well as the manner of presenting them, are in flagrant contradiction to the rules of good faith and are of a nature to create false impressions among those in the business. It goes without saying that we cannot tolerate them.

We have found it necessary to consult our attorneys in Paris, who are of the opinion that such actions constitute violations of the French law on unfair competition.

We do not wish to resort to the legal means available to us. It would appear, however, that we have no alternative unless you give us, without delay, specific written assurance that your company and its representatives will cease making all statements, direct or implied, of a nature detrimental to us.

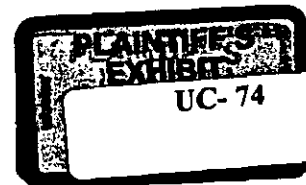
Awaiting your prompt reply, we remain

Very truly yours,

(Signature)

Union Carbide Europe S.A.

Translation: D. Dassau



Genève, le 6 janvier 1971

RECOMMANDEE

DEGUSSA - FRANCE S.A r.l.

99 Avenue du Roule

P - 92 Neuilly s/Seine

Messieurs,

Nous avons eu connaissance de diverses déclarations verbales et écrites faites par des représentants de votre compagnie, lesquelles dénigrent certains produits de notre maison-mère à New York, notamment l'agent épaississant A 28.

Selon vous, en effet, ce produit aurait été déclaré nocif et même cancérigène et vous vous verriez dans l'obligation d'en arrêter la vente. Et de plus, vous avez proposé le remplacement de notre agent épaississant par un produit de votre fabrication.

De telles déclarations, ainsi que la façon de les présenter, sont en contradiction flagrante avec les règles de la bonne foi et sont de nature à provoquer des impressions erronées parmi les commerçants. Il va sans dire que nous ne saurions les tolérer.

Nous avons jugé utile de consulter nos avocats à Paris, lesquels sont d'avis que de tels agissements constituent des actes réprimés par le droit français sur la concurrence déloyale.

Nous ne désirons pas recourir aux moyens légaux qui nous sont offerts. Toutefois, il apparaîtrait que nous n'aurions pas d'autre solution à moins que vous ne nous donniez sans délai l'assurance écrite et spécifique que votre compagnie et ses représentants cesseront toute déclaration expresse ou implicite de nature à nous porter préjudice.

Dans l'attente d'une prompte réponse de votre part, nous vous prions d'agréer, Messieurs, nos salutations empressées.

UNION CARBIDE EUROPE S.A.