PLAINTIFF'S EXHIBIT AB-68
PENGAD-Bayonne, N.J

PERSONAL & CONFIDENTIAL

July 2, 1981

Mr. Stephen S. Conway, Jr.
President
New York Office

Dear Steve,

What I am now doing is strictly forbidden, at least I have been totally regimented into believing this, and it could cost me my job. If so, then Mr. Given would have believed that this possibility is as it should be.

I am assuming that you have read Mr. Given's pamphlet, which impressed me immeasurably. I have been told that it is your desire to return to his philosophy of management and this letter or presentation is based on this premise and my desire to aid you from the standpoint of the Medical Department. However, I am sorely in need of direction from you.

In my relatively brief association with Abex, the Medical Department has always been told what it could and could not do. An acceptable excuse for not following suggested programs has been, "we can't spend that kind of money."

Many cases and examples exist to document this statement and I will enumerate some of them. There is a plant which has an unacceptable exposure to a toxic substance of which they are aware. Repeated industrial hygiene surveys have shown no improvement in this exposure in spite of some measures taken to correct this. Facilities Engineering has proposed changes to correct the situation, but the answer has been "no way will top management approve this expenditure." I have been able to prevent intoxication of the employees, but by quasi devious "administrative" means.

Recommendations for wearing equipment to protect the worker has been answered with "O.K., but we will have to phase it in gradually -- we can't afford to buy the equipment." I believe all equipment for the protection of employees should be supplied by Abex. California already has a law to this effect and why should Abex bring up the rear and wait until all states pass such a law?

In spite of my best efforts, there are plants in which no routine physical examinations are performed. I cannot require the employees to submit to these examinations, but there is no support from the plant management to sell the advantages of routine health care. "We can't afford the money for survey physicals," has been an excuse I have had to live with.

There is one plant in which health measures have been negotiated into a union contract. The contract reads that Abex will not prohibit smoking in the plant unless it is required by law. I know, and have preached to all to whom I was allowed to speak, that the likelihood of cancer of the lung in the employees in this plant is 90 times greater than that of regular smokers if smoking was allowed in the plant.

Another of my protective rules requiring an annual physical examination including visual depth perception to be performed on all moving vehicle operators was negated in union negotiations.

The only way I have been able to accomplish anything at all is through begging, cajoling, selling at the plant level usually. Whatever I have been able to do, however, is better than nothing and I will continue to do my best whatever your directions. Mr. Given would have thought I should have resigned, but I do not think this is the answer. I do not believe any successor would be able to do any better within these parameters and I believe I have made some progress.

I need to know your priorities. I do not want you to fight my battles, but if you believe in the Medical Department functions as stated by Mr. Given, give me your backing and I can win. I am not power mad and I do not want to run the company. I merely want to do the job you expect of me.

Training programs for the employees concerning toxic substances have been watered down because implementing them fully would require admission that part of the program is not being followed by Abex, i.e., furnishing protective work clothing which must be left at the plant. I refused to tailor a program for presentation omitting certain parts because of cost to Abex.

Some of my impressions of inequities could well be caused by lack of information. In no way do I want to destroy my relationship with Dave Christensen. I believe in and approve of the overall direction I think he is taking, but I have some unanswered questions concerning priorities. For years I preached to Don Rennie (my only contact with George Belury) that Abex should train its own executives for the future and not have to "go outside" for upper level management.

It is my understanding that only so much money can be spent on "non productive" programs so I need clarification of priorities. Since everything cannot be done at once, should the money be spent first on protection of employees from injury and toxic exposure, or on training for future upper management? Perhaps both can be done, as I said, I do not know.

Abex is, in my opinion, sadly in need of Safety Training Programs. No safety program is any better than the implementation of the program by supervisors or foremen. We are not training these people but are castigating plants and groups for poor safety performance. Again priorities — if money allows only one training program or the other, do we train executives or safety men? Can we do both at once?

The structure of the Safety Program under Mr. Given's regime consisted, as I am told, of a corporate director and at least three "regional directors" who had a certain number of plants which they were responsible for. We are going back in that direction through Jim Nieves and Jim Aldrich and hopefully will achieve improvement in the near future, but again — priorities.

It is my opinion that medical care, safety, and industrial hygiene are a corporate responsibility. It is my belief (again perhaps wrongly) that Dave Christensen believes in Group autonomy and responsibility,, with my department acting as consultants. Ideally, this could be great but it can't be accomplished by simply saying "let it be so." It will take years of gradual changing of entire attitudes at all levels and in the meantime, all medical programs could go to hell in a handbucket.

Dave is understandably too busy. Dr. Hamlin had direct access to Mr. Given and it seemed to work out pretty ideally from all historical data I can garner. You have given Dave one hell of a large chunk of responsibility and if I am reading the trend correctly, it is to take a direction that I couldn't agree with more. However, he is human and can only accomplish what time and physical limitations allow. It seems to me that delegation of Medical Department's responsibilities is a way of lessening his burden and should be done to as great a degree as possible while still inter-relating corporate goals.

I am sincerely interested in the future of Abex and intend to do my very best to support the medical program in whatever direction you wish to take it. However, I am in very great need of knowing what you want and what priorities I am to operate under.

F. W. Knoch, M.D.
Medical Director

FWK:np