

Market Size

Over the past decade the U.S. has consumed between 608,000 and 876,000 short tons of asbestos annually. Each year, approximately 15% of the asbestos usage is produced in the U.S. with the remaining amount being imported primarily from Canada.

The asbestos industry divides sales data into several categories. Of these categories, only four; packing and gaskets, friction products, coatings and sealants, and reinforced plastics, actually pertain to the automotive industry.

Packing and gasket use of asbestos fiber is cited by the Bureau of Mines to average about 25,000 short tons per year. This volume, however, probably understates the actual usage since asbestos paper is frequently converted to gasket material. The total value of the various grades of fiber used is estimated, by an industry contact, to be approximately \$10,000,000 yearly. Weston¹ and CONSAD estimate the annual value of shipments to be near \$140,000,000.

Friction products containing asbestos, such as; clutches, brake shoes and pads, are not under the jurisdiction of the CPSC.

The annual fiber use for coatings and sealants, at \$110 per ton, is estimated to range between \$4,500,000 and \$8,600,000. However the value of shipments, estimated by CONSAD and Weston, range from 250 million to 275 million dollars.

Asbestos usage in reinforced plastics is reported by the Bureau of Mines to be 20,000 short tons valued at \$2,500,000 per year.

Market Structure

In 1976, according to the Bureau of Mines, there were five U.S. asbestos mining and milling operations yielding a total U.S. employment of under 400. All but one of these operations was controlled by small businesses specializing in asbestos mining and milling. U.S. producers typically sell their production to other manufacturers while Canadian operations are controlled by major international corporations, five of which are U.S. based, who further process much of their own production.

The asbestos fiber producers or miners and mill operators sell fibers through wholesale distribution channels or direct to primary manufacturers. Although these outlets typically do not sell to consumers, it is possible for consumers to obtain loose fibers.

Packing and gasket manufacturers are medium-sized companies who impregnate or laminate the primary asbestos product which is purchased from larger manufacturers. The packings and gaskets are then sold through various distribution channels as finished products. Both finished and unfinished packing and gasketing material is sold through channels which sell to consumers.

¹/ "Technological Feasibility and Economic Impact of OSHA Proposed Revision to the Asbestos Standard"; Weston Environmental Consultants - Designers, West Chester, PA., 1976