



Winnabow, S. C. - T.A.C.

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cc. BEC
DTA

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Attached is a copy of page 13 of the January 16, 1974
issue of Chemical Week reporting a class-action suit
by former employees of Pittsburg Corning.

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JCM/kpr

Attachment

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Throwing in the sponge

B. F. Goodrich plans to discontinue domestic production of cellular materials. The move may eliminate 2,000 jobs at plants in Shelton and Derby, Conn.

Goodrich Chairman O. Pendleton Thomas said last week the company will try to sell its entire cellular materials operation but will consider selling "segments." Goodrich indicated that if no buyers are found, it will close down the installations by third-quarter '74.

Cellular materials, used in sponge-rubber products such as foam mattresses, cushions and pillows, have recently been one of the company's less profitable lines. "The profit levels for the operation have been marginal for many years," says a spokesman.

An industry observer estimates that less than 1% of Goodrich's operating income in recent years has come from cellular materials. He says the company's decision to sell is "the continuation of a trend that started two or three years ago" in which it has disposed of marginal operations, including its rubber footwear line and industrial rubber plants in Passaic, N.J., in '72. He adds that Goodrich is banking heavily on an expansion of its polyvinyl chloride units in anticipation of increased demand for the material.

Making drug firms sick

The Food and Drug Administration plans to require certification of each new batch of the heart drug, digoxin, but major producer Burroughs Wellcome (Triangle Park, N.C.) says it is unsure of the rule's effect on future sales. Meanwhile, adverse reports on two Upjohn antibiotics last month sent the company's stock plunging.

FDA said last week that up to 10% of U.S.-produced digoxin, a drug taken by about 3.5 million U.S. heart patients, dissolved too fast or too slow, resulting in a danger of underdosage or overdosage. The agency's new standards are expected to require that 55% of a sample of the drug dissolve within one hour.

Burroughs Wellcome, which markets about 85% of digoxin in the U.S., says that it has tested each batch of the drug for the last several years and that results have "correlated" with the expected FDA standards. The firm indicates that its digoxin price might rise if the agency's requirements result in "excess paperwork."

Reports in a British medical journal about the possible harmful effects of Lincomycin and Cleocin, two Upjohn antibiot-

ics, sent the company's stock sliding 15 1/4 points, to 69 1/4, on Dec. 13. After a partial recovery, Upjohn plunged again—to 63, off six, on Dec. 24—as a result of rumors about an E.F. Hutton report that U.S. studies currently in progress would confirm the drugs' allegedly adverse effects.

Upjohn has asserted that the drugs have been used safely by numerous patients and that the linking of Lincomycin to two deaths in New Zealand by the British was based on circumstantial evidence.

Toward copper peace

Triangle Industries and Reading Industries, copper fabricators, apparently made peace last week with American Smelting and Refining, one of their major copper suppliers. The two companies agreed out of court to drop Asarco from their treble damage suits against several suppliers (*CW*, June 17, '70, p. 48).

The suits, filed three years ago, charge that several large integrated copper companies had conspired since '64 to hike prices to independent fabricators, thus monopolizing the industry. Asarco is not a fabricator, whereas the other defendants are, and that reportedly helped encourage the settlement.

Although details were not disclosed, the settlement apparently involved agreement on long-term supply contracts for copper at a stable price. Triangle President Edward Simmons says the accord "will enable us to normalize our business relationships with Asarco, our single largest copper supplier." Asarco supplies almost half of the copper Triangle uses, according to Simmons.

"This settlement will in no way affect the remainder of our suit," Simmons emphasizes, adding that "we intend to vigorously pursue our litigation against the remaining defendants." The defendants in the Triangle suit include Phelps Dodge, Anaconda, Kennecott Copper and Cerro. Reading is suing all but Cerro.

Asbestos workers sue

Pittsburgh Corning closed its Tyler, Tex., asbestos fibers plant in '72 mainly, it says, because of alleged health hazards and pollution problems (*CW*, Feb. 23, '72, p. 17). But the shutdown failed to squelch the controversy.

Last week a \$100-million class-action suit was filed in U.S. District Court in Tyler by former plant employees against Pittsburgh Corning; its parent companies, PPG Industries and Corning Glass Works; a PPG physician; Industrial

Health Foundation; Asbestos Textile Institute; and unidentified asbestos suppliers.

The suit alleges that each of the plaintiffs had "been exposed to asbestos fibers in extremely dangerous concentrations" while working at the installation. As a result, the complaint contends, they suffer from various stages of asbestosis, lung cancer or other pulmonary diseases. Although the action charges most of the defendants with negligence, it charges Pittsburgh Corning with gross negligence and seeks exemplary as well as actual damages from the company.

The Oil, Chemical and Atomic Workers union, which had represented the workers while the plant was in operation, helped arrange legal counsel. OCAW, however, says it is not taking an active part in the litigation.

A lawyer for the former workers stresses that damage claims could increase or decrease, depending on factors such as how many plaintiffs eventually may be involved in the action.

It's a two-way street

Vice-President Gerald Ford told the Manufacturing Chemists Assn. last week he was "optimistic" about prospects for a speedy end to the Arab oil embargo. He also dropped a broad hint that, should it continue, the U.S. might retaliate by cutting off food flow to the area.

Speaking to a standing room only luncheon meeting in Washington's Madison Hotel, Ford pointed out that while the U.S. needs oil from North Africa and the Middle East, the dependence is not a one-way street. Those areas, he said, "have some of the greatest food deficits in the world. The U.S. is the world's most efficient producer of soybeans, wheat and other grains. So we and other nations help feed the people of that region."

He noted, too, that some of those countries require advanced technology as well as skilled engineers and geologists to tap their vast oil resources, and that the U.S., among others, helps provide these. Also, the U.S., Japan and European countries can furnish the kind of stable growth economy necessary for investing some of the oil-generated cash, he said.

But food appears to be the big gun. "Close an oil valve in the Middle East," Ford said, "and you threaten to shut down a farm tractor in our Middle West. Halt that tractor and some people in the world will hunger for bread." Ford does not, however, think it will come to that: "It would be disastrous."

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