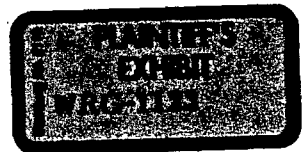


ZONOLITE

CONSTRUCTION PRODUCTS DIVISION



CONFIDENTIAL

INTER-OFFICE CORRESPONDENCE

061550A9

TO: B. R. Williams
W. R. Hanlon

DATE: June 2, 1977

From: T. P. Felt

SUBJECT: Swift

cc: B. A. Blessington
R. H. Locke
L. W. Farmer

J. W. Wolter
W. R. Wright
P. Kostic

Peter Kostic and I toured Swift's Los Angeles plant on May 19. Although Swift was not running any vermiculite-containing products, we were able to observe the various steps of their manufacturing process.

Kostic and I returned to Swift's plant on June 1 for the purpose of conducting air sample tests while they utilized vermiculite. Kostic will provide a separate report of his findings. This is intended to record my observations and my June 1 conversation with Don Hanson:

1. Hanson believed that he must report to Cal/OSHA regardless of the magnitude of the count determined from Kostic's testing. I responded that this was not correct; i.e., Swift needed to report only if results exceeded minimum allowable levels. Hanson will probably verify this on his own by contacting Cal/OSHA (without identifying himself or his operation) and/or Swift's corporate office in Chicago.
2. I informed Hanson that Grace's plants were in compliance and that we did not intend to report. Hanson agreed that Swift's independent action would result in problems to him and to us. Hanson will keep us informed of their plans.
3. I told Hanson that the Cal/OSHA reporting date had been postponed from July 1 to September 1, 1977.
4. Hanson felt that we should hold up on proceeding with a bulk facility in Santa Ana to supply them. He feels that Swift may be forced to change formulations for either one of two reasons:
 - (a) Vermiculite — either having to report to Cal/OSHA or having to install in-plant equipment.
 - (b) Urea-formaldehyde — federal requirements being proposed would force Swift to cease using this ingredient.

A change by Swift for either reason would eliminate vermiculite from their formulation.

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PACIFIC REGION



To: B. R. Williams and
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June 2, 1977

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5. Hanson has a copy of Hanlon's March 31, 1977 letter to R. O. Britt (Swift - East St. Louis, Illinois) and commented that the continued use of vermiculite was a concern of Swift's, not limited to California.

In summary, it is my initial opinion that Swift will nationally terminate the use of vermiculite if Kostic's test results exceed the allowable limits and if we cannot provide them with a product that complies with OSHA requirements in the manner in which Swift utilizes vermiculite. It is unlikely that Swift will spend any money at their Los Angeles plant to get compliance with vermiculite, unless the expenditure is slight and they anticipate no problems from their continued use of urea-formaldehyde.

TPF:me