

MINUTES OF MEETING

of the

BOARD OF DIRECTORS

Thursday, October 25, 1984

at

Sheraton Inn at LaGuardia, New York, NY

DIRECTORS PRESENT

Robert E. Nelson

Francis E. Messier

Larry Mintman

Robert H. Nelson

W. Max Sleeth

Abex Corporation

Friction Products Group

Allied Automotive

Bendix Aftermarket Brake Division

Certified Brakes

Lear-Siegler Company

Nuturn Corporation

Virginia Friction Products, Inc.

OTHERS PRESENT

Stuart Comins, President

Jack Evers (Inst. Regulatory
Committee)

John Riopelle (Chairman - Health
and Environmental Affairs Comm)

David F. McBride, Counsel

Edward W. Drislane, Secretary

P.T. Brake Lining Company

Abex Corporation

Friction Products Group

Allied Automotive

Bendix Friction Materials Division

Harwood, Lloyd, Ryan, Coyle
and McBride

Friction Materials Standards
Institute, Inc.

DIRECTOR ABSENT

Norman Morse

Guardian McGraw-Edison Company

The Secretary stated that Mr. Morse had earlier advised that he would not be able to attend the Board Meeting on this date. Also, Mr. Arthur Moore, Carlisle Corporation, and Mr. F. W. Barton, Reddaway, advised that they would not be able to attend as Members of the Institute Regulatory Committee.

Mr. Comins, President, called the meeting to order at 9:00 AM.

FMSI 04362

FMSI--0411

MINUTES OF PREVIOUS MEETINGS

The minutes of the Board of Directors meetings held on June 12 and June 14, 1984 had been distributed. A Director moved that the minutes of the June 1984 meetings be accepted as written.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the minutes of the Board of Directors Meetings of June 12, 1984 and June 14, 1984 be accepted as written.

BENDIX CORPORATION - ALLIED CORPORATION CHANGE

The Membership held by the Bendix Corporation was held under the name of its Friction Materials Division, the manufacturer. The Bendix Corporation advised the Institute that it has changed its name to:

Allied Automotive
Bendix Friction Materials Division

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To change the Membership name on the Institute records of the Bendix Corporation - Friction Materials Division, to Allied Automotive - Bendix Friction Materials Division.

INSTITUTE POSITION ON NATURAL RESOURCES DEFENSE COUNCIL
PETITION TO BAN THE USE OF ASBESTOS BRAKE LININGS

Mr. Comins noted that this subject was the purpose for calling this special meeting of the Board of Directors. It was noted that the Membership had originally voted to have a Committee formed to prepare a ballot on a possible Institute petition recommending the ban on use of asbestos in replacement brake linings for on-highway use. A Committee was formed to prepare the ballot, but in the meanwhile, the Natural Resources Defense Council (NRDC) petitioned the Environmental Protection Agency (EPA) under the Toxic Substances Control Act (TSCA) to prohibit the "further use of asbestos in automobile and truck brake linings."

The Institute's special committee met on October 3, 1984 and prepared a ballot that was sent to the Membership. This ballot asked if the Institute should comment to the EPA on the NRDC petition relative to four points:

- (1) Different times required to develop safe products for each product type.
- (2) A summary of the Industry's non-asbestos development at this time based on the ballot's matrix information.
- (3) The need for sufficient engineering time for all products.
- (4) Adequate lead time for manufacturing process development.

FMSI 04363

The ballot with the survey information request was sent to all 22 Active Members (United States Members). Three did not reply. Four indicated that they would abstain from balloting. There were fifteen replies, of which 13 favored a response, and 2 opposed the response. In addition, the matrix replies were summarized and these indicated that more progress had been made in the disc brake pad and the brake block product lines. Availability of drum brake segments and off-highway materials was further away.

The Directors reviewed the results. One stated that if the Institute were to comment, the comments would have to be prepared by the Health and Environmental Affairs Committee, as the comments would have to be of a technical nature. It was generally agreed that the Institute should comment, but that the direction of the comments was the responsibility of the Board of Directors. It was stated, that unless the Institute specifically stated it was not supporting the NRDC petition, comments without such a statement could be construed as supporting the petition. As some of the statements in the NRDC petition appeared to be inaccurate, the Institute should consider rebutting certain parts of that petition.

Mr. Comins reviewed the background for the ballots sent the Membership on the NRDC petition. These included formation of the ad hoc Committee, the meeting of that Committee and the intent of the ballot submitted to the Membership. There was some discussion on the wording of the ballot and the meaning of the Yes or No ballots. One "No" ballot was essentially a ballot in favor of elimination of asbestos, while two of the "Yes" ballots suggested additional comment against the NRDC petition. The Directors noted that they did not support the NRDC petition.

There were several criticisms, one being that the NRDC is inviting EPA action in what is an occupational problem, which jurisdiction properly belongs to OSHA. It was suggested that since there were technical areas to be addressed, that any comments from the Institute should be made jointly with representation from both the new Institute Regulatory Committee and the Health and Environmental Affairs Committee. An objection was raised that this might be too large a group, and that a Task Force of representatives from these Committees might better handle the job.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the Institute comment to the Environmental Protection Agency on the Natural Resources Defense Council petition to prohibit the use of asbestos brake linings for on-highway use, and a Task Force be formed to prepare comments as directed by the Board of Directors.

A Director noted that the EPA must reply to the NRDC petition by December 11, 1984. The Institute comments should be sent to the EPA no later than November 15, 1984. It was noted that if the EPA were to accept the NRDC petition, the EPA would have to initiate the rule-making process. This would take the form of an Advance Notice of Proposed Rulemaking (ANPRM) at which time interested

FMSI 04364

parties would be invited to comment. If the petition were denied, the EPA would have to explain its reasons for that denial. One Director suggested that the Institute send a letter to the EPA at this time, stating that "comments would follow." The Directors favored submission of comments at this time addressing several areas:

1. Comment where the Institute believes there are errors in the petition in need of correction.
2. Comment on the timing for introduction and suitability of substitute products along with their actual availability.
3. Comment on the lack of knowledge on possible hazards of the substitute materials - essentially that if the substitute materials have fibrous structures similar to asbestos there may be similar health problems.
4. Address the problem of OSHA versus EPA responsibility and suggest that EPA eliminate those issues in the petition which are the responsibility of OSHA.

As regards the comments, it was suggested that they should be "generic" in content - that is neither Original Equipment or Replacement, but by brake lining product type. One of the largest problems in the safe introduction of substitutes is timing, and there are possible safety implications from forcing technology. It is most important that brake linings be safe products, and the Institute and its Members are concerned with attempts by regulators to establish unrealistic time frames.

The EPA/OSHA jurisdiction problem is significant. Manufacturers in this industry are studying equipment requirements, processing techniques and the costs involved in order to achieve compliance with new OSHA rules for lowering asbestos exposure levels in the workplace. Depending on the final level and the techniques permitted for compliance, industry would be confronted with one set of plans and attendant costs. On the other hand, if industry is forced to eliminate the use of asbestos in its products, that would involve another entirely different set of plans and costs. The industry cannot go both roads.

It was repeated that the Board of Directors must direct the scope of any Task Force Comments. A Director stated that the Institute should not suggest timing for replacement of asbestos in the various friction materials product lines, as there are different capabilities at different plants, and we may underestimate the difficulties in developing safe products that face still additional regulatory hurdles - the National Highway Traffic Safety Administration (NHTSA) for example. The Institute must maintain an overall industry viewpoint rather than one that may support one or two individual manufacturers. Any comments should not be for or against. They should be objective and reasonable and should address the question of jurisdiction, the validity of the supporting comments, and the question of lack of knowledge on possible health hazards from substitute materials.

It was suggested that the NRDC Petition be reviewed item by item, so that the Directors could outline the comments for preparation by the Task Force.

- I INTRODUCTION - Briefly comment on issues in petition.
- II JURISDICTION - Comment on dichotomy of EPA/OSHA regulation.
- III DESCRIPTION OF PETITIONER - No comment.
- IV CONTINUED USE OF ASBESTOS...POSES AN UNREASONABLE RISK TO HEALTH
We do not necessarily agree with the credibility of the conclusions in this section and should reserve the right to comment thereon at some later date.
- V SUBSTITUTES - Quote from two papers on the lack of knowledge on possible hazards of fibrous asbestos substitutes. In addition, comment on the alleged advantages of certain substitute materials for the average consumer, and on substantial costs involved in new equipment to process the substitutes.
- VI TOXIC SUBSTANCES CONTROL ACT... - No comment.
- VII CONCLUSION - No comment.

The Institute should make its own conclusions and express the following viewpoints:

1. It opposes an immediate ban on the use of asbestos in automotive brake linings.
2. It is concerned with the possible health hazards of substitute materials with fibrous structures similar to asbestos.
3. Most manufacturers are currently working on programs to develop safe substitute materials for the asbestos products.

Based on timing and Committee considerations, it was stated that input had been received from the Institute Regulatory Committee, as Mr. Rob Nelson and Mr. Larry Mintman, Directors of the Institute are Members of that Committee, and Mr. Evers is a Member of the Committee. The Health and Environmental Affairs Committee was represented by its Chairman, Mr. Riopelle, and corporate representation on that Committee overlapped with corporate Membership on the Board of Directors (Abex, Bendix and Nuturn). In order to speed the Institute comments, Mr. Riopelle volunteered to meet with the Secretary and draft comments to EPA immediately after adjournment of this meeting. Mr. Riopelle stated that he wished to have these comments sent to his Committee before they are sent to the EPA.

The Secretary was asked, after preparation of the comments, to circulate them to the Board of Directors and the Health and Environmental Affairs Committee before submission to EPA should there be major exception to such comments.

The Institute comments should be brief, and address only those items noted by the Board of Directors. The Institute should reserve its right to later comment if it is judged appropriate.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To adjourn

Adjourned at 12:00 Noon.

E. W. Drislane
Secretary

FMSI 04366