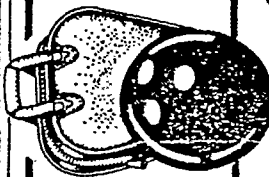


.....FROM THE DESK OF
WILLIAM R. PERRELL
Vice President-Sales

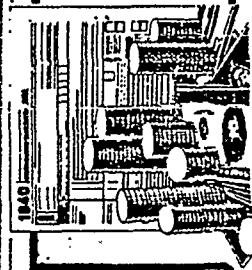
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WPR
8-31-81

**What's going on
at area lanes - B8**



**Federal sewer aid
going down drain - B1**



**Get the most
from tax cuts - A8**

Clear, cool:
tonight; sunny,
pleasant tomorrow
(Weather details, page A2)

Hunterton edition

The Courier-News

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J-M becoming one of nation's most sued firms An average of 41 new suits filed each week against the company

By CARL AYERS
Courier-News Staff Writer

One word appears on the front page of more than 100 lawsuits filed in state Superior Court in New Brunswick: asbestos.

Lawyers for clients seeking repayment of damages from asbestos-related diseases have been instructed to label their cases with the word to speed up processing. The files are then routed directly to Judge John E. Keefe, who has sole responsibility for asbestos suits filed by more than 400 people.

James S. Winston, court administrator, has never come across such special treatment of one type of lawsuits in his 10 years of work for the court. He has a simple reason for this exception: "volume."

A defendant in most of the suits is Johns-Manville Corp. (J-M) of Denver, which operates a plant in Manville. More than 7,000 suits have been filed against the company on behalf of more than 10,000 persons across the nation.

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By CARL AYERS
Courier-News Staff Writer

After 43 years at the Johns-Manville Corp. plant in Manville, 64-year-old Anthony Menza began looking forward to retirement and the opportunity to visit his four grown children.

But just five months before the Barilan Borough resident's scheduled retirement, plans were altered for Menza (not his real name). A doctor diagnosed that he had mesothelioma, a rare but deadly disease almost always associated with exposure to asbestos.

Instead of sleeping late on Monday mornings, visiting his children and spending more time with his wife, Lucy, Menza spent the next 1½ years in misery and pain.

Two months ago, he died. The man's real name and the names of other family members were not used at the request of his wife. But all other facts concerning his struggle against the asbestos-induced disease and his legal fight against Johns-Manville are unchanged.

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With an average of 41 new suits filed against J-M in the country each week, the company has become one of the biggest targets in products liability litigation, according to Michael P. Mealey of the Asbestos Litigation Reporter, a Philadelphia-based trade publication.

"Asbestos litigation in the U.S. represents the largest number of product liability suits in history," Mealey said. J-M is named in most of the suits.

According to J-M spokesman Neil Amarino, as of the end of July, the company was a defendant or co-defendant in 7,341 cases, all of which allege damages caused by the company's production of asbestos. More than 2,000 cases have been filed since Jan. 1.

Filed by former employees, their family members and even neighbors of J-M's Manville plant, the suits allege that diseases have been contracted through exposure to asbestos and that for years J-M and other companies purposely concealed data linking the mineral to such diseases as mesothelioma and asbestosis.

The large number of cases against J-M has cast doubt on how the company will survive the onslaught of suits against it.

Attorney Glassner said, "I would say Johns-Manville is in serious economic trouble."

In the firm's 1980 Annual Report, stockholders are told that "because of the uncertainty associated with the asbestos-health litigation, and in spite of the substantial defenses the company believes it has with respect to these claims, the eventual outcome of the asbestos-health litigation cannot be predicted at this time and the ultimate liability of the company after application of available insurance cannot be estimated with any degree of reliability."

J-M's board of directors last month chose to split the corporation into five operating subsidiary corporations. The move was undertaken to improve the management of the company's assets, the company reported.

The reorganization has gone into effect, although the company's stockholders will have an opportunity to approve the new formation in October.

Bryant D. Garruto, an Old Bridge attorney, is handling about 20 lawsuits involving 400 clients. Each case has more than one defendant, and J-M is named in all of them, he said.

In October, the first of his cases is set to go to trial before Keefe.

Keefe's secretary, Linda Jaccoud, said a total of 101 cases had been filed with the judge but four were settled either before or during trial and another 25 were transferred to U.S. District Court in Trenton. Saying she receives new cases each week, Jaccoud added that 34 have come into her office since Jan. 1.

Court records show about 400 people have filed suit in state superior courts in New Brunswick and Somerville since 1979.

Although the cases against J-M are building steadily on the local level, they are increasing at an even faster rate on the national level — at least 10,000 people across the country have filed suit.

Attorney David Gross of Newark, who has worked full time on J-M asbestos cases for the last 4½ years, heads up J-M's defense in cases filed in the northeastern region of the country. He said that writs across the nation have issued monetary awards ranging from \$100,000 to \$1 million, although the judges have often overruled the amounts.

Mealey cites a decision reached by a jury in Missouri in June as the highest award involving J-M. A man was awarded 1.4 million for injuries caused by asbestos exposure, he said.

On the national level, 38 cases have gone through trial and 21 have yielded favorable decisions for the company, Marino said.

Another J-M spokesperson, Mary Omenko, said the company has "disposed" of 975 cases as of the end of March. The figure includes suits that have gone through trial, were settled before trial or

Mealey, however, said 3,000 of the cases — most involving J-M — have been settled before they were to go to trial.

J-M was once one of the world's largest asbestos producers — principally at its Manville facility — but today production of asbestos at the Manville plant amounts to less than 10 percent of its output, according to plant spokesman John Parks.

Many of the plant's former workers are claiming they contracted mesothelioma, asbestosis, or other asbestos-related diseases while employed at the facility.

Mesothelioma is a relatively rare form of lung cancer that is almost always linked to asbestos. Steve McQueen, the late actor, died of the disease, which he believed he contracted through fibers of asbestos in clothing he wore while automobile racing.

Exposure to asbestos fibers can also cause asbestosis, a respiratory disease that leads to blockage of the lung's air passages and can cause death.

Like mesothelioma, asbestosis can take years to develop before it might be diagnosed.

Some of the suits have sought punitive damages — monetary awards in excess of other damages as punishment for a wrong committed — because of the allegations that J-M and other firms purposely concealed the dangers of asbestos from workers since the 1930s.

Amarino would not comment on the allegations of wrongdoing by J-M.

Bertram Glassner, a New Brunswick attorney, has filed two cases on behalf of 38 clients seeking monetary awards from J-M and other asbestos manufacturers. He said the cases are divided into two groups.

The first lays the ground for the legal precedent, Glassner said, which answers whether "asbestos caused these problems and ... did Johns-Manville and these other companies know it was going to cause these conditions and (just) sat back and did nothing."

The second group involves settling the damage claims.

Clients seeking to prove the legal precedent can have their claims grouped into one suit. Because the damage claims will be based on the individual needs and conditions of the plaintiffs, they will have to be tried separately, Glassner said.

Glassner asserts that all of the former J-M workers have received worker's compensation for their injuries suffered while on the job. But what makes the cases unique, he said, is that the workers are continuing to seek monetary compensation by charging the company with fraud.

The charge of fraud is based on allegations that J-M and other companies knew of the dangers of asbestos but tried to prevent employees and the public from finding out about the hazards.

J-M and the other companies cited for the alleged conspiracy have maintained that they were unaware of the hazards of working with asbestos until 1964, when physicians published studies linking the mineral to a host of diseases, especially asbestosis and mesothelioma.

The large number of suits against the asbestos industry has raised a separate argument that has thrown the insurance industry into a spin.

A separate mound of litigation has been filed by some insurance companies against J-M and even other insurance firms, Mealey said.

The arguments center on which insurance company has the responsibility to pay off claims, either the firm that insured the company during the time the asbestos-related disease was contracted or the current insurer.

Two U.S. District Courts of Appeal have ruled in favor of the so-called "exposure" argument, meaning liability rests with the insurers at the time the people were exposed to the disease.

However, last month the U.S. Supreme Court was asked to hear appeals of the U.S. District Courts of Appeal decisions, which were made in New Orleans and Cincinnati.

"The insurance industry says that billions of dollars are at stake," Mealey

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Medical Center in Raritan Township.

Three YMCA camp counselors were killed early Saturday morning when their car veered off Route 78 and burst into flames after hitting a tree a half-mile west of the Martinsville Road exit in Bernards Township.

Police suspect that the driver, Lyn Koehler, 19, of Elizaville, Ind., fell asleep at the wheel while driving in the east-bound lane. There were no skid marks, and no other cars were involved in the 6 a.m. accident, police said.

Koehler and passengers David Driscoll, 19, of Oakton, Va., and Janine Zehner, 17, of Washington Township in Warren County, were pronounced dead at Somerset Medical Center.

Zehner was a student at School in Lebanon, Pa.

The counselors had been on a season Friday evening Port Morris. Prisoners attending the 1978 fall from 8 to 10.

The counselors were taken to Newark and turned home to remain in University of Indiana.

According to Mike Ploebel, Koehler was while driving a 1978 Buick which veered onto the 200 feet and hit a tree, into flames.

Reagan administration m

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committees found that U.S. intelligence agencies spied on Americans who were simply exercising their right to protest government policy, particularly on Vietnam and civil rights.

Willard, who spoke in a recent interview, is playing a key role in an inter-agency task force drafting the Reagan administration's revision of Carter's 1975 executive order which set rules for U.S. intelligence agencies. Some intelligence community sources say the new order, two early versions of which already have leaked to the press, might be ready by mid-September.

With decisions pending, Willard would not detail planned changes but said, "Where there is flexibility in the law, our inclination is to give intelligence agencies more freedom of operation."

He said the new order will require fewer layers of approval before the agencies can employ some techniques and will dispense with some restrictions, such as some of those on physical surveillance,

which go beyond constitutional cases.

The first draft which would have allowed domestic bugging and infiltrate domestic groups in an effort to

Sony

TOKYO (AP) — Ja today unveiled a still c uses magnetic video di

The camera looks like one, but produces elect tiny magnetic disk that television screen or mad graphs on a printer it developed.

The system was det foreign press in Tokyo Sony's chairman and ph

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