MINUTES OF THE ANNUAL MEMBERSHIP MEETING

of the

FRICTION MATERIALS STANDARDS INSTITUTE, INC.

Wednesday and Thursday, June 15 and 16, 1983

at

Sawgrass, Ponte Vedra Beach, Florida

ACTIVE MEMBERS PRESENT	REPRESENTATIVES
Abex Corporation	Robert E. Nelson, President
Bendix Corporation	Francis E. Messier
Brassbestos Manufacturing Corporation	William Simon, Treasurer
Certified Brakes	Larry Mintman
Delco-Moraine Division	Donald L. Emrick
Guardian Corporation	Norman Morse
Nuturn Corporation	Robert H. Nelson
P. T. Brake Lining Company	Stuart Comins, Vice President
H. K. Porter Company	Larry Belans (6/15)
Raymark Corporation	Donald J. Testa (6/15)
Reddaway Manufacturing Company	John M. Moore
Thiokol Corporation	John P. Gallagher
Virginia Friction Products	W. Max Sleeth
S. K. Wellman Corporation	Gordon A. Carrigan
Wheeling Brake Block Mfg. Co.	Lee Burgess

OTHERS PRESENT	
Automatic Metal Stamping Co. (Licensee)	Robert J. Anderson
Canparts Automotive Int'l (Regional)	Andy Gagnon
Cougar Automotive Corp. (Regional)	Alex Tabori (6/15)
Delco-Moraine Division	Fred Yost
P. T. Brake Lining Company	Steve Doyle
	Ben Kublin
Reddaway Manufacturing Company	F. William Barton
	James Wheelus
Legal Counsel	David F. McBride
Friction Materials Standards Institute	Edward W. Drislane, Secretary

Mr. Nelson, President, called the meeting to order at 1:30 PM, June 15, 1983. As the first order of business, Mr. Nelson called for a roll call.

MINUTES OF MEETING OF JUNE 16-17, 1982

The minutes of the Annual Membership Meeting held June 16-17, 1982, had been distributed. No corrections were suggested and a Member moved that we dispense with a reading of the minutes.

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

RESOLVED: To accept the minutes of the June 16-17, 1982 meeting as written.

PRESIDENT'S REPORT

Mr. Nelson, President, presented his report. Refer to EXHIBIT 1.

Mr. Nelson reported on the relative stability of the Institute and its Members during the recent difficult years. He noted such accomplishments as the completion of the consolidated 1982 Automotive Data Book, selection of an Institute logo, changes in Legal Counsel, amendment of the Institute By-Laws, and changes on the Board of Directors during the fiscal year. Mr. Nelson concluded his report emphasizing the difficulties facing the industry with asbestos-related problems.

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

RESOLVED: To accept the President's Report as written.

REPORT ON ACTIONS TAKEN BY THE BOARD OF DIRECTORS

The Secretary reported on actions taken by the Board of Directors since the 1982 Meeting. The first items reported are those that took place by mail ballot since the June 1982 Meeting. The next items are those that took place at a special meeting of the Board of Directors on March 1, 1983. And the last items are those covered at the Board of Directors meeting on June 14, 1983. Some of these items may be covered more completely in Committee and Officer reports but were outlined at this time to keep the Membership informed.

The Board of Directors approved and recommended admission of Canparts Automotive International, Limited as a Regional Member. The Board approved the name change on the Institute records of Raymark Corporation (formerly Raybestos-Manhattan, Inc.). The Board approved the Institute's assumption of medical insurance payments for Miss Ray of the Institute. The Board filled two vacancies on the Board of Directors. Mr. Bob Mighton of Certified Brakes was selected to complete the unexpired term of Mr. Bob Anderson to June 1983. The Board selected Mr. Stuart Comins of P. T. Brake Lining Company to serve a portion of Mr. Dave Cunningham's term on the Board to June 1983. The Board selected a new logo for the Institute. The Board voted to terminate the Regional Membership of Itapsa, S.A. de C.V. of Mexico for failure to pay its Membership Fee. Subsequently, the Board voted to reinstate Itapsa as a Regional Member when it made a partial payment of the fee. The Board voted to terminate Mr. Bob Gorman as Legal Counsel for the Institute. The Board voted to approve amendment of the Institute's By-Laws, Article VII, Counsel, which change was later ratified by the Membership. The Board voted to approve selection of the Hackensack, New Jersey Firm of Harwood, Lloyd, Ryan, Coyle and McBride as Institute Legal Counsel.

A special meeting of the Board of Directors was called for March 1 in Detroit. This meeting was called to review two Members' concerns in the asbestos litigation area. Mr. Comins of P. T. Brake Lining Company had recommendations on product liability and insurance, and Mr. Harris of Carlisle Corporation was seeking Institute initiatives on exchange of information in the asbestos litigation area. The Board approved extending an invitation to Frank B. Hall, Insurance Brokers, to address our June Meeting. Frank B. Hall Company subsequently declined an invitation extended through Mr. Comins to address the Meeting. The suggestions for exchange of information in the asbestos litigation area were shelved after Mr. Harris reviewed this question and declined to pursue the matter further. At the March 1 meeting, the Board resolved to have the Institute subscribe to the Asbestos Litigation Reporter, and to initiate a Credit Reporting Service along the lines discussed at the June 1982 Meetings.

At the June 14, 1983 meeting of the Board, Committee and Officer reports were read and approved. The Board voted to recommend acceptance of the application filed by Freno, S.A. for Regional Membership in the Institute. The Board voted to terminate the Regional Membership of Duramax, S.A. of Mexico due to its failure to pay its Membership Dues. The Board voted to follow up with Colfriccion, Ltda. of Colombia on its accounts and fees receivable, but to not service this account further unless payments are made. The Board established guidelines for taking action on Member Accounts as they fall behind in their payments. If a Regional Member is two payments behind (2 Quarters) they will not be shipped prints, bulletins or catalogs. Also, if delinquent, the Office will write collection letters with copies to the Board of Directors. The Board voted to recommend acceptance of the recently received application for Regional Membership filed by Artazcoz, of Buenos Aires, Argentina.

The Board of Directors approved the establishment of an account with Merrill Lynch for their Merrill Lynch Ready Assets Trust. In reviewing the Data Book and Technical Committee's work, the Board asked that Committee to consider two changes when the next block identification catalog is printed: (1) Include heavy duty disc pads in next catalog, and (2) possibly establish a new number series (other than 700 and 7000) for heavy duty disc brake pads. Also, the Board asked that the Membership discuss some of the Data Book and Technical Committee recommendations at its meeting.

The Board asked the Health and Environmental Affairs Committee to respond to any OSHA proposal for possible changes in the permissible exposure levels (PEL) for asbestos in the work place, should such changes be proposed. In reviewing the Annual Meeting Committee report, the Board reaffirmed its intention to hold the 1984 meeting at LaCosta in Carlsbad, California. For 1985, it made its first choice the Dunfey-Hyannis Resort in Hyannis, Massachusetts, and its second choice the Carson Inn-Nordic Hills Resort near O'Hare Airport. The Directors also asked the Secretary to check up on the health and retirement status of Miss Duschek, former Secretary of the Institute.

And lastly, the Board asked that the Membership, at its meeting, discuss and review a proposal to request the government to establish a date after which asbestos-containing friction materials can no longer be manufactured in the United States. This report was made as a matter of information at the start of the Membership Meeting, and did not require a resolution of approval.

TREASURER'S REPORT

Mr. Simon, Treasurer, read this report. Refer to EXHIBIT 3.

The Treasurer reported on financial data projected to June 30, 1983, based on a trial balance taken on April 30, 1983, with May and June income and expenses estimated for the projection. This report projected 1982-83 excess of income over expenses of about $6,770. This was after provision for the Environmental Affairs Reserve, which the Board set up at the June 1982 Meeting. In addition, it was noted that expenses were close to budget, but that there were some variances, and these were analyzed.

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

RESOLVED: To accept the Treasurer's Report as written.

As pointed out at the Directors Meeting on June 14, the income for 1982-83 should increase by about $3,000 over that projected in the report because of the unanticipated payment by Mex-Bestos on its account.

In response to a question, the Secretary advised that the books of the Institute are audited yearly by a Certified Public Accountant. The Institute has been given clean opinions on its financial statements over the past 35 years.

MEMBERSHIP COMMITTEE REPORT

Mr. Stuart Comins, Chairman of the Membership Committee, presented this report. Refer to EXHIBIT 2.

Mr. Comins reported on the changes in Membership during the 1982-83 fiscal year. The changes were dependent on possible termination of certain Latin American Regional Memberships. It was noted that Active Members would remain unchanged at 20. Licensees would remain unchanged--addition of Breiner, loss of Wisconsin Gasket--at 13. And, depending on terminations, Regional Members would decline from 21 to 19.

However, three actions taken between the time of preparation of Mr. Comins' report and the Board meeting, changed the expected number of Regional Members. Mex-Bestos paid its delinquent account. Applications were received from Freno, S.A. of Lima, Peru and Artazcoz, S.A.I.C. of Buenos Aires, Argentina.

The Secretary reported that an application for Regional Membership was received by the Institute from Freno, S.A. in May 1983. A bulletin was issued to the Membership advising of this application, along with background information. The application had been reviewed by the Membership Committee by mail ballot, and the Committee recommended acceptance of the application. The Board of Directors voted at its meeting to accept the application filed by Freno, S.A. of Lima, Peru. The Members were advised that they could vote on the application at this time.

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

RESOLVED: To accept the Freno, S.A. application for Regional Membership in the Institute.

The Secretary advised that the Board of Directors had also voted on an application for Regional Membership filed by Artazcoz of Buenos Aires, Argentina. This application had been received at the Institute Office on June 10, the last business day before the June meeting. Mr. Alberto Kahan had been to the Institute Office and left a completed application as well as his personal check for the US $2,000 required with the application.

This application had been circulated at the Board Meeting. While Artazcoz is located in Buenos Aires, it also has factories in Uruguary and Ecuador. They had owned a facility in Peru but that was nationalized. A few Members had contacts with Mr. Kahan and were aware that his facility was manufacturing friction materials in commercial quantities and would be eligible for Regional Membership.

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

RESOLVED: To accept the Artazcoz, S.A.I.C. application for Regional Membership in the Institute.

It was stated that this acceptance was conditioned on the premise that Mr. Kahan's personal check cleared satisfactorily.

INVESTMENT ADVISORY COMMITTEE REPORT

Mr. Barton, Chairman, read this report. Refer to EXHIBIT 4.

This report noted that Institute Investments should increase from about $175,000 on June 30, 1982 to about $190,000 on June 30, 1983. This increase reflects the projected net income for this year plus the establishment of a Reserve for Environmental Affairs in amount of about $8,000 based on resolutions at the June 1982 meeting.

Investment Income would increase from approximately $17,500 to $22,000 for the 1982-83 fiscal year. This increase came primarily from higher investments in interest bearing U. S. Treasury notes, and lower investment in the Money Market Trusts.

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

RESOLVED: To accept the report of the Investment Advisory Committee as written.

BUDGET COMMITTEE REPORT

Mr. W. M. Sleeth, Chairman of the Budget Committee, read this report. Refer to EXHIBIT 5.

The Budget Committee Report recommended a 1983-84 Expense Budget of $110,590. Individual items in the expense budget were examined and budget figures assigned. The approximate $3,000 increase in the expense budget over the 1982-83 budget was caused primarily by larger than normal increases in the Provision for Bad Debts, Dues and Subscription Expense, and Insurance Expense. The expense budget did not include the approximately $8,000 Provision for Environmental Affairs established at the June 1982 meeting. Over half the Expense Budget is for Salaries.

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

RESOLVED: To accept the Budget Committee Report as written.

Based on action taken by the Board at its meeting, the Salaries figure in the budget was increased by $2,500.

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

RESOLVED: To adopt an Expense Budget of $113,090 (a $2,500 increase over the proposed budget for Salaries) for the 1983-84 fiscal year.

FEE FORMULA COMMITTEE REPORT

Mr. Rob Nelson, Chairman of the Fee Formula Committee, presented this report. Refer to EXHIBIT 6.

The Fee Formula Committee Report summarized the Number of Members in each classification and the number of categories in which Active Members and certain Regional Members participated. This data was then summarized to indicate the projected fee income based on the 1982-83 fee schedule. With Fee Income projected as $97,000 at the 1982-83 rate, investment income projected at $23,775 and a preliminary expense budget of $110,590, the 1982-83 formula projected an excess of income over expenses while allowing for an $8,600 provision for Environmental Affairs. The Chairman recommended that the 1983-84 fee formula remain unchanged from the 1982-83 formula.

That formula is: Active Members and Regional Members with Active Member rights, a basic fee of $1,300 with a category fee of $700; Regional Members (regular) a fee of $1,600; Regional Members (Association) a fee of $2,600; Licensees a fee of $600.

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

RESOLVED: To adopt the same fee formula for 1983-84 as was used for 1982-83.
Active Members and Regional with Active Member rights: Basic Fee $1,300; Category Fee $700;
Regional Member (Regular): Fee $1,600;
Regional Member (Association): Fee $2,600;
Licensee: Fee $600.

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

RESOLVED: To accept the Fee Formula Committee report as written.

NOMINATING COMMITTEE REPORT

Mr. Fran Messier serves as Chairman of the Nominating Committee. A written report is not in the Report package.

The Chairman noted that Directors Gordon Carrigan, F. William Barton and Robert E. Nelson will be completing the first year of their two year terms on June 30, 1983 and they will continue as Directors to June 30, 1984.

There is one Directorship open for the one year period until June 30, 1984. That is the Directorship held by Stuart Comins who replaced Mr. David Cunningham as a Director during the year. The other three Directorships are for two year terms until June 30, 1985. Those are the Directorships held now by Francis E. Messier, John P. Gallagher and Robert Mighton.

The Chairman placed the names of Mr. Francis E. Messier, Bendix Corporation, Mr. Donald J. Testa, Raymark Corporation and Mr. Robert Mighton, Certified Brakes in nomination for the two year terms until June 30, 1985, and he placed the name of Mr. Robert H. Nelson of Nuturn Corporation in nomination for the one year term until June 30, 1985.

A recess was called at this point to allow the Members to discuss the nominations. Upon end of the recess, Mr. Nelson, President called for nominations from the floor. No nominations were made from the floor.

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

RESOLVED: That nominations for the Board of Directors be closed.

The Secretary was directed to cast one ballot for the election of Mr. Francis E. Messier, Mr. Donald J. Testa, Mr. Robert Mighton and Mr. Robert H. Nelson to the Board of Directors. The Secretary advised that the ballots had been so cast. The President advised that with the election of these four Directors that the Board had the required seven Members.

HEALTH AND ENVIRONMENTAL AFFAIRS COMMITTEE

Mr. Jim Armstrong of Bendix is Chairman of this Committee. Mr. Messier read the Chairman's report. Refer to EXHIBIT 9.

Mr. Armstrong reported on activities taken by the Committee and the Institute since the last meeting. This included a review of a Mount Sinai report on a NIOSH contract entitled "Investigation of Health Hazards in Brake Lining Repair and Maintenance Workers Occupationally Exposed to Asbestos." This report was unable to show an excess incidence of asbestos-related diseases in the workers studied. The Institute also distributed guidelines on repeated OSHA violations, forms for compliance with EPA requirements for asbestos reporting, and an up-date on progress of compensation legislation for asbestos diseases. In summary on compensation, there has been no actual progress on the legislative front.

Mr. Armstrong reported on OSHA's plans to accelerate its schedule for revision of the permissible exposure levels (PEL) for asbestos. In accordance with OSHA's announced plans, there should be an advance notice of proposed rulemaking early this Summer. The Directors at their meeting concurred that if OSHA does come out with proposed rulemaking in this area that the Institute should respond.

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

RESOLVED: To accept the report of the Health and Environmental Affairs Committee as written.

A Member advised that Mr. Bohrer, who was listed on the roster of this Committee from H. K. Porter had retired.

PRODUCT LIABILITY INSURANCE

While this was an agenda item, it was explained that an invitation extended to Frank B. Hall, international insurance brokers, was not accepted and there would be no formal agenda item on product liability insurance.

PUBLIC RELATIONS COMMITTEE REPORT

Mr. William Simon, Chairman of the Public Relations Committee, read his report. See EXHIBIT 10.

Mr. Simon reported on the only Institute press release in 1982-83, the election of Officers at the June 1982 Meeting. This release appeared in several automotive trade magazines, and Mr. Simon particularly paid tribute to Mr. Stuart Comins whom he described as a bastion of productive intensity in forwarding several press releases to the Committee. Mr. Simon also noted completion of the selection of an Institute logo during the 1982-83 fiscal year.

Mr. Rob Nelson said that the Hutum agency would be pleased to circulate Institute public relations releases if that would help get wider circulation. The Secretary was asked to contact Mr. Rob Nelson when the next press releases are to be sent out.

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

RESOLVED: To accept the report of the Public Relations Committee as written.

ANNUAL MEETING COMMITTEE

Mr. Jay Moore, Chairman of the Annual Meeting Committee, read this report. See EXHIBIT 13.

In summary, Mr. Moore recommended that the Institute not return to LaCosta in 1985, but select a site in other areas--primarily the Northeast or Midwest. The sites recommended were: (1) Radisson Ferncroft, Danvers, Massachusetts, (2) Dunfey-Hyannis, Hyannis, Massachusetts, (3) Carson Inn, Itasca, Illinois, (4) Abbey on Lake Geneva, Lake Geneva, Wisconsin and (5) Inn of the Mountain Gods, New Mexico.

Mr. Moore noted in reading his report that based on decisions made at the earlier Board of Directors meeting that some of his recommendations were now history. The locations chosen as Number 1 (Dunfey-Hyannis) and Number 2 (Carson Inn-Nordic Hills) had not been visited. Mr. Moore indicated that he would look them over as his time permitted.

The Directors had voted against selection of Ferncroft Country Club in Massachusetts (financial problems-foreclosure), The Abbey at Lake Geneva, Wisconsin (no golf course on premises) and Inn of the Mountain Gods in New Mexico (accessibility).

A Member stated that the Dunfey-Hyannis course was not a Championship Course, but was an Executive par 3 Course. Mr. Moore and Mr. Drislane will check on the Dunfey-Hyannis and Carson Inn facilities.

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

RESOLVED: To accept the report of the Annual Meeting Committee as read, subject to the decision on the 1985 selections made at the Board of Directors meeting.

BRAKE PERFORMANCE STUDY COMMITTEE

Mr. Wayne Matthes of Abex is Chairman of this Committee. Mr. Nelson, also of Abex and former Chairman of the Committee read this report. See EXHIBIT 7.

The report noted the revision of Regulation V-3 by the Vehicle Equipment Safety Commission, in line with Institute recommendations for granting V-3 approval where certain linings have friction ratings below ED. The report noted the demise of the VESC subsequent to this revision. The changes at AAMVA, where the Equipment Approval Program was replaced with a Safety Equipment Compliance Program, were discussed. The Chairman conducted a poll of four manufacturers who all indicated they were continuing with the AAMVA's Compliance Program.

The Chairman reported on formation of a task force called the Truck/Trailer Brake Research Group. This group was chaired by Sid Williams of NHTSA, with participation by American Trucking Association (ATA), Motor Vehicle Manufacturers Association (MVMA) and Truck Trailer Manufacturers Association (TTMA). The problem is with compatibility of brakes between the towing vehicle and the trailer. Mr. Williams will be contacting the Institute for input.

In discussion on this Group chaired by Sid Williams of NHTSA, Mr. Nelson indicated that the Institute would try to work with them, but at this point is waiting for further information of what the Group expects of the Institute. As regards the AAMVA Compliance Program, it was stated that Ohio and Massachusetts are the only States to which data can be sent directly for certification. Others go through the AAMVA, and for most manufacturers the filing through AAMVA is more convenient.

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

RESOLVED: To accept the report of the Brake Performance Study Committee as written.

DATA BOOK AND TECHNICAL COMMITTEE

Mr. Gordon Smith served as Chairman of this Committee, replacing Mr. Phil Grim of Abex who retired in May 1983. Mr. Messier read Mr. Smith's report. Refer to EXHIBIT 8.

This report noted the change in Chairmen, and the changes in Committee membership. The report noted final completion of the consolidated 1982 Automotive Data Book, which included brake shoe identification information in the Data Book for the first time. The report covered Committee resolutions on improvement of the Automotive Data Book. These included prominent section numbers in the catalog to enhance ease of use, a new color green for the cover to distinguish it from earlier catalogs, the addition of drawing numbers at the top of pages in the illustration section, use of the new FMSI logo on the cover and a recommendation to maintain fourteen years of model listings in the catalogs. In addition to resolving several specific questions, the Committee voted to proceed with publication of a 1983 Brake Block Identification Catalog.

The Secretary advised that at the Board Meeting on June 14, 1983 the Directors had concurred with the Committee's recommendations on revisions to the Automotive Data Book and with the go-ahead with the 1983 Brake Block Identification Catalog, but had made two recommendations on future Brake Block Catalogs. These recommendations were to be forwarded to the Committee for consideration and were: (1) Add heavy duty disc brake pads to the content of that Catalog, and (2) Consider assignment of FMSI Numbers outside the 700 and 7000 Series for heavy duty disc brake pads.

The Members concurred with the Committee report on improvements to the Automotive Data Book. Mr. Kublin suggested that the illustration section for disc brake shoes would be of more help if the drilling patterns for the steel were shown on the illustrations. The Secretary stated that a similar recommendation was made a few years back (June 1981) and was referred to the Data Book and Technical Committee. That Committee added lining numbers in the illustration section but declined to add the drilling on illustrations for several reasons that were noted in that Committee's meeting minutes. The Secretary was advised to refer this recommendation to the Committee for reconsideration.

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

RESOLVED: To accept the report of the Data Book and Technical Committee as written.

HISTORICAL SALES REPORTING

Mr. Drislane read his report on Historical Sales Reporting, See EXHIBIT 12.

The report for calendar 1982 indicated improved consistency of reporting over that of the prior year. There was relatively regular reporting by 19 Members during 1982. There were no criticisms of the data during the year.

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

RESOLVED: To accept the report on Historical Sales Reporting as written.

ELECTION OF OFFICERS FOR 1983-84

The Membership was advised that the 1982-83 Officers were re-elected by the Board of Directors to serve during the 1983-84 fiscal year. They were:

Mr. Robert E. Nelson, Abex Corporation - President
Mr. Stuart Comins, P. T. Brake Lining Company - Vice President
Mr. William Simon, Brassbestos Manufacturing Co. - Treasurer
Mr. Edward W. Drislane, Friction Materials Standards Institute - Secretary

OTHER BUSINESS

The first item under this part of the agenda is a proposal that the Institute go on record as indicating that its Members are willing to stop the manufacture of asbestos-containing brake linings. Such action would be dependent on parallel action to discontinue the import of asbestos-containing brake linings. It was asked if this proposal was strictly for asbestos-containing brake linings or did it include all asbestos-containing friction materials--clutch facings, for example. The Toxic Substances Control Act, which is administered by the Environmental Protection Agency has provisions which would permit a complete ban or a partial ban on the manufacture or sale of any substance which might cause an unreasonable risk in the environment. The EPA could, in effect, ban asbestos in brake linings and not in clutch facings, or take other action to reduce exposure to asbestos, if it is concluded that asbestos in friction materials presents that unreasonable risk.

It was suggested that the Institute as a group would indicate that its Members would be willing to discontinue the manufacture of asbestos-containing brake linings. Whether clutch facings and all friction materials containing asbestos would be included was not decided. Any such action on the part of United States manufacturers would have to be supplemented by legislation or regulatory action to ban the import of asbestos-containing brake linings. One Member stated that he had a strong aversion to asking Government involvement on any issue.

Mr. Comins stated that his rationale behind banning the manufacture of asbestos friction products would be that an unsolicited ban on the sale of these products would involve a considerable inventory problem. If the ban were to be on the sale of materials, considerable losses could develop in attempting to dispose of the inventory before the effective date. One Member pointed out that his company has adopted and will soon announce a policy that they will not manufacture asbestos friction products in North America by the end of 1984. Other Members have been quoted to the effect that they will be out of the asbestos friction product market in one or two years. As some Members are already non-asbestos and others are planning the discontinuance of asbestos friction materials, Mr. Comins stated that it would be a positive move on the part of the Institute to go on record in favor of a ban on the manufacture of asbestos friction products by a certain effective date.

A question was asked as to how the Institute would go on record. Would it be by a proposal to OSHA or the EPA? How would one stop the manufacture elsewhere and stop the import of materials at the border? It was suggested that any such action would either require an ad hoc committee be established or that the Institute draft any position through the Health and Environmental Affairs Committee.

A suggestion was made that a letter ballot be sent to the Members to determine if such a move had the Members' support. Two major substitutes other than the steel fibers in the semi-metallic linings are DuPont's Kevlar and Owens-Corning's fiberglass. Could these suppliers, and others, fill the friction materials manufacturers needs? These substitutes have been promoted and tested for some time, and no one friction material manufacturer would have a competitive edge.

A Member commented that when he attended the Government's Workshop on Asbestos Substitutes in 1980 that he told the group that there is a significant difference between removing asbestos from friction materials used on high-volume over-the-road vehicles and low volume custom-made friction articles for the U. S. Navy and others. In addition, he stated that there is a real difference in the processing of asbestos substitutes in drum brakes as compared to disc brakes. He contended that the full substitution for asbestos in off-highway applications is more difficult than others may imagine. He noted that technology does not yet exist for fabrication of non-asbestos friction products for use in applications such as aircraft carriers, elevators, and the like.

A Member pointed out that in the off-highway market, the manufacturer or distributor does not know where the off-highway materials will be used. Who would pick up the product liability responsibility where a non-asbestos article was used in some application currently serviced satisfactorily with an asbestos type friction material? He continued that as long as he could legally market asbestos type friction materials he would continue to do so.

It was stated that this question does not have a simple answer. As manufacturers introduce non-asbestos friction materials they are on record that substitutes are available. One Member stated that action of this sort by the Institute could open up other problems and he suggested that the test of whether asbestos friction products would survive could best be decided in the market place, when the user sees the cost and the reliability of the non-asbestos product.

A Member stated that a decision need not be made at this meeting and he asked that a mail ballot be sent to individual Members. This ballot would ask if the Institute should go on record recommending a date be established to discontinue the manufacture and import of asbestos-containing friction materials. The ballot would take into account discontinuing by product line (brake linings, clutch facings, off-highway). It was stated that very careful wording would be needed for any Institute position and that the Health and Environmental Affairs Committee or other committee would prepare the position paper. A Member reiterated his position that a product that does the job must be available before any banning of the manufacture of asbestos brake linings could take place.

Upon motion duly made, seconded and passed with 11 in favor and 2 opposed, it was:

RESOLVED: That the Institute poll its Members by mail ballot to determine if it shall go on record with the Government in favor of setting a date to discontinue the manufacture and import of asbestos-containing friction materials.

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Mr. Moore suggested that the format for the Membership Meeting could be improved by having coffee available on the Thursday get-away date. It would help attendance and get the Thursday morning meeting started on time. The Secretary stated that he would add coffee to the Thursday morning session at future meetings.

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A Member inquired about the health and status of Miss Duschek, the former Secretary of the Institute. The Secretary advised that this had been discussed at the Board of Directors Meeting on June 14, 1983. Miss Duschek has failed considerably being forgetful and disorganized. The Secretary had been asked by the Board to check into Miss Duschek's current health and status.

* * * * *

Mr. Norman Morse questioned the selection of nominees for the Board of Directors. In particular he referred to ARTICLE IV, DIRECTORS, of the Constitution. This section calls for the Directors to be representative of three classes: (1) Two from Active Member with fee payable in top third of bracket of annual fee; (2) Two from Active Member with fee payable in middle third of bracket of annual fee; (3) Two from Active Member with fee payable in lowest third of bracket of annual fee; A seventh director shall be selected from the industry at large without limitation by fee bracket.

Mr. Morse pointed out that the actual makeup of the Board of Directors for the 1983-84 fiscal year was 1 Director from the lowest bracket and 3 Directors each from the middle and highest bracket. He added that the lowest fee bracket had the highest number of Active Members, with 10 Members or 50% of the Membership. The highest fee bracket had 4 Members or 20% of the Membership, and the middle bracket had 6 Members or 30% of the Membership. He stated that the lowest fee bracket had the most number of Members but the least representation on the Board.

In accordance with the Constitution, the election of these Officers could be invalidated by vote of a majority of the Members present at this meeting. Mr. Morse referred to the Validity section of the Constitution and indicated he would not move to invalidate the earlier election. He called upon the Nominating Committee to select nominees in line with the ARTICLE IV section of the Constitution at future elections. No further action was taken by the Membership.

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There being no additional business brought to the attention of the Membership, upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To adjourn

Adjourned at 10:10 AM

E. W. Drislane
Secretary

FMSI 02083