

MEMORANDUM

J.T. THORPE COMPANIES

CORPORATE STRUCTURE

There are several different "Thorpe entities" which currently do business or have done business in the past. The years of distribution of asbestos-containing products for the Thorpe entities are approximately 1961 through 1973. The Thorpe entities primarily engaged in the business of distributing asbestos-containing products were J.T. Thorpe Company (1961-early 1973), Thorpe Insulation Company No. 1 (1956-1961), and Thorpe Products Company, an unincorporated subdivision of J.T. Thorpe Company. The interrelationship among the Thorpe entities is important because the California based Thorpe Company, J.T. Thorpe Company, Inc., d/b/a California J.T. Thorpe Company, had the earliest knowledge of asbestos-related health problems through worker's compensation claims. (John Knutsen) That company shared officers/directors with and had ownership interest in J.T. Thorpe Company, a Texas corporation. During the asbestos distributing years (1961-1973) and J.T. Thorpe Company had a ownership interest in J.T. Thorpe Insulation Company No. 1, J.T. Thorpe Insulation Company No. 2, and Thorpe Products Company, which was an unincorporated subdivision of J.T. Thorpe Company, a Texas corporation.

Depositions, interrogatories, and the articles of incorporation reflect the following information regarding the various Thorpe entities.

J. T. Thorpe, Inc. d/b/a California J.T. Thorpe, Inc.

As discussed above, this is a California corporation and I have not seen the articles of incorporation as of this time. However, it is certain that at least one of the California corporation's officers/directors owned 55% of J.T. Thorpe Company, a Texas corporation, during the asbestos distributing years. That individual was Horace Baker, who sold his interest in the California corporation in 1986.

- Date of incorporation: 1933.
- President, William Solaini.
- Treasurer, Leroy Parrish.
- The company apparently no longer has an ownership interest in J.T. Thorpe Company. A company is and apparently always has been a refractory contractor in the state of California.
- Horace Baker at page 121 of his deposition, states that J.T. Thorpe never held stock in any other company. This clearly contradicts the articles of incorporation of J.T. Thorpe Company, which reflects the J.T.Thorpe, Inc. of California was majority interest owner.
- This company had knowledge of asbestos-related health hazards via worker's compensation claims filed in California in the 1950's and 1960's (~~Horace Baker~~ John Knutsen, pages 133).

J.T. Thorpe Company (a Texas corporation)

- Date of incorporation: 12/22/53.

- Date of dissolution: N/A.

- Distributed asbestos-containing products as a wholesale distributor for Johns-Manville only from 1961 to 1973.

- Insurers during the asbestos distributing years:
  Kemper
  Saint Paul
  National Union Fire Insurance
  Chubb
  Employer Casualty among others.

- As of 1/12/89, J.T. Thorpe Company has done business as Thorpe Insulation Company.

- Principal place of business, Houston, Texas.

- Officers/directors reflected an articles of incorporation:

  W. R. Downs
  Frank C. Shelden, Jr.
  T. H. Riggs.

- J.T. Thorpe, Inc. d/b/a California J.T. Thorpe, Inc. of California is reflected in the articles of incorporation as having owned 2,750 shares out of 5,000 at the time shares were first issued. Therefore, the California corporation was a majority interest owner in J.T. Thorpe Company. Additionally, Horace W. Baker and W. R. Solaini, both of Los Angeles, California are reflected in the 6/18/81 amendments to articles of incorporation as members of the board of directors.

- Thorpe Products Company, an unincorporated subdivision of J.T. Thorpe Company, distributed asbestos-containing products prior to 1964, when Mel Proctor went to work for the company, and continued to do so until approximately 1973.

- Horace Baker served as director of J.T. Thorpe Company in Houston at the same time he was an officer for J.T. Thorpe, Inc. in California. He began serving on the board of J.T. Thorpe Company in Houston in 1948. (H. Baker deposition, pages 100-101). J.T.Thorpe Company in Houston was a subdivision or a part of J.T. Thorpe, Inc. in Los Angeles. When the companies split, Baker became involved in the J.T. Thorpe Company in Houston. J.T. Thorpe Company in Houston now Thorpe Corporation???

Thorpe Insulation Company (a Texas corporation) (Thorpe Insulation No. 1)

- Date of incorporation: 2/27/56.

- Date of dissolution: 3/31/61.

- Distributed asbestos-containing products in the Golden Triangle Area of Texas from 1956 until date of dissolution (Richard Nowland).

- Formerly The Thorpe Insulation Company.

- Officers and directors at the time of incorporation:

  W. R. Downs
  A. L. Erickson
  Frank C. Sheldon, Jr.

- Officers/directors at the time of dissolution:

  W. R. Downs-President, 2121 Westheimer, Houston, Texas.
  Mel Proctor
  Mary A. Severance-Treasurer-5440 Polk, Houston.
  John V. Singleton, Jr.-Secretary-606 Bank of the Southwest Building.
  Thomas Hopkins, III-Assistant Secretary.
  A. L. Erickson-Los Angles.
  Thomas D. Smith-Houston.
  Frank C. Sheldon, Jr.-Houston.

Thorpe Insulation Company (a Texas corporation) (Thorpe Insulation No. 2)

- Date of incorporation: 12/10/65

- Date of dissolution: 6/9/89

- There are contradictions as to whether Thorpe Insulation No. 2 distributed asbestos-containing products. There is testimony reflecting that the company did not distribute asbestos-containing products. However, Richard Nowland, at page 61 of his deposition, says that the company did in fact distribute and install asbestos insulation in and around the Corpus Christi area.

- Principal place of business: Corpus Christi.

- Original directors:

  A. L. Erickson
  Frank C. Sheldon, Jr.
  Thomas D. Smith
  M. P. Proctor
  W. D. Linard

- Officers at time of dissolution:

  Gerald Scott-President-6833 Kirbyville, Houston, Texas 77033.
  W. O. Moake-Vice President-6833 Kirbyville, Houston, Texas 77033.
  F. T. Miller-Vice President-6833 Kirbyville, Houston, Texas 77033.
  John Stephen-Secretary-6833 Kirbyville, Houston, Texas 77033.

Thorpe Corporation

- Date of incorporation: 1983.

- Date of dissolution: N/A.

- Principal place of business, Houston, Texas.

- Never distributed asbestos-containing products.

- Officers/directors:

  Gerald Scott (President)
  John Stephen
  Mack Hounsel
  John J. King
  Gilbert H. Holland

- As of 1988, Thorpe Corporation was the parent for Thorpe Products Company, which used to be a division of J.T. Thorpe Company. Thorpe Corporation also is a parent of J.T. Thorpe d/b/a Thorpe Insulation Company.

Thorpe Products Company (a Texas corporation)

- Date of incorporation: 4/26/85.

- Has not sold asbestos-containing products anytime since date of incorporation.

Cactus Construction Company

- Never distributed asbestos-containing products.

J. T. Thorpe & Son, Inc.

- Began: approximately 1906 in Colorado, Utah, Northern California depending on which account you read.

- Date of dissolution: N/A.

- This is a refractory contractor with its principal place of business in California and has no relation to J.T. Thorpe, Inc.

- Began doing business in Northern California in about 1906.

A. L. Erickson and M. L. Webster as shareholders of J.T. Thorpe, Inc. in California also served as directors of other corporations. A. L. Erickson served as director of J.T. Thorpe, Inc., Thorpe Insulation, J.T. Thorpe Company, currently Thorpe Corporation of Houston.

PRODUCTS

The Thorpe entities distributed and/or installed only Johns-Manville asbestos-containing products. They did so during the years 1961 to 1973. However, J.T. Thorpe, Inc. of California purchased insulation from Armstrong, Pabco and M. H. Detrick in addition to JM products.

JOB SITES - HOUSTON AREA

Amoco Oil - Texas City
Amoco Chemical - Alvin
Arco Chemical - Channelview
Arco Refinery - Pasadena
Arco - Port Arthur
Champion Paper - Pasadena
Diamond Shamrock
Diamond Alkali - D.S. - Occidental Chemical
Dow Chemical - Freeport
Dow Chemical - LaPorte
Ethyl Corporation
Exxon - Baytown
Houston Lighting & Power
Marathon Oil - Texas city
Petrotex Chemical - Pasadena
Phillips Petroleum - Sweeney
Rohm & Haas
Shell Oil & Chemical - Deer Park
Brown & Root - Houston
Cameron Iron Works
Chevron Chemical - Baytown
Stauffer Chemical
Monsanto - Texas City
Texas City Refinery
Texas Gulf - Sulfur
Union Carbide - Texas City
Gulf Oil Refinery - Port Arthur
DuPont - Orange

Fina Oil and Chemical
Sabine Towing
Firestone (Refractory products)
Goodyear Tire (Refractory products)
PPG - Lake Charles (Refractory products)
Unocal, Union 1976, Pure Oil
Citgo, formerly City Services - Lake Charles
Old City Brass (Refractory products)

JOB SITES - BEAUMONT/PORT ARTHUR/ORANGE AREA

Gulf Oil - Port Arthur
Dupont Chemical - Orange
Gulf States Utilities
Mobil Oil - Beaumont
Mobil Chemial - Beaumont
Texaco Refinery - Port Arthur
Jefferson Chemical - Port Neches
Olin Matheison
Temple Eastex - Evadale
Pure Oil Company - Port Neches (Unocal)

JOB SITES - CORPUS CHRISTI AREA

Aluminum Company of America - Port Comfort
Celanese - Corpus Christi
Celanese - Kingsville
Central Power & Light

OTHER RELEVANT INFORMATION

Melvin Proctor says that the company never knew about the dangers of asbestos until 1972. However, in a letter to Johns-Manville, Thorpe clearly acknowledges the potential dangers of asbestos by requesting information on the health hazards of asbestos in reference to the Diamond Shamrock plant (1969).

John Knutsen — knew of w comp claims

Thorpe Products Company, an unincorporated subdivision of J.T. Thorpe Company first had meetings and discussions about the health hazards regarding asbestos in the early 1970s (1971-1972) in Houston. The whole company talked about it-everybody was discussing the problems. In addition to selling asbestos-containing products to the refineries and chemical plants, Thorpe Products Company sold asbestos-containing products to various insulation contractors who would come in and apply the insulation. We need to find out who those contractors were and depose them.

Mr. Nowland at page 75 of his deposition states that Mel Proctor was exclusively in charge of distribution of asbestos-containing products in the Harris County area for J.T. Thorpe Company for during the years 1961 to 1973. Mel Proctors was Gerald Nelson's superior, but Nelson was in charge of the Golden Triangle area. Horace Baker states at pages 65-69 of his deposition that J.T. Thorpe warned its employees about asbestos health hazards and required them to wear a respirators, but does not remember the time frame.

EXHIBITS NO.

17839 12/4/68 Letter from M. P. Proctor of Thorpe Products Company to Johns-Manville Sales Corporation regarding Diamond Shamrock, Inc. and asbestos fibers. By this letter Mr. Proctor requests

17839 12/4/68 Letter from M. P. Proctor of Thorpe Products Company to Johns-Manville Sales Corporation regarding Diamond Shamrock, Inc. and asbestos fibers. By this letter, Mr. Proctor requests information on behalf of Diamond Shamrock regarding the "health hazards" of casdalite and LTU asbestos fibers.

17837 7/14/75 letter from John Stephen of Thorpe Products Company to Amoco Chemicals Corporation regarding promotion. Mr. Stephen states that "Thorpe maintains the largest stocks of insulation and refractory materials Southwest at our warehouse locations, in Houston, Beaumont, Dallas, and Corpus Christi. Our sole business is to supply and fabrication of insulation and refractory products."

17828 7/17/91 letter indicating the names of all officers, directors, and managers of Thorpe Insulation Company from 1948 through 1972. A copy of the exhibit is attached to this memorandum.

THINGS TO DO:

- Follow-up on discovery to determine compliance with interrogatories and requests for production.

- Depose job sites witnesses.

- Depose purchasing agents and buyers of each of the job sites. Below a list of people we already know were purchasers or buyers. We need to determine who those individuals for other plants as well.

Gulf Oil Refinery-Port Arthur
Dale Coon
Bob Douglas
Garth Newsom
Charlie Grady

DuPont-Orange
Jim Swanse (Tenaha, Texas)
Earl Singletary
Herman Ballard
Carl Andres

Fina Oil and Chemical
Jack Granger

Gulf States Utilities
James Preston French

Mobil Oil - Beaumont, formerly Magnolia Refinery
Fred White
Jim Reeves

Mobil Chemical - Beaumont
Jim Reeves
John Holbert
Matt Rich

Jefferson Chemical
Ziec Glaze

Goodyear Tire (Refractory)
A. L. Gremillion
Max Conner

PPG - Lake Charles (Refractory)
Ron Casper

Pure Oil
Ralph M. Parsons, Pasadena, California

Citigo, formerly City Services-Lake Charles
Al Ambremes

Old City Brass (Refractory)
Billy Bryant

- Determine the various insulation contractors who bought asbestos-containing products from Thorpe Products Company in order to install the same in various plants and refineries.

- Follow-up on inconsistency between the two Mel Proctor depositions.

MELVIN P. PROCTOR

1977 Deposition Summary

PAGE:	DESCRIPTION:
1 - 7	Melvin Proctor was executive vice-president of J.T. Thorpe Company and was employed there for 22 years. J. T. Thorpe has distributed asbestos products to Shell Oil (asbestos cloth).
8	J.T. Thorpe specializes in supplying industrial insulation.
9	J.T. Thorpe is the prime distributor for Johns-Manville (J-M) industrial insulation group of the industrial products division.
11	Coastal Supply Company seems to be at large supplier of asbestos products. J.T. Thorpe's sales records go back 5-6 years.
14	J.T. Thorpe is not a prime distributor of J-M (roll cloth).
17	J.T. Thorpe makes no effort to segregate the asbestos materials when they are ordered by manufacturer. Therefore, an invoice would not reflect the manufacturer of the asbestos product.

GERALD NELSON

DEPOSITION SUMMARY

There are seven Thorpe entities which have done business under the Thorpe name since the 1950s. Nelson worked for Thorpe until March 1979 and represented all the divisions of Thorpe in 1964. He was the head of purchasing of the Thorpe Products Company in the Golden Triangle area of Texas. Other salesman for Thorpe Products Company from 1964 to 1972 were Jack Piper, Billy Bay, Bill Collins and Tom Hopkins. Jack Piper was responsible for boiler work. Billy Bay was responsible for sales for various plant sites and industrial furnace presentation. Bill Collins was in charge of the commercial division. Tom Hopkins was responsible for boards, furnace, annealing furnace division.

There were two Thorpe insulation companies. One that was formed in 1956 and dissolved in 1961, and was in that operation from 1965 until 1989.

Thorpe Products Company is unincorporated division of J.T. Thorpe Company. Mel Proctor headed Thorpe Products Company in 1964. Thorpe Products Company had separate sales and purchasing departments of its own and its primary office was in Houston, Texas.

During Nelson's tenure with J.T. Thorpe Company, he was head of the sales department and purchasing department of Thorpe Products Company.

In 1964, the officers of J.T. Thorpe Company:

President-Frank Sheldon
Vice-President-Tom Smith
Later officer-Mel Proctor

Thorpe Products Company was in charge of distribution to Orange.

31 J.T. Thorpe was a divisionalized company with five divisions, which were as follows:

1. Construction
2. Products
3. Equipment
4. Industrial furnace
5. Commercial furnace

33 The products division distributed and retailed asbestos containing products. All five divisions delivered to plants and refineries.

34-35 The construction division would have installed asbestos when called for. They did installation of asbestos at Mobil Refinery, East Tex Polp and Paper, and Dupont-Orange.

The insulation work involved installation on C.E. Boilers.

38 The products division began distributing asbestos products before Nelson went to work there in 1964.

39 J.T. Thorpe products division would purchase its asbestos containing materials from Johns-Manville (100%) for the Beaumont office. The products division purchased pipe covering, block insulation, and cement.

46 Discussion of plants to which Thorpe Products Company distributed asbestos.

The competitors of J.T. Thorpe Company were Triple B, Fuller-Austin, B & B Insulation, Brittan Supply (Refractory), Industrial Insulation, American Insulation, Pace Insulation (installed but did not sell insulation), Aber Company.

J.T. Thorpe Company never attached warnings to asbestos products but in about 1971, Nelson started seeing warnings on the J-M boxes. He cannot remember what the warnings looked like.

Thorpe Products Company first had meetings and discussions about the problems regarding asbestos in the early 1970s in Houston. There never were internal memoranda discussing those problems.

92-94 Asbestos is an excellent product. "It is a greater product than any man will ever make." I learned everything I could about asbestos and when in the early 1970s I found that it could be hazardous to one's health, I questioned it.

94 The whole company talked about the asbestos health problems. "Everybody talked about it."

96 Thorpe Products Company sold Thermabestos Pipe and Block insulation, Superex (until 1966 when it left the scene), a type of J-M cement but not Seven M or Blue Mud.

100 When the "health hazard" information was given to us in the early 1970s, it was "shock" to the entire industry.

104-105 In addition in selling asbestos containing products to refineries and chemical plant, Thorpe Products Company sold to various insulation contractors who would come in and apply the insulation.

110 Discussion for distributors for plants.

118 The only times J.T. Thorpe Company (construction division) actually installed insulation was with work involving the Combustion Engineering boilers. J.T. Thorpe installed J-M Calcium Silicate material.

On major asbestos insulation projects, EG new construction were a contractor came in and was going to apply asbestos insulation, it was a norma course of business for the contractors to go get their asbestos insulation straight from the manufacturers as a oppose to going through distributors. It was more cost effective that way.