

03356A/B

E. L. PERRINE - ZONOLITE.

4th November, 1968.

R. S. ARNOLD.

NEUCHATEL - MONOKOTE.

c.c. S. B. Sharp - New York.
P. Prestegaard - Fawknor.



Dear Gene,

In recent months the powerful building workers unions have been protesting loudly about the hazards of handling fireproofing and insulating products containing asbestos. This at a time when Monokote sales by Neuchatel have dropped sharply as a result of low price competition from marketers of asbestos fireproofing products.

On the one hand we therefore have the opportunity of retrieving business with Monokote but on the other, the small amount of asbestos, in Monokote Mark I has attracted the attention of the Department of Health in Melbourne specifically on the St. James project currently under construction. The Department has not banned the product but it is claimed that Monokote could constitute a health hazard because of the asbestos in the formulation. They hedge on the question by saying there is not enough information on the percentage of asbestos necessary to cause health problems, but the inference is unmistakeable and will undoubtedly jeopardise future projects.

Apparently the building unions learnt that asbestos is cancer producing from medical research performed in the United Kingdom.

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Neuchatel ask whether Xonolite have ever tested a Monokote formulation without asbestos content. We recently gave them the formula for Monokote Mk III since they hoped for a more economical formulation to compete with the asbestos companies plus looking for a lower asbestos content.

Would you comment on the health hazard question please and also advise of the status of a non asbestos containing Monokote.

Regards,

R. S. Arnold.