

Hobart's health hazard  
Lilly concentrate  
Containing asbestos  
in the form of tremolite

Unfortunate outside events

i.e. events that really do not force tremolite to change its method or mode of operation

Increase in body of knowledge about tremolite

- 1) Forthright Debarment study
- 2) Tremolite Phase study results
- 3) OSHA notices
- 4) Techillis rights
- 5) debarment
- 6) "asbestos free"

Bad publicity

- 1) Sanctioned publicity from Los Angeles Appeal
- 2) Public relations in New York
- 3) Trade Review in California
- 4) Simon & Schuster
- 5) Simon & Schuster
- 6) Simon & Schuster
- 7) Simon & Schuster
- 8) Simon & Schuster
- 9) Simon & Schuster
- 10) Simon & Schuster
- 11) Simon & Schuster
- 12) Simon & Schuster
- 13) Simon & Schuster
- 14) Simon & Schuster
- 15) Simon & Schuster
- 16) Simon & Schuster
- 17) Simon & Schuster
- 18) Simon & Schuster
- 19) Simon & Schuster
- 20) Simon & Schuster

Law suits

- 1) Long Island City Corporation
- 2) United States
- 3) United States
- 4) United States
- 5) United States
- 6) United States
- 7) United States
- 8) United States
- 9) United States
- 10) United States
- 11) United States
- 12) United States
- 13) United States
- 14) United States
- 15) United States
- 16) United States
- 17) United States
- 18) United States
- 19) United States
- 20) United States

Actions required of Zentler by regulating agencies OSHA, MESA, etc

Actions affecting Zentler Facilities

- 1) 25% asbestos removed at all existing plants
- 2) Requirement to buy waste treated i.e. stone rock
- 3) 25% asbestos removed at Lilly (Cost \$515M)
- 4) New asbestos standards
- 5) New asbestos standards
- 6) New asbestos standards
- 7) New asbestos standards
- 8) New asbestos standards
- 9) New asbestos standards
- 10) New asbestos standards
- 11) New asbestos standards
- 12) New asbestos standards
- 13) New asbestos standards
- 14) New asbestos standards
- 15) New asbestos standards
- 16) New asbestos standards
- 17) New asbestos standards
- 18) New asbestos standards
- 19) New asbestos standards
- 20) New asbestos standards

Actions affecting Zentler Products

- 1) Banned from selling products in 10 California in New Ad
- 2) Banned from selling products in 10 California in New Ad
- 3) Banned from selling products in 10 California in New Ad
- 4) Banned from selling products in 10 California in New Ad
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PLAINTIFF'S EXHIBIT WRG-366

K12



Concentrate  
not be used for  
detrimental products

### Expanding Plants

or  
life

By ally  
Athens, Texas  
by firm  
Virginia  
unusually  
early?

substitute  
fast animal  
the seeds  
Pillite  
methyl rubs? growth  
problems??  
and 8)

By Dan  
J.H. -  
other  
large  
operator  
(and  
initial  
industry)

Jose  
and  
plants

Decompose  
cotton products

Army  
Silkman  
Fall  
20/100

Other  
cotton  
products

### Production / Site Fore

Production  
Site Fore

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| Agency                                 | Action                                                                              | TIME HORIZON                            | PRESENT STATE OF EMULITE CARBONATE                                                              | SCENARIO                                                                                                        | REPERCUSSIONS                                                                                                               | SOLUTIONS                                                                                                                      | CAPITAL                                                                  | COST OPERATIONS                                  |
|----------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------|
| Federal or State OSHA                  | Required to bring all existing plants into compliance with OSHA standards - 25/1/74 | 1972-74<br>1978-79<br>regulation exists | Most existing plants now meet standards. Several (65) do not but can be brought into compliance | Federal or State OSHA officials inspect on reinspect remaining plants and require compliance                    | We are forced to upgrade the remaining plants - slightly increased capital and depreciation                                 | Spent the money to upgrade the plants - where required                                                                         | \$100,000 to \$200,000 per plant                                         |                                                  |
| Federal or State OSHA                  | Required to bring existing plant into compliance with OSHA standards                | 1972-74<br>regulation exists            | Emulite is not complying at the time                                                            | Federal or State OSHA officials inspect and require compliance. Emulite may or may not comply                   | Forced to bring plant into compliance. Then find a way to dispose of the plant. Difficult to find disposal area.            | Spent the money to install the equipment where required                                                                        | \$200,000 per plant                                                      | some additional 2-3%                             |
| California State OSHA                  | Prohibited from selling Emulite in California                                       | 1976-77<br>regulation exists            | Emulite is not complying at the time                                                            | Discontinue Emulite sales by some Emulite company. If Emulite doesn't use one product unless certified as safe. | Loss of Emulite sales in California. 1976 sales \$2,523,165. Bad publicity + some building. Reduced legal advice liability. | 1) Refrainable Emulite from sale. 2) Refrainable Emulite without Emulite. 3) Abandon Calif market.                             | Refrainable Emulite costs \$10,000. Emulite - Emulite.                   | Emulite costs \$10,000. Total \$150,000.         |
| California State OSHA                  | Emulite prohibited from selling in California                                       | 1976-77<br>regulation exists            | Emulite is not complying at the time                                                            | California OSHA officials require strict compliance with standards, labeling while dropping regulations at      | Loss of California sales. 1976 \$4,543,404. Bad publicity - some building. Emulite balance.                                 | 1) Ship to California. 2) Refrainable Emulite. 3) Refrainable Emulite with some Emulite or without Emulite. 4) Abandon market. | Ship to California. Refrainable Emulite costs \$10,000. Total \$150,000. | Emulite costs \$10,000. Total \$150,000.         |
| State OSHA or Local Building Authority | Prohibited from selling Emulite in California                                       | 1976-77<br>regulation exists            | Emulite is not complying at the time                                                            | Procedures local building authorities are becoming the use of asbestos - an expense is growing                  | Loss of Emulite sales. 1976 \$10,163,183. Bad publicity - some building.                                                    | 1) Refrainable Emulite with some Emulite or without Emulite. 2) Abandon market.                                                | Refrainable Emulite costs \$10,000. Total \$150,000.                     | Emulite costs \$10,000. Total \$150,000.         |
| Customers                              | Customers begin to refuse products made from Emulite                                | 1972-74<br>regulation exists            | Emulite is supplying specific customers with Emulite. Customer pays freight                     | As customers become aware of asbestos in Emulite products, some may want to use other material.                 | Drop in sales of Emulite products - some Emulite balance. Some Emulite balance.                                             | 1) No report on sales. 2) Possible supply there. 3) Customers from sale. 4) Shrink Emulite.                                    | Emulite balance costs \$10,000. Total \$150,000.                         | Emulite balance costs \$10,000. Total \$150,000. |
| Federal or State OSHA                  | Required to label all products containing Emulite                                   | 1972-74<br>regulation exists            | Emulite is labeling unregulated Emulite but not any regulated Emulite                           | During inspection in reinspect OSHA may require the labeling of all bags                                        | Drop in sales of products. Some Emulite balance. Some Emulite balance.                                                      | 1) No any solution. 2) Shrink Emulite. 3) Close Emulite shrink to a regional basis.                                            | Emulite balance costs \$10,000. Total \$150,000.                         | Emulite balance costs \$10,000. Total \$150,000. |
| DESA or OSHA                           | Emulite forced to not produce Emulite                                               | 1978-79<br>regulation exists            | Emulite is coming down to produce Emulite. Emulite is not producing Emulite.                    | DESA or OSHA may require the labeling of all bags                                                               | Forced to spend the money to upgrade the Emulite.                                                                           | 1) Spend the money. 2) Necessary. 3) Close Emulite.                                                                            | \$200,000                                                                |                                                  |



Assume 150,000 tons of concentrate per year available from Enree

| Product                                       | Tons    | Gross Sales \$ | Cost |
|-----------------------------------------------|---------|----------------|------|
| Concrete Agg. {50% vermiculite<br>50% Perlite | 3,500   | \$ 10,059      |      |
| MONOKOTE {No vermiculite                      |         | 10,831         |      |
| Soil mix                                      | 6,597   | 4,127          |      |
| Ag Bag + Bulk                                 | 18,408  | 1,487          |      |
| Enree Licensees                               | 22,000  | 1,134          |      |
| Libby licensees ex Conde                      | 67,000  | 3,294          |      |
| Total tons                                    | 145,505 | \$ 30,932      |      |

### Zonolite

|                |           |                           |
|----------------|-----------|---------------------------|
| Vermiculite    | \$ 30,932 |                           |
| All other      | 3,116     |                           |
| Insulperm      | 2,824     |                           |
| Hort Perlite   | 1,361     |                           |
| Total Zonolite | \$ 38,233 | vs 77B \$ 65,719 = -41.8% |

### CPD

|           |           |                            |
|-----------|-----------|----------------------------|
| Zonolite  | \$ 38,233 |                            |
| Durez/SHB | 21,754    |                            |
| RPC       | 5,794     |                            |
| (Other)   | (500)     |                            |
|           | \$ 65,281 | vs 77B \$ 107,318 = -39.2% |