

In The Matter Of:

***DEBBIE ACCETURO, ET AL., v.
ABEX CORPORATION, ET AL.,***

ROGER HOBBIE

June 21, 2007

MERRILL LEGAL SOLUTIONS

25 West 45th Street - Suite 900

New York, NY 10036

PH: 212-557-7400 / FAX: 212-692-9171

HOBBIE, ROGER - Vol. 1

EXHIBIT

Hobbie 12

9-08-08 JR

SCF-EC-6050

IN THE SUPERIOR COURT OF THE STATE OF NEW JERSEY

IN AND FOR THE COUNTY OF MIDDLESEX

* * * * *

DEBBIE ACCETURO, et al,

Plaintiffs,

v.

ABEX CORPORATION, et al,

Defendants.

NO. MID-L-6601-99

.

DEPOSITION OF ROGER HOBBIE

June 21, 2007

Tucson, Arizona

.

David Christy, Certified Court Reporter, No. 50061

ROGER HOBBIIE

Page 2

1 APPEARANCES
2 * * * * *
3 KEEFE BARTELS
4 By: Patrick J. Bartels, Esq.
5 830 Broad Street
6 Shrewsbury, NJ 07702
7 732-224-9400
8 For the Plaintiffs
9 - - - - -
10 DeHAY & ELLISTON, LLP
11 By: Thomas W. Burch, III,
12 Esq.(Telephonically)
13 3700 Buffalo Speedway, Suite 1000
14 Houston, Texas 77098
15 713-626-0126
16 For the Defendants Abex Corporation
17 - - - - -
18 BRZYTWA, QUICK & McCRYSTAL
19 By: Harry T. Quick, Esq.
20 1660 W. 2nd Street, Suite 9000
21 Cleveland, Ohio 44113
22 216-664-6900
23 For the Defendant Eaton Corporation
24
25

Page 4

1 BE IT REMEMBERED that the deposition of Roger Hobbie
2 was taken pursuant to notice at the J.W. Marriott, 3800 W.
3 Starr Pass Blvd., in the City of Tucson, County of Pima, State
4 of Arizona, before David G. Christy, on the 21st day of June
5 2007, commencing at the hour of 9:30 a.m. on said day, in a
6 certain cause now pending in the Superior Court of Middlesex
7 County, State of New Jersey.
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Page 3

1 APPEARANCES(Continued):
2 ECKERT, SEAMANS, CHERIN & MELLOTT, LLC
3 By: Robert J. Hafner, Esq.(Telephonically)
4 Two Liberty Place
5 50 S. 16th Street, 22nd Floor
6 Philadelphia, Pennsylvania 19102
7 215-851-8400
8 For the Defendant ITEC
9 - - - - -
10 KELLEY, JASONS, McGOWAN, SPINELLI & HANNA
11 By: Joseph McGuire, Esq.(Telephonically)
12 Two Liberty Place, Suite 1900
13 Philadelphia, Pennsylvania 19102
14 215-809-8701
15 For the Defendant Carlisle
16 - - - - -
17 FISHER FALLON
18 By: Edward Kelley, Esq.(Telephonically)
19 517 Passaic Avenue
20 Spring Lake, NJ 07762
21 732-449-2177
22 For the Defendant Penske
23
24
25

Page 5

1 INDEX
2 WITNESS PAGE LINE
3 ROGER HOBBIIE
4 By Mr. Bartels 7 6
5 By Mr. Hafner 77 23
6 By Mr. Maquire 84 10
7 By Mr. Hafner 87 4
8 By Mr. Bartels 94 5
9 By Mr. Hafner 98 5
10 EXHIBITS
11 Exhibit 1 employment history 9 17
12 Exhibit 2 memo-1/14/87 10 8
13 Exhibit 3 monthly report 10 8
14 Exhibit 4 monthly report 10 8
15 Exhibit 5 employee training program 37 6
16 Exhibit 6 internal correspondence-4/16/85 48 18
17 Exhibit 7 internal correspondence-7/22/85 50 4
18 Exhibit 8 internal correspondence-5/1/85 52 1
19 Exhibit 9 OEM accounts document 55 10
20 Exhibit 10 internal correspondence-9/25/86 59 23
21 Exhibit 11 flyer 63 6
22 Exhibit 12 letter-7/31/87 65 1
23 Exhibit 13 internal correspondence-3/5/90 67 12
24 Exhibit 14 letter-10/14/86 69 22
25 Exhibit 15 letter-10/15/86 71 23

2 (Pages 2 to 5)

ROGER HOBBIE

Page 6	Page 8
1 EXHIBITS 2 Exhibit 16 letter-11/21/86 74 14 3 Exhibit 17 letter-12/19/86 76 12 4 Exhibit 18 letter-11/22/83 86 21 5 Exhibit 19 inter-office correspondence-2/13/84 90 6 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	1 A Yes. 2 Q Mr. Quick. I will give a brief series of 3 instructions. Then I'm going to have some questions for you. 4 As you have done in the past, this is a deposition. You 5 understand that you have just sworn an oath to tell the truth? 6 A Yes. 7 Q You understand that oath is the same oath you would 8 take as if you were testifying before a judge and a jury? 9 A Yes. 10 Q Listen carefully to my questions. If you don't 11 understand my question, it is okay for you to ask me to repeat 12 it and I will until you do understand it. Do you understand 13 that? 14 A Yes. 15 Q For purposes of this record, if I ask you a question 16 and you answer it, we will assume two things. Number one, you 17 understood my question and, number two, you are answering to 18 the best of your ability. Do you understand that? 19 A Yes. 20 Q Please make sure all of your responses are verbal in 21 nature like you are doing now. It is hard for the court 22 reporter, and for me, frankly, to interpret a shrug or nod of 23 the head. Do you understand? 24 A I will. 25 Q Sometimes when we get into a flow of question and
Page 7	Page 9
1 ROGER HOBBIE, 2 having been first duly sworn to state the truth, the 3 whole truth, and nothing but the truth, testified on 4 his oath as follows: 5 EXAMINATION 6 BY MR. BARTELS: 7 Q Good morning. 8 A Good morning. 9 Q Would you please state your full name. 10 A James Roger Hobbie. 11 Q Mr. Hobbie, where do you presently reside? 12 A Oro Valley, Arizona. 13 Q Have you ever had your deposition taken before? 14 A Yes. 15 Q Can you approximate for me how many times? 16 A At least twice. 17 Q On those two occasions that you were called today, 18 did any of them have to do with asbestos litigation? 19 A No. 20 Q Can you generally give me an idea of what they were 21 about? 22 A One was a product problem issue with one of our 23 components. The other was an accident with one of our 24 components. 25 Q You are here with counsel today; is that correct?	1 answer, sometimes we begin to talk over each other. Let me or 2 whoever is asking the question completely finish asking the 3 question first, for two reasons. Number one, the court 4 reporter gets confused and he can't figure out who is saying 5 what and, second, you may think you understand the question 6 and answer too quickly. Do you understand that? 7 A Yes. 8 MR. HAFNER: Patrick, I can hear you perfectly 9 clear. The witness, I don't know if he is speaking softer, I 10 don't know what type of phone setup there is. 11 MR. BARTELS: He has a soft voice. 12 MR. HAFNER: If you can keep your voice up so 13 we can hear you. 14 THE WITNESS: I moved up closer also. 15 MR. HAFNER: That's much better. That 16 improves it a lot. Thank you very much. 17 (Exhibit 1, employment history, was marked for 18 identification.) 19 Q I will show you what's been marked Hobbie 1 for 20 identification. Do you recognize that document? 21 A Yes. 22 Q Can you describe what it is? 23 A It is a history of my employment over the last 24 roughly 45 years or so with Eaton Corporation primarily and 25 then some consulting work I'm presently engaged in.

3 (Pages 6 to 9)

ROGER HOBBIE

Page 10 1 Q How current is the information on that document? 2 A It is up-to-date. 3 Q I will have some additional questions later on but I 4 wanted to go to a couple of other items before we do that. I 5 will show you a couple other documents preliminarily. I would 6 like to have the following marked 2, 3 and 4. 7 (Exhibit 2, memo-1/14/87; Exhibit 3, monthly 8 report; Exhibit 4, monthly report, were marked for 9 identification.) 10 Q I have had those items marked and am showing them to 11 Mr. Quick and the witness. I will describe them before I ask 12 any questions. Mr. Hobbie, what I will do is, I have some 13 preliminary questions about each of these documents. I won't 14 go into anything substantive until you have had a chance to 15 look at them. I have a couple of preliminary questions. 16 According to your CV, you first began working 17 for Eaton in 1959; is that correct? 18 A That's correct. 19 Q What was the name of the company when you first 20 started working for them? 21 A Eaton Manufacturing Company. 22 Q Where were they located? 23 A East 140th street in Cleveland, Ohio. 24 Q How long did you continue to work for Eaton until 25 you left their employ?	Page 12 1 A Yes. 2 Q Can you describe generally what you did in that 3 position? 4 A Basically, I was domiciled in Portland, Oregon and I 5 called on customers in the northwestern United States and 6 western Canada plus Alaska and the Yukon, both the truck 7 manufacturers that were located in that area and truck fleets 8 and dealerships and basically represented the company and our 9 products from the axle and brake product line area. 10 Q Exactly, what were you trying to sell, generally? 11 A Generally, we were trying to promote our 12 specification of our components in vehicles where a fleet 13 would specify different components when they were ordering new 14 trucks and just basically familiarizing them with Eaton 15 components and providing a contact so that we informed them 16 about our products and their use. 17 Q Can you describe some of the component parts that 18 you were representing to the customers? 19 A Yes. Drive axles that ranged from weight ratings of 20 15,000 pounds up to 44,000 pounds and generally 16 and a half 21 by seven inch S-cam brakes. Basically, that's it. 22 Q I assume you had to have a working knowledge of how 23 the braking systems were used and what materials were used 24 within the braking systems? 25 A Yes.
Page 11 1 A Almost 38 years. 2 Q Based on the information in your CV, it looks like 3 you last worked for Eaton as an employee in 1997; is that 4 correct? 5 A That is correct. 6 Q Between 1959 and 1997, did you work for anyone other 7 than Eaton Corporation? 8 A No. 9 Q Your first job it looks like according to your CV 10 between 1959 and 1970, you worked as an engineering test 11 technician for Eaton axle and brake divisions; is that 12 correct? 13 A Yes. 14 Q Can you generally describe what you do as an 15 engineering test technician? 16 A Basically worked in a lab area where we conducted, 17 oh, both development tests and quality audit-type tests on 18 axle components using dynamometers and test trucks and also on 19 foundation brake products using primarily at that time test 20 trucks. 21 Q Obviously, your testing would include brakes? 22 A Yes. 23 Q Between 1970 and 1974, it looks like you then moved 24 on to the district sales and engineering manager for Eaton; is 25 that correct?	Page 13 1 Q From 1974 to 1977, it looks like you were the 2 manager of the engineering test facilities and application 3 engineering for the axle division; is that correct? 4 A Yes. Brake product had been moved basically out of 5 the axle division when the brake division was formed, about 6 the time I moved back to Cleveland. 7 Q Were you working in the brake division between '74 8 and '77? 9 A No. 10 Q What division were you working for? 11 A The axle division. 12 Q You were back in Cleveland at that point? 13 A Yes. 14 Q Generally, describe what your responsibilities were 15 as the manager of the engineering test facilities. 16 A Basically, I was the manager of the facility that I 17 had worked in before where I was overall supervisor of setting 18 up tests and managing the people that conducted those tests. 19 Q What kind of tests generally were you supervising? 20 A Dynamometer tests, truck tests where we used test 21 trucks to put new products through durability testing things 22 like that before they were released for sale to our OEM 23 customers. 24 Q What is a dynamometer test? 25 A Basically where you mount an axle between two load

4 (Pages 10 to 13)

ROGER HOBBIE

Page 14 1 absorbers and drive it with an electric motor just like a 2 truck would drive it and it stimulates the most severe 3 conditions an axle would undergo in its normal approved 4 application. 5 Q Would that also include the efficiency of the brakes 6 that were on the axles? 7 A It didn't at that time. There was a brake developed 8 by Eaton and built by Eaton that ended up at that particular 9 time had been moved to the brake division when the brake 10 division was formed and it was up in Southfield, Michigan. 11 Q When was the brake division first formed? 12 A It is my best recollection about 1974. 13 Q Why did Eaton, if you know, separate and develop 14 this new brake division? 15 A I think they wanted to probably focus more on the 16 brake market and we were able to do that when it was combined. 17 Q Prior to 1974, when the brake division was first 18 formed, how did Eaton test the sufficiency of the brakes on 19 the axles? 20 A When I started out, we were testing primarily with 21 test trucks and we followed SAE standards as far as running 22 those tests and basically we had to meet the criteria in those 23 SAE standards. 24 Q For the record, what are the SAE standards you are 25 referring to?	Page 16 1 administered our warranties. 2 Q At that time, did any of your job responsibilities 3 involve brakes? 4 A Not directly. 5 Q When you say not directly, how was it involved if it 6 was? 7 A Basically, the brake was bolted to an axle. And 8 basically, you came in contact with the performance of the 9 brake because you were -- usually, if there was a problem or 10 an issue with the brake, you called somebody from the brake 11 division in to get them involved in it at that point. 12 Q Did the warranty program -- did the warranty program 13 include problems with brakes? 14 A Not at that time. They had their own 15 administration. 16 Q So I guess the brake division did offer warranties 17 on the brakes, but they handled it themselves and not where 18 you were at that time? 19 A Yes. 20 Q It looks like you move on from 1980 to 1983, you 21 then become the manager of the service and parts for Eaton 22 truck components marketing; is that correct? 23 A Yes. 24 Q Can you describe where you were located when you 25 took over this position?
Page 15 1 A They had to do with different conditions where the 2 brake was run through severe operations, basically to measure 3 fade and wear, and things like that. 4 Q It is my understanding that the SAE regulations 5 established minimum safe braking -- I'm not sure what the 6 right word would be -- braking conditions for a brake? In 7 other words, it told you, the brake manufacturer, what your 8 brakes had to do when put on a certain type of truck; is that 9 correct? 10 A That's correct. 11 Q It looks like between 1977 and 1980, you then became 12 the manager of the technical services and warranty for the 13 axle division; is that correct? 14 A Yes. 15 Q Where were you located when you took over that 16 position? 17 A In Cleveland, same facility. 18 Q Could you again generally describe what your duties 19 were in that position? 20 A Basically represented the product in the service 21 area as far as product performance in the field, provided 22 technical support to both our OEM and field organization which 23 represented us to the fleets and dealers. And the warranty 24 supervisor reported to me and basically he dealt with the OEMs 25 which were the customers we sold the product to and	Page 17 1 A I moved to our corporate headquarters which was in 2 downtown Cleveland and had responsibility through the Eaton 3 truck components marketing which was the field organization 4 which included sales and service personnel distributed 5 throughout the United States and Canada. And I basically sort 6 of coordinated the service activities from the field back to 7 headquarters and product divisions and also ensured that 8 emergency parts were available. We had a system at that time 9 where we stocked some parts in our branches and I was 10 responsible for that. 11 Q Did any of the components that you were dealing with 12 include brakes? 13 A Yes, at that time, right. 14 Q Can you give me an example of what you would do? 15 When you talk about monitoring and service calls, things like 16 that, give me an example of the kinds of things you would do 17 on a regular basis as the manager of the service and parts 18 section. 19 A Well, since essentially we sold our products to the 20 truck manufacturers, if there was a problem in a field 21 operation in a fleet or end user or dealer, the system 22 basically worked where the OEM, they would report the problem 23 back to the OEM and the OEM, if they deemed it necessary, 24 would contact Eaton and we would go in jointly and research 25 that problem and try to come to some resolution.

5 (Pages 14 to 17)

Page 18	Page 20
1 Q When you say OEM, you are referring to original 2 equipment manufacturer? 3 A Truck manufacturer or trailer. 4 Q Then the fleet would be the actual entity using the 5 truck? 6 A Yes. 7 Q It is my understanding when an OEM, obviously you 8 will correct me if I'm wrong, it is my understanding that 9 Eaton would provide the axles to the OEM for the OEM to 10 actually manufacture the truck; is that correct? 11 A That's correct. 12 Q Were you familiar at all during the 1980-'83 time 13 frame with who the OEMs were that Eaton did regular business 14 with? 15 A Yes. 16 Q How did Eaton conduct business with the OEMs? Did 17 they enter into contracts, was it catch as catch can? 18 ALL COUNSEL: Objection to the form. 19 Q If you understand, you can answer. 20 A Generally, the truck manufacturer would decide to 21 engineer our product into their vehicle. And they would then 22 enter that product into their sales data books and make it 23 available to their customers and basically our competition did 24 the same thing. 25 Through that period of time, I don't think	1 Q Now, I understand obviously there is different sizes 2 of trucks. The OEM, the Ford that you just mentioned, from 3 '80 to '83, do you recall what size trucks Ford was 4 manufacturing with Eaton axles? 5 A Everything from class six up to class eight. 6 Q Class eight being the heaviest truck? 7 A Yes. 8 Q How about International? 9 A The same. 10 Q How about Freightliner? 11 A Primarily class eight at that time. 12 Q Of the group that you have just mentioned, who was 13 the largest most significant OEM for Eaton during this time 14 frame 1980 to 1983? 15 A I would say overall probably between Ford and 16 International. I left out GMC at that time too. They were 17 also in there, GMC and Chevrolet. They were fairly large too. 18 Q So Ford and International and GMC were the largest 19 OEMs that Eaton did business with during the 1980 to 1983 time 20 frame? 21 A Yes. 22 Q During 1980 to 1983, are you familiar with where 23 Eaton obtained its brake linings from? 24 A Yes. 25 Q Can you tell me whose brake linings Eaton used
Page 19	Page 21
1 there were really any direct contracts as far as supply 2 contracts in that, during that era. It sort of evolved later 3 on where there were more supply contracts developed. 4 Q As I understand it, a truck OEM would decide, make 5 some decision based on performance or other issues to take 6 your product and put it into their truck or spec it into their 7 truck? 8 A That's correct. And it also had to do with customer 9 or fleet specifications and preferences. 10 Q And what you would do, they would come to you and 11 say we are going to make this truck and we want your axle and 12 here is what we want in our axle? 13 A That is correct. 14 Q You would then try to meet their specifications, you 15 would manufacture the axles and then send them to the OEM to 16 allow them to then place them into their product? 17 A That's correct. 18 Q At that time during the 1980-'83 time frame, do you 19 recall the names of any of the OEMs that used Eaton axles? 20 A Yes. 21 Q Could you name them for me. 22 A Ford Motor Company, International Harvester, 23 Kenworth, Peterbilt, Mack, Freightliner, Crane Carrier, I'm 24 trying to think of who was still around, I don't know whether 25 Brockway was still in existence then or not, White Motor.	1 during this time frame, 1980 to 1983? 2 A I would say primarily Abex and Carlisle. 3 Q Were there others during this time frame? 4 A There were small special orders. I think Raybestos 5 was in there and maybe New Turn. 6 Q You described these as special orders so they 7 weren't generally ones being used by Eaton during this time 8 frame? 9 A Probably they were more special orders where a 10 customer said I want that particular type of lining. 11 Q I want to stop for a second and ask you to look at 12 these documents I have given you previously, Hobbie Exhibits 13 2, 3 and 4. I have some general preliminarily questions. I 14 won't get into anything substantively right now. 15 Do you recognize Hobbie Exhibit 2? 16 A Yes. 17 Q Can you just generally describe what it is? 18 A It was a request made to me by the then -- this is 19 1987 -- the axle brake division to help them determine where 20 some fleet customers would be interested in testing or 21 basically applying nonasbestos-type linings and operating them 22 in their fleets. 23 Q My first question is, does that form look familiar 24 to you? 25 A Yes.

6 (Pages 18 to 21)

ROGER HOBBIE

Page 22 1 Q The form itself? 2 A Yes. 3 Q Can you describe what the form is? 4 A Interoffice correspondence form, just written 5 communications between offices. 6 Q How was an interoffice correspondence used during 7 the time that you were working at Eaton? 8 A Basically to communicate requests, basically in the 9 form -- a formal record that that request had been made for 10 the files and what have you. 11 Q Did the employees rely on information contained in 12 interoffice correspondences to do their job, generally 13 speaking? 14 MR. QUICK: Objection, go ahead and answer. 15 A Yes, generally. 16 Q Were these types of correspondence regularly used by 17 employees to communicate with other employees of Eaton during 18 the time you worked with Eaton? 19 A Yes. 20 Q The next one is Eaton Exhibit 3 which is in front of 21 you. I will ask you some general questions. Do you recognize 22 what Eaton Exhibit 3 is? 23 A Yes. 24 Q Can you describe generally what the form of the 25 document is?	Page 24 1 A Yes. 2 Q Can you describe how those reports were used by 3 Eaton employees? 4 A Again, it was a summary of the past month's 5 activities in various areas as listed to update management and 6 the other people that were copied and had some interest in 7 what was going on as to what progress was being made or what 8 have you in different areas. 9 Q During the time you were at Eaton, did employees of 10 Eaton regularly rely upon the information that was contained 11 in such reports to do business for Eaton? 12 MR. QUICK: Objection to what he knows about 13 what other people relied on. Go ahead and answer. 14 A I would say yes. 15 Q That's all I want to ask about right now. I will 16 come back to these. We were up to 1983. It looks like 17 according to your CV -- well, let me step back. 18 During the time that you worked from 1959 19 through 1983 with Eaton, did you ever become aware of what the 20 brake materials were made of that Eaton were using in its 21 products? 22 A Generally, yes. 23 Q Generally, what was your understanding of what was 24 contained in the brake products that were used by Eaton on 25 their axles?
Page 23 1 A This particular one is a national accounts monthly 2 report and basically it is a summary of the previous month's 3 activities with our national account fleet customers and 4 basically reporting it back to upper management. 5 Q During the time that you worked with Eaton, were you 6 familiar with those kinds of monthly reports? 7 A Yes. 8 Q How were these monthly reports used by Eaton? 9 A Again, as communication of information, basically. 10 Q Did the employees of Eaton during the time that you 11 were there regularly or routinely rely upon the information 12 that was contained in those monthly reports to do business for 13 Eaton? 14 A Yes. 15 Q Do you recognize that as it appears to be a copy of 16 an Eaton monthly report. It actually has your name on it? 17 A Yes, it has my name on it. 18 Q Hobbie Exhibit 4. Do you recognize Hobbie Exhibit 19 4? 20 A Yes. 21 Q Can you describe what that particular document is? 22 A It is another monthly report from the marketing 23 department of the then axle brake division in 1986. 24 Q During the time that you worked for Eaton, do you 25 recall seeing those kinds of reports?	Page 25 1 A Prior to that period, it was an asbestos-type 2 lining. 3 Q And prior to 1983, do you know where -- let me ask 4 you this, prior to 1983, did Eaton, the company Eaton, ever 5 manufacture asbestos brakes? 6 A No, not linings. 7 Q Where did Eaton obtain its asbestos linings from 8 prior to 1983, if you know? 9 A I would say Abex and Carlisle primarily. 10 Q Do you recall the names of any other companies that 11 they may have purchased asbestos linings from other than Abex 12 and Carlisle prior to 1983? 13 A Raybestos, Manhattan, New Turn was the other one. 14 Q How did they compare to the purchases from Abex and 15 Carlisle in terms of quantity? 16 A I would say much smaller quantities. 17 Q Did Eaton prior to 1983 ever sell a brake product 18 under its name Eaton? Do you understand the question? In 19 other words, did they ever sell a brake lining or a brake shoe 20 with a lining on it under the name Eaton? 21 A Yes. A brake shoe assembled with a lining on it, 22 yes. 23 Q Do you recall when Eaton first sold brake shoes with 24 a lining on it prior to 1983, if you know? 25 A Personal knowledge probably goes back to about 1950.

7 (Pages 22 to 25)

Page 26 1 Q Do you know if Eaton at any time during the time you 2 were there ever had Eaton employees grind brake linings? 3 A As far as I know, and I was not directly involved, 4 this is talking the manufacturing side in the factory, I guess 5 I knew of it. I never really experienced that process, you 6 know, firsthand. 7 Q Based on your knowledge of the company, where was 8 that taking place, the actual manufacturing of the brake 9 linings and the brake shoes? 10 A In that particular period of time? 11 Q You didn't manufacture brake linings. Let me take 12 it back. During that time frame, prior to 1983, where within 13 Eaton did that process take place? 14 A Marion, Ohio; Gallatin, Tennessee; Louisville, 15 Kentucky. I think that's it. 16 Q Did there ever come a time when Eaton stopped 17 allowing its employees to grind its brake linings? 18 MR. QUICK: Objection to the characterization 19 about allow but go ahead and answer. 20 A Yes. It was my understanding basically as a process 21 improvement, they decided to try to move that operation back 22 to the suppliers' operation and obtain preground lining 23 materials or prefinished. 24 Q Do you recall when that took place? 25 A It was around 1980-'81, somewhere in there.	Page 28 1 the same type of operation that I had before except it 2 expanded some of my responsibilities because of the higher pay 3 rate and overall direct responsibility to some of the field 4 people. 5 Q Can you be a little more clear? Describe what you 6 did as the general service manager. You are now in Michigan; 7 is that correct? 8 A Yes. I'm now in Michigan and basically I had 9 responsibility for setting policy for the field service people 10 that basically were stationed around the U.S. and Canada, 11 working out of our regional offices. And those people 12 basically called on dealers and fleets, supporting our 13 products through service and training and those types of 14 things. 15 Q Did you have any overall responsibility for the 16 brake division? 17 A Not for the brake division but the brake division 18 funded part of our truck components marketing organization. 19 Q How did they do that? Describe the process. 20 A Basically, each year we agreed on an annual budget 21 for the overall truck components marketing and the three 22 product divisions, transmission, axle and brake division 23 contributed to that pool to fund that budget. So we 24 essentially were their representatives in the field. 25 Q During the time that you were there between 1983 and
Page 27 1 Q It is your understanding at some point, Eaton - I'm 2 trying to say this without being too objectionable - Eaton 3 stopped the process of grinding at its plants and negotiated 4 with the brake manufacturers to pregrind the brakes before 5 those brakes arrived at the Eaton facilities? 6 A Yes. 7 Q And you think that happened some time around 1980? 8 A Late '70s, early '80s. 9 Q Do you know of any other reasons why Eaton decided 10 to do that other than process improvement? 11 A Well, I think taking a process out of our own 12 facility and putting it back at the source was always 13 something that you looked - if you could do that, you would 14 try to do that to try to streamline the process. 15 Q Do you know if any health concerns were included in 16 the reasons why they decided to push this process back to the 17 brake lining suppliers? 18 A I don't know specifically if there were. 19 Q It looks like from 1983 to 1991, you are the general 20 service manager for Eaton; is that correct? 21 A Yeah, Eaton truck components marketing. 22 Q Where were you when you took over that job? 23 A It started out - actually, we moved from Cleveland 24 in 1983 and we were in Galesburg, Michigan. That's when I was 25 promoted to that position which was essentially the boss of	Page 29 1 1991, were you familiar with the major OEMs that Eaton did 2 business with? 3 A Yes. 4 Q Can you name for me the OEMs that Eaton did business 5 with during the time frame 1983 to 1991? 6 A Again, Ford Motor. Actually, Volvo probably in that 7 period replaced White Motor. GMs in the medium duty area, 8 Kenworth, Peterbilt, Mack, Crane Carrier, Freightliner. I 9 guess that is it. 10 Q International? 11 A Oh, International, sure. 12 Q Anybody else you can think of? That was pretty good 13 off the top of your head. 14 A At that time, I think some of the other ones had 15 gone by the wayside, gone out of business. Those are the 16 major ones. 17 Q Of the group that you just named, were some more 18 significant a customer than others? 19 A Yes. 20 Q Can you name for me the top three or four customers 21 out of this group that you can recall? 22 A I would say through that period, Peterbilt and 23 Kenworth had evolved into major customers of ours. Ford 24 started to diminish. Freightliner was also probably one of 25 the top three.

8 (Pages 26 to 29)

ROGER HOBBIE

Page 30	Page 32
1 Q So you think Peterbilt, Kenworth and Freightliner 2 were in the top three? 3 A Top three, hm-hmm. 4 Q During this time between 1983 and 1991, did Eaton 5 manufacture its own brake products? 6 A Yes. 7 Q Did they make their own brake linings? 8 A No. 9 Q Again, during this time frame between 1983 and 1991, 10 from what source or sources did Eaton purchase its brake 11 linings from? 12 A Again, primarily Abex, Carlisle and probably to a 13 lesser extent, smaller amounts still probably some Raybestos. 14 That's probably it. It started to winnow down. 15 Q During 1983 and 1991, do you know what the brake 16 linings were made out of that Eaton obtained from Abex, 17 Carlisle and to a lesser degree Raybestos? 18 A Through the early part of the period, of course they 19 probably would have been asbestos and then evolved into the 20 nonasbestos product. 21 Q Were you familiar with the process Eaton went 22 through to move from asbestos to nonasbestos? 23 A Yes, generally, yes. 24 Q I will come back to that. Now, between 1991 and 25 1995, you then became the division manager for Eaton truck	1 industry. 2 Q Then it looks like you left Eaton in 1997. Can you 3 recall the reason for leaving Eaton? 4 A I retired. 5 Q The next employment looks like as a consultant with 6 Cognis Corporation in Cincinnati, Ohio? 7 A Right. Part-time operation for them representing 8 them as far as business development, sales development and 9 industry feedback. 10 Q What type of business was Cognis in? 11 A Chemical company primarily produces synthetic 12 lubricants for drive train components. 13 Q Over the next couple of years, you served as a 14 consultant for several companies, one, McKay and Company; is 15 that correct? 16 A Yes. 17 Q What did they do? 18 A They do market research work in the trucking 19 industry. 20 Q Then another one, Lubrizol Corporation? 21 A Yes. They are also a chemical company out of 22 Whitcliffe, Ohio and also represent them to the trucking 23 industry, attending industry functions and giving them 24 feedback on the market conditions and also help them in the 25 field testing activities.
Page 31	Page 33
1 components marketing; is that correct? 2 A Yes. 3 Q Where were you located at that time? 4 A In Galesburg, Michigan. 5 Q Can you basically tell us what you did as division 6 manager for the Eaton truck components marketing division? 7 A I had overall responsibility for all of the 8 operations, including sales, including national accounts for 9 all of the field organization. I had about 150 people 10 reporting to me either directly or indirectly. 11 Q From 1995 to 1997, I think it says director of 12 industry and -- 13 A Customer relations. 14 Q For the truck components operation, North America; 15 is that correct? 16 A Yes. 17 Q Again, where were you located at that time? 18 A Still in Galesburg. 19 Q Please describe what your duties were at that time. 20 A Basically represented the truck components operation 21 to the major industry organizations as far as, like, the 22 American Trucking Association, the National Tank Truck 23 Carriers, National Truck Dealers Association and any major 24 fleet accounts. Basically fed or acted as the liaison between 25 Eaton and these organizations that represented the trucking	1 Q You have listed from 2006 to present a consultant 2 for Eaton Corporation? 3 A That's correct. 4 Q Between 1997 and 2006, did you provide any sort of 5 consulting at all for Eaton? 6 A No. 7 Q Can you describe how you were first contacted by 8 Eaton to act as a consultant? 9 A I think through the law firm. 10 Q Mr. Quick's law firm? 11 A Yes. 12 Q Was it in relation to an asbestos case or some other 13 matter? 14 A Through an asbestos case, not a specific case at 15 that time, but it was more general background type of 16 information. 17 Q Do you recall how you were first contacted? 18 A I think it was a phone contact. 19 Q Since being a consultant for Eaton Corporation, 20 aside from this particular case, have you worked on any other 21 asbestos cases? 22 A One, I guess. 23 Q Do you get paid for your time? 24 A Yes. 25 Q What is your pay for appearing here today as a

9 (Pages 30 to 33)

Page 34

1 witness?
 2 A \$85 per hour.
 3 Q Are you asked to write reports?
 4 A Not really. I haven't been yet.
 5 Q Have you reviewed any materials to help prepare you
 6 for today's deposition?
 7 A Yes.
 8 Q Can you describe generally, and I don't want to know
 9 anything you talked about with counsel, but describe the
 10 materials you looked at prior to today.
 11 A Some of the correspondence that was in discovery in
 12 the past.
 13 Q By correspondence, you mean the kind of exhibits I
 14 have just shown you?
 15 A Yes.
 16 Q Have you ever had a chance to go to Cleveland to
 17 examine documents in the Eaton repository?
 18 A Yes.
 19 Q Do you recall the first time you did that?
 20 A A couple months ago.
 21 Q Describe what you did. Were the documents handed to
 22 you? Or did you have to sit down like we did and go through
 23 boxes and boxes of stuff?
 24 A Just like you did.
 25 Q Now, in the course of doing that, did you set aside

Page 35

1 documents that you thought were helpful to your testimony?
 2 A No, not really.
 3 Q Did you find documents that had your name on it?
 4 A Yes.
 5 Q I have shown you a couple here. I may have a couple
 6 more. I will wait for that question and I will come back to
 7 that one.
 8 Do you know if you are actually listed as a
 9 witness for Eaton in any other litigation other than possibly
 10 this one for asbestos specifically?
 11 A No.
 12 MR. QUICK: No, he doesn't know.
 13 Q Other than the documents that we have just talked
 14 about, do you recall speaking to anybody, aside from counsel,
 15 any old employees or anything like that, anybody like that,
 16 who you contacted to assist in preparing for your testimony
 17 here today?
 18 A No.
 19 Q During the time frame from 1983 and 1991, can you
 20 estimate or can you tell me as between Abex and Carlisle who
 21 supplied more brake linings to Eaton?
 22 A No, I can't really - I don't know what the split
 23 was. I think it sort of varied to tell you the truth over the
 24 years.
 25 Q During the time frame 1983 to 1991, who were Eaton's

Page 36

1 major competitors in the axle business?
 2 A What was their name - Rockwell.
 3 Q Aside from Rockwell and Eaton, were there any other
 4 manufacturers that were competing for the axle business during
 5 that time frame?
 6 A Well, Dana was building axles for International at
 7 that time, but it was like a contract deal primarily. Of
 8 course, Mack built their own axles during that period of time.
 9 That's about it as far as tractor. You know, there were
 10 obviously some other trailer manufacturers that manufactured
 11 different trailer axles, things like that.
 12 Q Do you know if at any time during the time you
 13 worked at Eaton, did Eaton place warnings on any of the brakes
 14 they sold?
 15 A No, not directly on the brake.
 16 Q How about on the boxes that the brakes were in?
 17 A Not that I'm aware of.
 18 Q Are you familiar with whether or not Eaton ever
 19 instituted a safety program for its employees regarding the
 20 handling of asbestos products?
 21 A I would say that through the period when OSHA became
 22 involved in some of the operations that, yes, Eaton complied
 23 with those regulations as they were implemented.
 24 Q Do you know if they specifically, and do you have a
 25 specific recollection, of Eaton ever instituting a safety

Page 37

1 program that was designed for its employees specifically
 2 relating to the potential hazards of breathing in asbestos
 3 dust?
 4 A Not that I'm aware of.
 5 Q What I want to do is mark this as Exhibit 5.
 6 (Exhibit 5, employee training program, was
 7 marked for identification.)
 8 Q I will show that to counsel. This is a document
 9 dated October 1986 titled Employee Training Program for
 10 Asbestos, Eaton Corporation, Gallatin, Tennessee. In the
 11 upper right-hand corner, a date 10/23/86 and underneath it in
 12 print, Roger Reell, R-E-E-L-L. Take a couple minutes and if
 13 you need more time, let me know, and I have some basic
 14 questions about that document.
 15 A Okay.
 16 Q Have you ever seen that document before today?
 17 A Yes, when I was going through them.
 18 Q Does that refresh your memory at all as to whether
 19 or not Eaton ever developed a safety program regarding
 20 possible hazards of asbestos?
 21 A Yes. I think as I mentioned as far as meeting OSHA
 22 regulations is concerned, yeah, I'm sure they did that.
 23 Q Now, this says October 1986. Are you saying there
 24 was an earlier employee training program?
 25 A No, I'm not aware of one.

ROGER HOBBIE

Page 38

1 Q Do you know if, in fact, what you are looking at in
2 that exhibit is the first time Eaton developed such a training
3 program?
4 A I don't know that for sure.
5 Q Are you familiar with the potential hazards of
6 asbestos, breathing in asbestos dust?
7 A Sure.
8 Q Do you recall the first time you became aware of
9 what some of the potential hazards of breathing in asbestos
10 dust were?
11 A Approximate dates or years?
12 Q The best you can.
13 A I would say probably back in late -- mid to late
14 '60s, probably.
15 Q Can you describe for me how you first became aware
16 that there might be a problem for someone breathing in
17 asbestos dust?
18 A I think it just sort of was an industry awareness
19 that was published in various communications and things like
20 that as far as industry magazines and articles, that type of
21 stuff.
22 Q Do you recall ever attending any kind of meeting at
23 Eaton prior to 1980 where the subject of the potential hazards
24 of asbestos were discussed by other Eaton employees?
25 A No.

Page 39

1 Q Do you recall ever receiving any sort of interoffice
2 correspondence or interoffice memorandum or reports prior to
3 1980 wherein the hazards of breathing in asbestos dust were
4 discussed?
5 A No.
6 Q What is your understanding of the hazards of
7 asbestos? What could possibly happen if you breathed enough
8 asbestos dust in?
9 MR. QUICK: Objection. Go ahead and answer if
10 you know.
11 A It was always my understanding that the hazard was
12 primarily in the raw asbestos, that generally after the brakes
13 had been used, any of the dust was not harmful. But as was
14 always our standard practice, you just never blew dust around
15 to breathe any kind of dust, you know, even if it was road
16 dust that was on the vehicle. So from that standpoint, we
17 never considered the dust on a used brake assembly as
18 something that was hazardous, but we treated it as we did not
19 want to inhale it anyway.
20 Q The name in the upper right-hand corner,
21 Roger Reell, are you familiar with that name?
22 A No, I'm not familiar with that individual. He may
23 be somebody who was at the plant.
24 Q Were you ever told by anyone at Eaton that breathing
25 in asbestos dust could cause lung cancer?

Page 40

1 A I can't specifically say that I was, no.
2 Q Do you recall anyone at Eaton ever advising you that
3 breathing in asbestos dust could possibly cause a cancer
4 called mesothelioma?
5 A No.
6 Q Do you recall anyone at Eaton ever advising you that
7 breathing asbestos dust and smoking cigarettes combined could
8 potentially lead to a greater incidence of lung cancer?
9 A No.
10 Q Did Eaton ever advise its individuals who were
11 potentially handling asbestos not to smoke while handling
12 products that contained asbestos?
13 A Not that I'm aware of.
14 Q Do you know during the time frame between -- well,
15 prior to 1983, what was the official position of Eaton
16 regarding the potential hazards of asbestos?
17 A I would say basically it evolved into what OSHA
18 basically presented to us, the way the regulations evolved.
19 We didn't really generate any of our own knowledge of the
20 problems, per se.
21 Q With respect to this exhibit, Hobbie Exhibit 5, is
22 it your understanding that this was a document that was
23 prepared by Eaton for its employees?
24 A It looks like it, yes, just by the title, employee
25 training program for asbestos and it is specifically aimed at

Page 41

1 the Gallatin, Tennessee plant where the brakes were assembled.
2 Q You agree that the information within that document
3 actually lays out the potential hazards of asbestos?
4 MR. QUICK: Objection. He is not qualified to
5 answer that question. You can go ahead and make a guess if
6 you want to.
7 A I would say offhand it looks like it to me.
8 Q In other words, there are statements in there that
9 seems to be informing whoever is reading it that asbestos can
10 cause certain kinds of problems?
11 A Yes.
12 Q This was intended for Eaton employees, it appears?
13 A At that plant as far as I know.
14 Q You agree with me that, well, let me see, under the
15 section Health Effects Associated with Asbestos Exposure, and
16 I will read the first sentence, second paragraph, it reads,
17 the inhalation of asbestos fibers has been clearly associated
18 with three clinical conditions, asbestosis, mesothelioma and
19 lung cancer. Did I read that correctly?
20 A Looks like it, yes.
21 Q It also says there are many studies that have also
22 observed increased gastrointestinal cancer risks, correct?
23 A Yes.
24 MR. QUICK: I thought this was a discovery
25 deposition. Why are you trying to nail him with a document

11 (Pages 38 to 41)

ROGER HOBBIE

Page 42	Page 44
1 that speaks for itself? 2 MR. BARTELS: It does speak for itself and I 3 will move on. Let me take a break. 4 (A short recess was held.) 5 Q Mr. Hobbie, I will show you again and come over next 6 to you Hobbie Exhibit 3 which is titled TCM National Accounts 7 Monthly Report, September 1985. Is that correct? 8 A Yes. 9 Q It is written out to a J.I. Warren. Do you know who 10 J.I. Warren was? 11 A Yes. 12 Q Who was he? 13 A He was at the time division manager for Eaton truck 14 components marketing. 15 Q It's from J.J. Collins? 16 A He was the national account sales manager. 17 Q And your name appears under the subsection, TCM/NAHQ 18 staff? 19 A North American headquarters staff. 20 Q At the time of this report, what was your position 21 with Eaton, September of 1985? 22 A I was general service manager. 23 Q This is, again, you have already testified this is a 24 national accounts monthly report. One of the things discussed 25 in the report is under pending orders, it says see attached.	1 number is BAT-0400. There are designations for the account 2 name Hertz Penske? 3 A Correct. 4 Q Can you describe what is reflected on this report 5 regarding Hertz Penske. 6 A It would be a pending order for new trucks. The 7 estimate was a thousand units going to GMC, 300 going to IHC, 8 another 300 to IHC, and another 300 potential to IHC for a 9 total of 1900 trucks and basically listing the components that 10 were being specified as the engines. These are medium duty 11 trucks with the Eaton five-speed manual transmission. 12 Q You were referring to GMC? 13 A Right, to GMC. Then it had a 17,500 pound drive 14 axle; brakes, other, probably these were hydraulic brake 15 vehicles which we didn't supply those brakes for that 16 particular size vehicle. 17 Q What about the other Hertz Penske designations 18 showing the purchases from IHC? Do you know what IHC is 19 referring to? 20 A International Harvester Corporation. 21 Q Why don't you go through each one. 22 A The next one was for 300 units, engine. 23 Q It says eight class? 24 A Yes, probably a Cummings. I'm guessing at that. It 25 sounds like a Cummings designation. Eaton Fuller
Page 43	Page 45
1 Is that correct? 2 A Yes, sir. 3 Q What is a pending order? 4 A It would be where the national account sales 5 representative, one of his assigned fleet accounts would have 6 basically said they were going to order X amount of trucks 7 from X manufacturer and basically the representatives would 8 report that back so it would give an alert to the Eaton 9 organization that these new orders were coming in. 10 Q Now, attached to this report appears to be a 11 computer-generated list. Is that correct? 12 A Yes. 13 Q And do you know how to read that particular 14 document? 15 A Used to. 16 Q I have a question about a particular page. 17 A Yes, fleet name is over here on the left with 18 account number which is our computerized account number. Then 19 it designated the OEMs that were under consideration or were 20 bidding on the order; the engine that was going to be 21 specified; the transmission that was going to be specified; 22 the rear axle and the brake that was going to be specified. 23 Q You are familiar with those computer printouts? 24 A Yes. 25 Q I will go to the last page. The Eaton Bates stamp	1 transmission, nine speed, direct transmission; Rockwell SQ 2 100P in a 40,000 pound tandem and it shows either Eaton or 3 Rockwell brakes. I guess they probably were not specific at 4 that time as to which brake they were going to specify. It 5 was going to be left up to the final order. 6 Q Okay. 7 A Next one, another 300 IHCs, Cummings L-10 200 8 horsepower, Eaton Fuller, nine-speed transmission, rear axle, 9 this is a single drive axle, not a tandem, and it is an 10 International RA-57 which is a 23,000 pound axle or a Rockwell 11 R-170 which is another 23,000 pound. 12 And basically on the International, it looked 13 like they were potentially specing the Eaton brake on that 14 with the RA-57 International axle and then the Rockwell brake 15 on the Rockwell drive axle. 16 Then the next group, another 300 IHCs. DT-466 17 is an International diesel engine, it is a medium duty engine. 18 CM552A is a Spicer, Dana Spicer transmission, five-speed. 19 Rear axle, G-175, that was a Dana IH axle, I believe, at that 20 time. And then brakes, probably neither Eaton or Rockwell 21 would have made the brakes for that. It probably would have 22 been hydraulic brakes. 23 Q Thank you. With respect to Hobbie Exhibit 2 we 24 previously discussed briefly, can you describe for us what is 25 being discussed in regard to that interoffice correspondence?

12 (Pages 42 to 45)

MERRILL LEGAL SOLUTIONS
(800) 325-3376

www.MerrillCorp.com

5cfe6bcd-afe7-469e-b187-b081ecda30a3

ROGER HOBBIE

Page 46 1 That is addressed to you, is it not? 2 A Yes. It is addressed to me by a representative of 3 the axle brake division, Dave Jones. I think at the time he 4 was their tech service manager. 5 Q And what is the date on that document? 6 A January 14, 1987. 7 Q And what is being discussed in that? 8 A They are asking, it was during the approval period, 9 I guess, certification period, for nonasbestos linings. They 10 were asking us to supply them with some specific fleet 11 recommendations, in other words, fleet users that would be 12 willing to put these new nonasbestos linings on their vehicles 13 and run a field test. We were being asked that because we 14 were the -- under me, I had the contact people reporting to me 15 that would contact those fleets. 16 Q What size brake were they talking about there? 17 A I think it looks like a steer axle, 18,000 pound 18 steer axle. It probably at that time would have been a 16 and 19 a half by five, I think. 20 Q Now, it sounds to me like when Eaton was moving from 21 the use of asbestos to nonasbestos, there had to be this 22 process where they were testing the new nonasbestos products; 23 is that correct? 24 A Yes. 25 Q Is that correct?	Page 48 1 area they wanted to make sure the product would meet the 2 standards. 3 Q Do you recall when Eaton first started the process 4 of testing these NAB brake linings, nonasbestos brake linings, 5 before offering them to their OEMs? 6 MR. QUICK: You mean regardless of class? 7 MR. BARTELS: Regardless of class. 8 A I would say to the best of my recollection, probably 9 late '70s. 10 Q Do you recall if there were any particular truck 11 models that posed more of a problem with respect to the use of 12 nonasbestos brakes than others, specifically various weight 13 sizes? 14 A I would say probably the on-off road type of heavy 15 haul vehicles more so than any of the general highway use 16 vehicles. 17 (Exhibit 6, internal correspondence-4/16/85, 18 was marked for identification.) 19 Q Mr. Hobbie, I'm going to show you what I have marked 20 as Hobbie 6 for identification and just ask you to look at it. 21 Show counsel. Have you had a chance to look at that document? 22 A Yes. 23 Q Do you recognize what it is, generally? 24 A Yes. 25 Q What is it for the record?
Page 47 1 A That is correct. 2 Q And the purpose for testing those products was to 3 ensure that they met the SAE requirements for safe braking 4 distances, right? 5 A Well, yeah. In that period of time too, the Federal 6 Motor Vehicle Standards were developed which gave specifics as 7 far as standards that the brakes had to meet as far as 8 stopping distance and wear, those types of things. 9 Q Prior to the use of nonasbestos, would it be fair to 10 say that all of the brakes were actually spec'ed for use with 11 asbestos-containing brakes? 12 A Yeah, that was the technology at the time. 13 Q So in this process, now this is 1987, am I to 14 understand that as late as 1987, Eaton is still testing 15 nonasbestos brake linings before they are actually using them 16 because they are still not able to meet the requirements 17 necessary? 18 A Well, yes, but this is a specific request that -- 19 the percentage of trucks that would use an 18,000 pound steer 20 axle is very small. It's probably a big probably a dump truck 21 or a mixer. And they are asking for specific operators that 22 would be operating in a winter environment. So that is 23 uncommon. They probably had the confidence, I'm sure it 24 probably would have passed all of the other lab tests, a lot 25 of other tests and other field testing but this was a specific	Page 49 1 A It is a communication from Tom O'Boyle who was at 2 that time the marketing manager of the axle brake division to 3 his boss George Cotter I think just communicating the position 4 that nonasbestos brake linings were coming to the market and I 5 guess there had been an EPA meeting to discuss that, it sounds 6 like we were not represented at. And he was just making his 7 boss aware of the situation as it was evolving. 8 Q And this is dated April 16, 1985, correct? 9 A Yes. 10 Q Do you agree based on your knowledge as you were 11 working, during the time you were working with Eaton, do you 12 agree with the statement that the standard friction material 13 found in heavy truck brakes today is asbestos? 14 A Yes. 15 Q Based on your knowledge of Eaton at the time you 16 were working for Eaton, do you agree with this statement 17 written in this particular document, while the industry is 18 progressing toward the elimination of asbestos, there is still 19 a great deal of work to be done before we can be confident of 20 success. 21 Did I read that correctly? 22 A Yes. 23 Q The next sentence, to eliminate asbestos in the near 24 term would cause unproven and potentially unsafe products to 25 be put on the nation's highways. Did I read that correctly?

13 (Pages 46 to 49)

ROGER HOBBIE

Page 50 1 A Yes. 2 Q Do you agree with those two statements? 3 A Yes. 4 (Exhibit 7, internal correspondence-7/22/85, 5 was marked for identification.) 6 Q I will show you what I have now marked Hobbie 7. 7 Have you had a chance to look at that document? 8 A Yes. 9 Q Could you please generally describe what it is for 10 the record? 11 A It is an information document from one of the axle 12 brake division aftermarket parts people, Dave Schmitt, to 13 another aftermarket parts employee, Perry Johnston. And I 14 think it is basically just communicating all of the various 15 lining numbers and where, you know, what customers use them 16 and as an information piece to people that were dealing in the 17 aftermarkets parts area. 18 Q The individuals that prepared the memos, are you 19 familiar with them or were you familiar with them? 20 A Yes. 21 Q And you would agree that apparently what is listed 22 in this document are the specific brake lining mixes that are 23 used by the various OEMs? 24 A Yes. 25 Q That Eaton did business with at that time?	Page 52 1 (Exhibit 8, internal correspondence-5/1/85, 2 was marked for identification.) 3 Q I have marked Hobbie 8 for identification. I will 4 show that to Harry. Have you had a chance to look at that 5 exhibit? 6 A Yes. 7 Q Can you generally describe what that document is? 8 A It is a communication primarily to the field people 9 and some other marketing personnel as a document to show the 10 availability of different brake linings in the OEM channel and 11 also in the aftermarket channel just so they have something to 12 refer to, like a reference piece. 13 Q Dated May 1, 1985? 14 A Yes. 15 Q It is from L.J. Valentine, do you know who that was? 16 A Yes. 17 Q Who was he? 18 A He was the axle brake division sales coordinator I 19 believe at the time. 20 Q And what is this? It's an internal correspondence 21 with an attached list; is that correct? 22 A That's correct. 23 Q He describes it in his correspondence as a matrix 24 listing the standard lining on Eaton brakes at the OEM level; 25 is that correct?
Page 51 1 A Yes. 2 Q So in other words, if I wanted to know what 3 International Harvester was using in a certain size brake, I 4 could go to this list and it would show for me what brake 5 lining mix was actually being used by International in that 6 size brake? 7 A Yes. 8 MR. QUICK: I will object to the 9 characterization of the lining mix. All that does is identify 10 parts numbers. It doesn't speak to the lining mix. 11 Q Let me rephrase it then. What it does show is the 12 lining designation that is used by each particular OEM with 13 regard to the size of the brakes, correct? 14 A I would say that is correct. 15 Q So again, without using the word brake lining mix 16 which I think Harry is correct on, if I wanted to find out 17 what brake lining Kenworth was using in a 15 by 4 brake, I 18 could go to this list, look it up, and it would tell me what 19 brake lining was being used? 20 A Yes. 21 Q Thank you. 22 A The idea behind that was to make sure that the parts 23 people knew that they were replacing the OEM brake with an OEM 24 comparable product. 25 Q I will mark this as the next exhibit.	Page 53 1 A That's correct. 2 Q So how would this list be used? If you turn the 3 page, how would I use this list if I were a sales 4 representative for Eaton? 5 A Essentially, when they were contacting a fleet 6 account in this particular case, they would -- if the fleet 7 was specifying what brake lining they wanted, then our 8 representative, if he was being asked can you guys supply that 9 particular lining on an Eaton brake, this would give them the 10 information to say yes or no. 11 Q Now, the last page is a chart titled standard lining 12 used at Gallatin by OEM for 15-inch and 16-and-a-half inch 13 brakes, correct? 14 A Yes. 15 Q What is that referring to? 16 A It is basically the standard linings that a truck 17 manufacturer could specify. In other words, if they came in 18 and ordered either a 15-inch brake or 16-and-a-half-inch brake 19 with any one of these linings, those would have been at that 20 time the approved lining that would be available to that OEM 21 on the Eaton brake. 22 Q Let me ask you this, here is how I read this chart 23 and tell me if I'm incorrect. If I was reading this chart, if 24 I wanted to go to, for instance, International Harvester, 25 based on how this is titled, I had the impression that

14 (Pages 50 to 53)

ROGER HOBBIE

Page 54	Page 56
1 International Harvester had spec'ed out the lining mix 2 industry number showing over in the left-hand column at that 3 time? 4 A Yeah, that was probably their standard. 5 Q So in other words, if I wanted to find out by 6 looking at this chart what International Harvester's standard 7 was at the time of this memo, I would go under International 8 Harvester listed on the right-hand side, go to where it says X 9 and then go back towards the left-hand column and see under 10 that lining mix industry number, apparently it is MM-D39A. Is 11 that correct? 12 A Yes. 13 Q Do you recognize the designation for MM-D39A? 14 A I don't recall specifically. I remember hearing 15 about it but not specifically whose it was. I suspect it was 16 Carlisle's with the MM designation. 17 Q Right next to the lining mix industry number there 18 is a column that says type, asbestos (A) and asbestos (NA.) 19 A Correct. 20 Q I assume A means asbestos-containing? 21 A Yes. 22 Q And NA means nonasbestos? 23 A Yes. 24 Q So you could even tell at that time whether or not 25 an asbestos lining mix was being spec'd by a particular OEM;	1 Q What do these documents appear to be? 2 A They are — each axle brake division account manager 3 is listed and then the OEM accounts that he was responsible 4 for are listed on each page. In other words, Craig Arms had 5 those accounts. Ruel Carter had those accounts, and so on. 6 Q Are you familiar with the names of the account 7 managers? 8 A Yes. 9 Q All of them? Why don't you go through each page and 10 just indicate who the account managers are. 11 A Jack Murray, he was out West, basically in the 12 Northwest area. James Mollard was in the Detroit area. 13 That's one I don't know where. 14 MR. QUICK: Call out his name. Leonard 15 Gawron, G-A-W-R-O-N. 16 Q You don't know Mr. Gawron? 17 A Doesn't ring a bell. Mel Ekster, he was located in 18 the eastern Pennsylvania area, yes, called on those accounts. 19 Ruel Carter was located down in Kentucky and sort of handled 20 that central area. Penske there is actual Penske at one time 21 owned a trailer manufacturing company. They built tank 22 trailers. That was an OEM, same company we were talking 23 about. 24 And Craig Arms was located at that time I 25 think in Galesburg I would guess. He had International and
Page 55	Page 57
1 correct? 2 ALL COUNSEL: Objection to the form. 3 MR. QUICK: Go ahead. 4 A Yes, that's correct. 5 Q So in other words, it looks like Mack spec'd a 6 nonasbestos lining mix; is that correct? 7 A That's correct. 8 Q Thanks. 9 (Exhibit 9, OEM accounts documents, was marked 10 for identification.) 11 Q Mr. Hobbie, I'm going to show you what I have marked 12 as Hobbie 9. I will show that to Harry. 13 MR. QUICK: For the record, I will note 14 apparently Exhibit 9 does not bear a date on any of the pages 15 so we can't tell when that was generated. It's Eaton Bates 16 stamp 005812 through 5818. 17 Q You couldn't find any dates on that document either, 18 correct? 19 A Right. 20 Q Do you recognize anything on that document that 21 might help us determine the approximate time the document was 22 generated? 23 A No, not really. I recognize the names of the 24 individual account managers but to specifically recollect what 25 year they had those assignments, I couldn't do that.	1 some of the other major accounts. 2 Q As I understand it, would it be fair to say that as 3 of the date these documents were generated, the OEM accounts 4 listed on these are the extent of the OEM accounts Eaton was 5 doing business with at that time or is it possible there are 6 other OEM accounts? 7 A There are other OEM accounts. Other than 8 International, I didn't see any — well, Volvo, he had two 9 major accounts and Kenworth, another major account, 10 Freightliner, another major account. But the other ones are 11 more of the smaller, primarily trailer manufacturers for Ruel 12 Carter. These are mainly trailer manufacturers with the 13 exception of Mack truck. 14 MR. QUICK: When you say these, could you 15 identify what Bates stamp number is on the lower right-hand 16 corner. 17 Q What you are basically looking at the page that has 18 Mel Ekster as the account manager. Other than the Mack truck 19 designation on those page are trailer companies? 20 A Yes. 21 Q With repeat to Mr. Gawron's page? 22 A Primarily small OEMs, Crane Carrier, refuse trucks, 23 some on-offroad trucks and other specialty type vehicles. 24 Q And talking about Mr. Mollard? 25 A James Mollard, he had GMC and Pontiac in Canada and

15 (Pages 54 to 57)

ROGER HOBBIE

Page 58	Page 60
1 also had the Ford Motor account in Detroit, Dearborn and 2 Louisville and Canada. 3 Q I think there is one more? 4 A Jack Murray had -- the OEMs were Western Star which 5 was a smaller OEM at that time, Kenworth, Freightliner, 6 Peterbilt. Volvo had an operation in Ogden, Utah evidently 7 Jack called on. The rest of these are smaller trailer 8 manufacturers and crane manufacturer appears specific. And I 9 would say they are probably a specialty equipment 10 manufacturer. 11 Q Do you keep in touch with any of these individuals? 12 A Jim Mollard, I run across him at some industry 13 function meetings, American Trucking Association, Maintenance 14 Council meetings. He works for -- the last I knew, I think he 15 worked for Abex. Pretty sure it was Abex. 16 Q He worked for Eaton and then moved on at some point 17 to work for Abex? 18 A Yes. 19 Q When was the last time you saw him; do you remember? 20 A Probably within the last year. 21 Q Do you know where he presently resides? 22 A In the Detroit area. 23 Q Do you know if he is still working for Abex? 24 A I don't know for sure but I would guess he still is. 25 Q Is there a way for you to find out Mr. Mollard's	1 A Okay. 2 Q Do you recognize that document? 3 A Yes. 4 Q Can you describe what it is? 5 A Basically a communication from Jim Clark who was I 6 think the chief brake engineer at that time, September 1986. 7 He was I believe, Tom Bruggeman, I believe he was in the 8 scheduling department, production scheduling and in a chain 9 somewhere. I guess he was located in Galesburg. But I think 10 Jim was just alerting people of the fact of being careful not 11 to give the truck manufacturers a specific cutoff deadline on 12 the asbestos linings because of some uncertainties of certain 13 specifications being able to be replaced by nonasbestos at 14 that time. 15 Q This is dated September 25, 1986? 16 A Right. 17 Q The subject is nonasbestos phase-out, correct? 18 A Yes. 19 Q It reads, engineering is continuing to investigate 20 consequences of announced deadlines for the stoppage of 21 asbestos production by Abex and Carlisle. Correct? 22 A Yes. 23 Q Now, specifically, it addresses a list attached to 24 this memo, correct? 25 A Yes.
Page 59	Page 61
1 address? 2 A Yes. 3 Q How would you do that? 4 A I have a list of members of the American Truckers 5 Association maintenance council. 6 Q Do you keep in touch or have you had any contact 7 with any of the other account executives listed in the 8 exhibit, for instance, Craig Arms? 9 A No, I haven't. 10 MR. BARTELS: I will follow this up, Harry, 11 but I'm going to request that he produce Mr. Mollard's 12 address. 13 MR. QUICK: Do you want to pay him to do it? 14 A It's confidential information, I have to get ATA's 15 permission. 16 Q Oh, you do? 17 A No, just kidding. 18 MR. QUICK: Do it with a letter so I can 19 follow up. 20 Q I would like to mark this as the next exhibit. 21 (Exhibit 10, internal correspondence-9/25/86, 22 was marked for identification.) 23 MR. QUICK: For those of you on the phone, it 24 looks like Pat is getting near the bottom of the stack. 25 Q This is Hobbie 10.	1 Q Apparently, the memo reads as follows, based on the 2 attached list, Navistar has requested all current brake 3 assemblies using asbestos linings to be provided (via 4 stockpiling, if necessary) through 1987. 5 A Correct, yes. 6 Q It also talks about applications that have not been 7 currently having nonasbestos materials will require continued 8 supply of asbestos products through 1988, while test programs 9 are completed? 10 A Correct. 11 Q Navistar has requested stockpiling for asbestos 12 linings to be used through 1987, correct? 13 ALL COUNSEL: Objection to the form. 14 A That's correct. 15 Q It also looks like they are continuing the testing 16 of nonasbestos materials and they don't anticipate that they 17 will be in a position to replace the nonasbestos materials 18 until some time through 1988? 19 A Correct. I think he was speaking from his best 20 knowledge of the whole situation, I think. 21 Q And now, attached is what appears to be a pretty 22 detailed listing of Eaton parts used by International 23 Harvester; is that correct? 24 A It looks like it, yes. 25 Q Apparently, these are lists of all current brake

16 (Pages 58 to 61)

Page 62	Page 64
1 assemblies using asbestos linings by Navistar? 2 A Yes. 3 Q It looks like on the far left is the Eaton part 4 number used by International, correct? 5 A Yes. 6 Q Right next to it is the lining material column? 7 A Yes. 8 Q That tells you what lining is being used with that 9 particular part number? 10 A Yes. 11 Q Or that may be the part number. Then the brake size 12 is obviously the size of the brake? 13 A Yes. 14 Q Apparently, these are all of the asbestos brakes 15 used by Harvester in the relevant brake sizes listed? 16 ALL COUNSEL: Objection to the form. 17 A It looks like it. I don't know if that is actual 18 usage or if it's a forecast. It could be either one, I guess. 19 Q If you go back to the memo, it says, again I will 20 read it to make sure I'm not trying to put words in anyone's 21 mouth, based on the attached list, Navistar has requested all 22 current brake assemblies using asbestos linings to be provided 23 (via stockpiling, if necessary through 1987. Did I read that 24 correctly? 25 A Yes.	1 distributed it to their dealers. 2 Q It says Eaton Axles and Brakes? 3 A Yes. 4 Q In the top right hand, it seems to be referring 5 specifically to single anchor pin brakes, 15-inch series, 6 16-and-a-half-inch series, correct? 7 A Yes, correct. 8 Q On the second page, there seems to be a chart? 9 A Yes. 10 Q Can you describe what that chart is? 11 A For the two different size brakes, it lists the 12 various lining materials that are available, the friction 13 codes, the ratings, medium, high friction. I think that is 14 the Eaton part number, kit. It shows a shoe only and then 15 shoe and lining assembly, return springs, spring kit. They 16 are calling it a minor kit and major kit which would include 17 other things like bushings and rollers, that type of stuff. 18 Q As I understand it then, someone could go to this 19 chart, an OEM, and find the lining mix industry number they 20 would need for their product and obtain it from Eaton? 21 A Yes. 22 Q This is what is being offered by Eaton, what is 23 displayed on this chart? 24 A I would say so. 25 (Exhibit 12, letter-7/31/87, was marked for
Page 63	Page 65
1 Q You would agree it sounds like these are the current 2 brake assemblies using asbestos linings that they want 3 stockpiled through 1987? 4 A Yes. 5 (Exhibit 11, flyer, was marked for 6 identification.) 7 Q Let me show you what's been marked as Hobbie 11. 8 A Okay. 9 Q Do you recognize that exhibit, sir? 10 A Yes. 11 Q Describe what it is. 12 A I would say it's a quick reference sales flyer to be 13 used by OEMs and their dealers to -- as a quick reference of 14 different parts that were available for servicing the brakes. 15 Q Is there a date? 16 A I can't see one on here. 17 Q Pointing to the lower right-hand corner, does that 18 help? 19 A Oh, 1984, no month though. 20 Q You would categorize that as an advertising flyer or 21 something more than that? 22 A Partially advertising. It is an awareness flyer or 23 quick reference flyer. 24 Q Who would that go to? 25 A Probably go to the OEMs and they would have	1 identification.) 2 A Okay. 3 Q Have you had a chance to look at that document? 4 A Yes. 5 Q Describe what that document is, please. 6 A It is a communication from division purchasing 7 manager to Mr. Robert VanWarmer who was -- I think he was 8 titled as, like, a brake sales manager at that time. And he's 9 asking that all of these OEMs listed on the attachment using 10 the current asbestos specifications and the size brakes and 11 part numbers, basically he is requesting a status update as to 12 how these could be converted over to nonasbestos. 13 Q The date of that letter is dated July 31, 1987, 14 correct? 15 A That is correct. 16 Q Reading the second paragraph, from the list of brake 17 assembly part numbers provided to me by John Lilly, I have 18 compiled a list by customer which shows asbestos applications, 19 correct? 20 A Correct. 21 Q The list that he is referring to is the list 22 attached to this piece of correspondence, correct? 23 A Yes. 24 Q If you would go to the list that is attached, it 25 appears that it is listed as appendix A, correct?

17 (Pages 62 to 65)

ROGER HOBBIE

Page 66	Page 68
1 A Yes. 2 Q On the left-hand column, it designates the customer 3 name? 4 A Yes. 5 Q Next to it is the brake size? 6 A Right. 7 Q Then brake P/N? 8 A Part number. 9 Q Is that the Eaton part number? 10 A Yes, of the whole assembly. 11 Q The last column is asbestos type? 12 A Right. 13 Q The asbestos type column, it looks like it shows the 14 numerical designation for the lining used? 15 A That is correct. 16 Q This appears to be a list compiled by this gentleman 17 Lilly of every OEM's customer's applications of asbestos as of 18 the date of that letter? 19 A Right. They would be open or standing 20 specifications that had not yet been taken out of the system 21 at that time. So there may have been other active nonasbestos 22 at that time too. I don't know if this last sheet back here 23 refers to nonasbestos. 24 Q You are referring to appendix B? 25 A Yeah, appendix B.	1 A Yes. 2 Q Who do you recognize? 3 A Len Podd who probably at that time was a technical 4 service representative at the axle brake division. Richard 5 Lord was a -- I think he was a product engineer in the brake 6 area for the axle brake division. Meyer, I'm not sure, it 7 sounds like a guy maybe in the purchasing department. It 8 sounds to me, my interpretation of this, would be that 9 Len Podd maybe asked a question, maybe somebody had asked him, 10 okay, when was the cutoff of asbestos-type lining, you know, 11 when was that replaced with the nonasbestos and he was 12 answering I guess with this material. 13 Q For the record, the subject of that internal 14 correspondence is asbestos to nonasbestos phase-out. Correct? 15 A That's correct. 16 Q It is internal correspondence, there is no signature 17 for a signature block signing off? 18 A Right. 19 Q It indicates that, attached you will find copies of 20 letters received by Abex and Carlisle. Eaton's only two 21 linings suppliers -- I will read that again. Attached you 22 will find copies of letters received by Abex and Carlisle, 23 Eaton's only two linings suppliers, stating that as of 24 January 1, 1988, neither company will provide/sell any 25 asbestos lining material. Then it continues on, Eaton's
Page 67	Page 69
1 Q That is titled? 2 A Nonasbestos lining program status, 787. 3 Q 787, okay. 4 A So evidently these are the ones that had been 5 approved and could start to supersede these open specification 6 part numbers. 7 Q Listed on appendix A? 8 A Right. I think that is basically what he was saying 9 is that he wanted an updated list of what was going to happen 10 there. 11 (Exhibit 13, internal correspondence-3/5/90, 12 was marked for identification.) 13 Q Let me show you what's been marked as Hobbie 13. 14 MR. QUICK: I'm going to object to Eaton Bates 15 stamped 002149 dated March 5 of 1990. We have absolutely no 16 clue as to why somebody at Eaton, and we don't even know who 17 it is, maybe the witness knows, would send old letters from 18 Abex and Carlisle to somebody for God knows what reason in 19 1990. So with that, I will let you ask him whatever questions 20 you want to put to him. 21 Q Have you had a chance to look at all of those? 22 A Yes. 23 Q I will come around behind you again. Do you 24 recognize any of the names on the first page of that document 25 entitled internal correspondence?	1 phase-in has been happening since early 1985 with the 2 introduction of the 931-162 material. Have I read that 3 correctly? 4 A Yes. 5 Q What is attached to this is apparently a letter from 6 Motion Control dated August 13, 1986 addressed to Eaton 7 Corporation, correct? 8 A Correct. 9 Q Also attached to this is a letter from Abex to Eaton 10 Corporation dated September 3, 1986? 11 A Correct. 12 Q And also what looks like an OSHA confidentiality 13 policy for regulatory analysis data collection with no 14 apparent date? 15 A Yeah. 16 Q I have a couple more documents. Why don't we take a 17 quick break to see if I need to go through the rest of those. 18 I may be very close to finishing this up. 19 (A short recess was held.) 20 (Exhibit 14, letter-10/14/86, was marked for 21 identification.) 22 Q Mr. Hobbie, I will show you what's been marked as 23 Hobbie 14. Have you had a chance to look at that document? 24 A Yes. 25 Q What is it?

18 (Pages 66 to 69)

ROGER HOBBIE

Page 70	Page 72
1 A It appears that the purchasing — well, the 2 principal buyer for the Eaton axle brake division wrote to — 3 I think Mr. Jim Pruneski's title was the president of Abex at 4 the time and alerting him to the situation where the lack of 5 availability of the nonasbestos for the high friction 6 applications which would be more of a heavy duty nonhighway 7 type dump trucks, things like that, those applications. 8 And basically, he was telling them that Eaton 9 was in a position that they couldn't supply product with the 10 nonasbestos lining at that time and of course the asbestos 11 material was evidently no longer being supplied either. 12 Q The person who wrote the letter, what is his name? 13 A Thomas Bruggeman. 14 Q Did you know Mr. Bruggeman? 15 A I knew who he was but never had any direct business 16 dealings with him. 17 Q Do you recognize any of the c.c. names copied in on 18 this correspondence? 19 A Yes. 20 Q Who do you recognize? 21 A G. Cotter, George Cotter, at the time he was general 22 manager of the axle brake division. Williams Hoenes was 23 engineering manager of the axle brake division. Bob Ille I 24 think was purchasing manager at that time. Gopel Singh, I 25 think he was actually the chief — chief brake engineer at the	1 A Yes. 2 Q What is it? 3 A It's a letter to Freightliner, I believe purchasing. 4 Q What is the date of the letter? 5 A The date of the letter is October 15, 1986. 6 Q Who is it addressed to? 7 A Mr. Michael Harmon, Freightliner Corporation, 8 Portland, Oregon. 9 Q Who is it from? 10 A Larry Hopper, Eaton axle and brake division, OEM 11 account manager for Eaton to Freightliner. 12 Q At the bottom, there is a cc. list? 13 A Yes. 14 Q Do you recognize any of the names on the cc. list? 15 A A few of them. 16 Q Could you name them and describe who they are? 17 A R. Young was Robert Young. He was the axle brake, 18 Eaton axle brake division, OEM sales manager. Tom Furdek was 19 an Eaton axle brake engineer. Jim Clark was the chief 20 engineer of the brake product. Jim Tipka was an engineer for 21 Freightliner in Charlotte, North Carolina. Ron Salter I don't 22 know. Rainier Kaiser worked for Freightliner. John Bohm, 23 B-O-H-M, was an engineer for Freightliner. Curt Doane I don't 24 know. Beck Baxter, Portland Freightliner employee, I don't 25 know. D. Welker, I don't know. Denise Reeves, I don't know.
Page 71	Page 73
1 time. Jim Clark worked for him. He was titled chief highway 2 brake engineer. John Lilly was in Gallatin. I think he was 3 sort of the in-house sales guy at the Gallatin plant for brake 4 product. 5 Q The high friction concerns that were being raised in 6 this letter, is it just related to these off-road vehicles you 7 are talking about or were there other on-road vehicles that 8 would fall into that high friction category? 9 MR. HAFNER: Can you speak up a little bit? 10 It is hard to understand what you are saying. 11 A They could have been in some on-road applications 12 like, say, refuse trucks, mixer trucks, but primarily more 13 off-road heavy-duty applications. They wouldn't have been 14 used in a general over the road highway type hauling 15 application. 16 MR. HAFNER: Is there a date for that exhibit? 17 MR. BARTELS: October 15, 1986. October 14, 18 1986 is Hobbie 14, a letter to Mr. J. Pruneski, Abex 19 Corporation, 3001 West Beaver Road, Troy, Michigan from Thomas 20 Bruggeman, principal buyer of Eaton. 21 Q I will show this to Harry. 22 (Exhibit 15, letter-10/15/86, was marked for 23 identification.) 24 A Okay. 25 Q Have you had a chance to look at that exhibit?	1 Jay Cowan, I don't know. 2 Q What is your understanding of what the letter was 3 for? 4 A It appears to me they were proposing to Freightliner 5 that because of the lack of availability of the approved high 6 friction nonasbestos lining, there were some idea or a concept 7 that they could look at specific applications and maybe be 8 able to fine-tune by making other adjustments to the brake 9 system where they could use the medium friction nonasbestos 10 instead of having to go to asbestos and that would be by maybe 11 using a larger air chamber size or a longer slack adjuster to 12 be able to meet the stopping requirements of that particular 13 vehicle or number of vehicles. So it was sort of a way they 14 could try to fine-tune the system to get by this lack of a 15 high friction. 16 Q On the first page, the writer mentions stockpiles. 17 Do you see that? 18 A Yes. 19 Q Do you know what he is referring to with respect to 20 this mention of stockpiles? 21 MR. QUICK: Objection. You can answer if you 22 know. 23 A I guess I would have to assume that purchasing had 24 increased their normal stocking quantities and had some higher 25 levels of stock available to get through this interim period.

19 (Pages 70 to 73)

MERRILL LEGAL SOLUTIONS
(800) 325-3376

www.MerrillCorp.com

5cfe6bcd-afa7-469e-b187-b081ecda30a3

ROGER HOBBIE

Page 74 1 Q When you were at Eaton during this time frame, do 2 you recall Eaton making arrangements to stockpile excess 3 asbestos brake linings in anticipation of Carlisle and Abex 4 discontinuing the manufacture of asbestos-containing brakes? 5 A I was not personally aware of that. Although I 6 would say that knowing situations where somebody was going to 7 phase out a product that was supplied to us, that in order to 8 keep from having to shut down production and not be able to 9 ship our products to our customers, that, yeah, that was a 10 practice that would be, you know, performed to meet that 11 standard. 12 Q A couple more, the next exhibit, please. 13 (Exhibit 16, letter-11/21/86, was marked for 14 identification.) 15 Q I will show you what's been marked as Hobbie 16. I 16 will show that to Harry. 17 A Okay. 18 Q Have you had a chance to look at that document? 19 A Yes. 20 Q Can you describe what it is? 21 A Eaton axle brake purchasing, the principal buyer 22 communicating to Mr. Robert Kickel, vice-president, OE sales 23 for Motion Control. 24 Q What is the date of the letter? 25 A November 21, 1986.	Page 76 1 and not cause a shortage to stop production. 2 Q Again, during the time that you were at Eaton, do 3 you have a recollection of Eaton entering into agreements with 4 either Abex and/or Carlisle to provide materials in a 5 stockpile setting beyond the date that they stopped their 6 production of asbestos products? 7 A No. I was not specifically aware of that, again 8 going back to what standard practices would have been to 9 ensure that there was a flow, a continuous flow for production 10 to not shut down the plants. 11 (Exhibit 17, letter-12/19/86, was marked for 12 identification.) 13 Q I will show you Hobbie 17. I will give that to 14 Harry. 15 A Okay. 16 Q What is that document? 17 A It's from Tom Bruggeman, the purchasing guy at axle 18 brake division, to Milt Barnhart who was at the time December 19 19, 1986 the Eaton axle brake account manager for 20 International Harvester. This looks to me like he is 21 referring to this stockpile situation and that Navistar, 22 International Harvester, had signed a supply contract with 23 Rockwell, the brake competitor, and there was concern that the 24 production usage by International of the Eaton brake may drop 25 off enough that this whole stockpile thing would just be
Page 75 1 Q Who is it from specifically? 2 A From Thomas Bruggeman, principal buyer, Eaton axle 3 brake division. 4 Q There is a cc. listed at the bottom? 5 A Yes. 6 Q Do you recognize any of the names? 7 A Yes. 8 Q Could you outline who you know? 9 A Tom Sheikh was the sales representative from Motion 10 Control to Eaton. George Cotter, general manager of the axle 11 brake division. Fred Kovalik I think at the time was probably 12 materials control manager or operations manager, I forget 13 which, for Eaton. Bill Hoenes, again engineering manager, 14 axle brake. Robert Ille, purchasing manager, axle brake. 15 Gopel Singh, he was overall chief brake engineer, brake 16 products. 17 Dennis Bryant I think was a scheduler out of 18 the Henderson, Kentucky plant; Jim Clark, chief engineer 19 axle - brake product; John Lilly, internal sales. Larry 20 Singewalt was a sales coordinator at the axle brake division. 21 Q What is your understanding of what is being asked of 22 Motion Control in that letter? 23 A It appears to me they were being asked to meet their 24 original commitment they had made about supplying enough 25 material to meet the needs, i.e., stockpiling some material	Page 77 1 sitting there not used. That's what I would say it is. 2 Q At any time while you were with Eaton during this 3 time frame, between '84 and '88-'89 time frame, did you ever 4 become aware of Eaton basically being stuck with excess 5 asbestos materials? 6 A No. I would say no, at least from my perspective in 7 my function, when we switched over to nonasbestos, like for 8 field applications, we were never trying to sell asbestos as a 9 replacement or anything like that. We were basically going to 10 nonasbestos and that was what we did. We didn't drag asbestos 11 out of the woodwork or anything. 12 Q I understand what you are saying. Do you know if 13 prior to Eaton going completely nonasbestos if they had any 14 leftover asbestos materials? 15 A I don't know that for sure. There may have been but 16 it wasn't like they had a fire sale or anything that I was 17 aware of to get rid of it or anything like that. I don't know 18 how it was disposed of or what happened to it. 19 MR. BARTELS: Mr. Hobbie, thank you very much. 20 MR. QUICK: He will read. 21 MR. BARTELS: Anybody else have any questions? 22 BY MR. HAFNER: 23 Q Bob Hafner, I have a few follow-ups. Mr. Hobbie, I 24 do not have the document in front of me, but do you have 25 Exhibit 8 there you can look at?

20 (Pages 74 to 77)

ROGER HOBBIE

Page 78 1 A I have it. 2 Q Can you please identify that document for me? 3 A The subject is brake lining availability dated 4 May 1, 1985. It is an internal Eaton correspondence. Do you 5 want me to read it to you? 6 Q Not the whole thing. In summary fashion, if you 7 can, describe the document to me. 8 A It was a communication from L.J. Valentine who was a 9 sales coordinator to our field organization relating to lining 10 availability at various OEMs. 11 Q My recollection is, and if I am wrong or your 12 recollection is different, please tell me, when Mr. Bartels 13 was asking you questions about this document, there was some 14 discussion as to whether International was specifying that it 15 be supplied with brakes that contained asbestos? 16 A Yes. 17 Q Do you recall that testimony? 18 A Yes. 19 Q And did International, to your knowledge, ever 20 actually specify that it wanted to be supplied with brakes 21 that contained asbestos? 22 A I don't know the answer to that. But according to 23 the matrix that was attached to this memo, it indicates that 24 International only was offering an asbestos material at this 25 time.	Page 80 1 cover everything. But like we talked about before, the high 2 friction applications which were more for the on-off road type 3 real heavy applications, that may have been the case at this 4 time. But for over-the-road highway type applications, there 5 were nonasbestos that did meet the Federal Motor Vehicle 6 safety specifications, I believe. 7 Q For a class eight, for instance? 8 A Yes. 9 Q When did that material first become available? 10 A Oh, boy, I know they were working on it in the early 11 '80s. 12 Q I understand they were working on it in the early 13 '80s. Do you know when it first went into production such 14 that you were able to supply it to one of your customers? 15 A I think we sold brakes with nonasbestos lining 16 approved to Mack Truck as early as '80 or '81. 17 Q What type of vehicles were those linings going into 18 to your knowledge? 19 A I guess they were -- 20 MR. QUICK: Don't guess. 21 A I can't specify. I don't know for sure. 22 Q Well, do you have any knowledge or information as to 23 why Mack would be using nonasbestos-containing brakes in 24 certain of its trucks as early as 1980 or 1981 and 25 International would not have been doing the same thing?
Page 79 1 Q By offering, do you mean to its customers it was 2 offering an asbestos-containing brake material at that time? 3 A Yes. 4 Q And do you know what types of trucks those brakes 5 referred to in that document were going on? 6 A Primarily class eight. 7 Q Class eight being the heaviest? 8 A Yes. 9 Q Trucks that weighed the most? 10 A Yes. 11 Q Do you have any knowledge or information that 12 International ever indicated in any way that if it was 13 possible to provide it with nonasbestos-containing brake 14 material that would still meet performance specifications that 15 it did not want that type of brake material? If you don't 16 understand that question, let me know. 17 A I think I know what you are saying. And no, I don't 18 have -- I don't have any recollection of that. 19 Q Am I correct that in the time frame we are talking 20 about here that as far as heavy trucks were concerned, class 21 eight trucks were concerned, there was not a 22 nonasbestos-containing brake material available that would 23 meet the Federal Motor Vehicle Safety standard performance 24 specifications? 25 A I don't know that to be a fact. I think it didn't	Page 81 1 A No. I don't really know. It is probably a 2 marketing decision. I don't know. 3 Q Is it also possible that it was because of the 4 difference -- is it possible, Mr. Hobbie, that the reason Mack 5 was able to use nonasbestos-containing brake material in 6 certain of its vehicles was because those vehicles differed in 7 design or weight classification or some other performance 8 specification versus International vehicles? 9 A I would say it's possible. I don't know that for 10 sure, but it is possible. 11 Q Give me one second. I'm just reviewing my notes. 12 Okay? 13 A Sure. 14 Q I'm not going to be able to refer you to the 15 specific exhibit, but I think it was actually more than one 16 that referenced the stockpiling as you were calling it of 17 asbestos-containing brake linings in the '87 time frame? 18 A Yes. 19 Q Do you recall being asked questions about that 20 earlier? 21 A Oh, yes, yes. 22 Q And one of those documents referenced International 23 making such a request? 24 A Yes. 25 Q Asking you to ensure that you were able to continue

21 (Pages 78 to 81)

Page 82 1 to supply them with this material I think through the end of 2 '87; is that correct? 3 A Sounds like it, yes. 4 Q Was that request submitted by International 5 different in any way from any request you got from any other 6 OEM customers? 7 A I'm going to say yes. 8 Q How did it differ? 9 A I don't think we had that request from any other 10 OEMs. 11 Q If you exclude International for the moment, do you 12 know when the last OEM customer would have purchased an 13 asbestos-containing brake lining on the axle or assembly 14 purchased from Eaton? 15 A No, I don't know that for sure. 16 Q Do you know when the last asbestos-containing brake 17 lining sold to anyone was by Eaton? 18 A No, I don't know that. 19 Q Do you have any knowledge why International would 20 have made a request to stockpile or build up inventory of 21 brake material that contained asbestos versus any other OEM 22 manufacturer? 23 A No. I guess -- 24 MR. QUICK: Don't guess. 25 A Okay, I'm not going to guess. I don't know.	Page 84 1 became involved with the asbestos-free brake linings that 2 gradually other customers brought more and more of their 3 requests to the nonasbestos frame? 4 MR. BARTELS: Objection to the form. 5 MR. QUICK: Go ahead. You can answer. 6 A Yes. I would say that it was probably, just 7 thinking about it, application specific as to that evolution. 8 Q Maybe I can rephrase that a little bit. I'm 9 actually not crazy enough to think that you are going to 10 remember the specific applications and customers this many 11 years later. But obviously, you saw those letters indicating 12 that both my client, Carlisle, and Abex had announced that 13 they were ending the production of the asbestos materials, in 14 the case of Carlisle by the end of 1986. 15 Are you with me so far? 16 A Yes. 17 Q Now, between the time that Mack first began using 18 the asbestos-free materials in the earlier part of the '80s 19 and when your company became aware that Carlisle and Abex were 20 ending the asbestos materials, had there been a gradual and 21 increasing transition of applications over to the nonasbestos 22 material or did Eaton, for example, in 1986 find itself in an 23 immense bind because the vast majority of their axles no 24 longer had any or didn't have any nonasbestos materials for 25 them?
Page 83 1 Q Is it possible that Eaton had received the same 2 requests from other OEM manufacturers to your knowledge? 3 A Not to my knowledge. 4 Q And do you have any knowledge why International 5 would have made such a request of Eaton? 6 A No. 7 MR. HAFNER: That's all I have. Thank you. 8 MR. QUICK: Anybody else? 9 BY MR. MAGUIRE: 10 Q This is Joe Maguire. I represent Carlisle in this. 11 Basically, I just have a couple of questions. One of the 12 things you said was that your recollection was that Eaton 13 began working with the asbestos-free linings for trucks 14 sometime either in the late 1970s or early '80s. Do I 15 understand that correctly? 16 A Yes. 17 Q Just a minute ago, you explained as to Mr. Hafner 18 that in your recollection that the first of Eaton's customers, 19 truck makers, to go with the nonasbestos materials for brake 20 linings was Mack and that you believed that was somewhere 21 early in 1980 or 1981; is that correct? 22 A That's correct. 23 Q In your recollection, did you understand the 24 experience with Mack to be isolated or was it your 25 understanding is that as time progressed from when Mack first	Page 85 1 MR. BARTELS: Object to the form. 2 A That was I would call it a process of working with 3 the lining suppliers trying to -- basically doing the testing, 4 both lab dynamometer testing and field testing and all of that 5 to come up with the materials that met the wide range of 6 applications that were in the customer base. So yeah, it was 7 an evolutionary thing that led up to that period of time. 8 And there were changes too in the requirements 9 I think along that period of time that caused it to be more 10 urgent, as it was. 11 Q Now, you did say that in this time frame of 1986 and 12 1987 based on the documents you have been asked about, there 13 apparently were applications for the off-highway type 14 vehicles, I think you called them, the high friction 15 applications where apparently asbestos-free formulations had 16 not gone through the entire approval process. Is my 17 understanding correct? 18 A Yes, I believe that is correct. 19 Q Now, in that same time frame, was it your 20 recollection that the majority of on-highway or over-the-road 21 type applications had been transitioned to nonasbestos 22 materials? 23 A Yes, I would say that is correct. 24 MR. MAGUIRE: Sir, that is all of the 25 questions I have. Thank you very much.

22 (Pages 82 to 85)

ROGER HOBBIE

Page 86	Page 88
1 MR. HAFNER: Anyone else have questions before 2 I ask some more follow ups? 3 BY MR. HAFNER: 4 Q Mr. Hobbie, and Patrick or Harry if you want to help 5 him, there was a document marked during Mr. Urban's deposition 6 on February 7 of 2007, Exhibit 5. It is a letter from A.G. 7 Beier, dated November 22, 1983, Eaton Bates number 144145. 8 Was that marked as an exhibit already? 9 MR. BARTELS: I don't know. 10 MR. QUICK: Not in Roger's deposition. 11 Q Do you have a copy of that with you, Patrick, by any 12 chance? 13 MR. BARTELS: Maybe. 14 MR. QUICK: This is Harry, I don't have a copy 15 of it. 16 MR. BARTELS: Yes, we have it. Urban 5. 17 Q I can either just leave it marked as Urban 5 or do 18 you want to remark it as the next exhibit if you have an extra 19 copy. It is a copy so we can do that. 20 (Exhibit 18, letter-11/22/83, was marked for 21 identification.) 22 Q Take a moment to review that letter. 23 A Harry is looking at it right now. I'm ready. I 24 read it. 25 Q Have you seen that document before today?	1 A Yes. 2 Q Were you aware of problems being encountered with 3 the nonasbestos material being tested for performance in the 4 brakes of these trucks? 5 A No. 6 Q Are you saying there were no problems encountered or 7 you were not aware of any? 8 A I'm not aware of any. 9 Q Were you aware back in the time frame -- let me ask 10 you this, in the November of 1983, was there nonasbestos brake 11 material available for use to your knowledge with a class six, 12 seven or eight vehicle? 13 A Yes, for Mack, that's the one I'm aware of where it 14 was available in production. 15 Q Were you aware of any performance problems being 16 encountered with that material? 17 A No. 18 Q Do you have any knowledge why if that material was 19 available for Mack and its trucks why International would not 20 have used the same type of material in its vehicles? 21 A I would say because of the testing that Mr. Beier 22 refers to, the extensive testing they had to do to qualify it, 23 certify it, to meet Federal Motor Vehicle Safety Standards. 24 In fact, he made a comment he didn't want another 121 debacle 25 so he wanted to be sure it met all the standards required.
Page 87	Page 89
1 A Yeah, probably went through it when I reviewed some 2 of the disclosure stuff. 3 Q Well, when you say that, so we are a clear, do you 4 have a specific recollection of having seen that document now 5 that you're reading it? If you could just tell me who 6 Mr. O'Boyle was? 7 A At this time, he was the marketing manager for the 8 axle brake division. 9 Q Mr. Hoenes? 10 A Mr. Bill Hoenes was the engineering manager for the 11 axle brake division. 12 Q Do you recall being shown or becoming aware of this 13 communication from International when it was sent back in 14 1983? 15 A No. 16 Q Were you at all aware of any testing programs being 17 implemented by International back in this time frame about 18 evaluating nonasbestos brake material to use in its vehicles? 19 A Offhand I would say I was aware of some testing that 20 was done at Snyder National and I don't know what other 21 testing. That is one that I sort of recollect that because 22 that was a major national account of International's at the 23 time and Eaton's. 24 Q Snyder was the operator of a truck fleet that 25 transported commercial goods over the road, correct?	1 Q What is your understanding of the 121 debacle? 2 A The antilock brake, first go-round of the antilock 3 brake systems. I assume that's what he is referring to. 4 Q Did Mack conduct any testing to evaluate the 5 performance of the nonasbestos brake material before putting 6 it into its vehicles it was manufacturing? 7 A I would assume so, but I don't know specifics of any 8 tests that they did conduct, but I assume they probably did or 9 took the suppliers' test results. 10 Q Page two of Mr. Beier's letter, second to last 11 paragraph, where he makes a statement, second to last 12 sentence, the elimination of asbestos from lining materials 13 will occur and we all need to expedite our efforts to make 14 this conversion. 15 Are you aware of any situation where 16 International for some reason in your opinion was not 17 expediting its efforts to try to put nonasbestos brake 18 material into its vehicles? 19 A No, I am not. 20 MR. HAFNER: I'm not sure if this was marked 21 as an exhibit already. I don't recall it being referenced. 22 It is an interoffice correspondence. It was Urban deposition 23 Exhibit 7, Eaton interoffice correspondence dated February 13, 24 1984 to a variety of different people from an L. Barnhart. 25 Does that sound familiar?

23 (Pages 86 to 89)

ROGER HOBBIE

Page 90	Page 92
1 MR. BARTELS: Urban 7? 2 MR. HAFNER: Urban 7. Was that previously 3 marked today or not? 4 MR. BARTELS: No. 5 (Exhibit 19, inter-office 6 correspondence-2/13/84, was marked.) 7 Q For the record, while we are waiting, I want to say 8 Eaton Corporation Bates 324, that may not be correct. Is that 9 your Bates number or Eaton's Bates number? 10 MR. QUICK: Eaton's Bates number is in the 11 lower right-hand corner and it should be 018743. 12 MR. HAFNER: Patrick, is that your Bates 13 number in the center bottom of the page? 14 MR. BARTELS: Yes. 15 MR. HAFNER: For the record, it is P-EAT-0432. 16 A Okay. 17 Q Mr. Hobbie, have you seen that document before 18 beginning your deposition today? 19 A I think in reviewing the disclosures. I didn't see 20 it back in 1984 but when I went through the files, yeah. 21 Q I think we covered who Mr. O'Boyle was, did we not? 22 A Yes. 23 Q Mr. Singh? 24 A He was the axle brake -- I think he was chief 25 research and development engineer for the brake product at	1 customers such as International? 2 A Yes, for instance, Walther, his accounts were 3 Kenworth, essentially. 4 Q How about Mr. VanWarmer? 5 A I don't know if he was a sales manager, like a brake 6 product line sales manager or something like that in that 7 area. 8 Q And I just asked you about Mr. VanWarmer, right? 9 A Yes. 10 Q Mr. Valentine? 11 A Sales coordinator at that time. 12 Q We have talked about Mr. Hoenes before, correct? 13 A Engineering manager. 14 Q What was your position in this time frame of 15 February 1984? 16 A '84, I would have been general service manager for 17 Eaton truck components marketing. 18 Q I think the name came up before, Mr. Barnhart in 19 this time frame. Who was he? 20 A Axle brake division sales account manager for 21 International Harvester, Navistar. 22 Q In the first sentence, IH engineering brake group 23 has advised that both Carlisle and Abex are withdrawing all 24 current testing on nonasbestos lining. The reasons given are 25 incurring in -- it probably should say incurred -- the
Page 91	Page 93
1 that time. 2 Q Mr. Pipik? 3 A Pipik at that time would have been the axle brake 4 tech service manager. 5 Q Mr. Billian? 6 A Probably at that time probably a sales coordinator. 7 Q Mr. Lawrence? 8 A Global product manager for the brake product for 9 axle brake division. 10 Q Mr. Welser? 11 A Probably sales coordinator, axle brake division. 12 Q Mr. Young? 13 A Axle brake division, sales manager. 14 Q I missed the last part. 15 A Sales manager. 16 Q Mr. Hopper? 17 A Sales account manager for axle brake. 18 Q Mr. O'Connor? 19 A Probably sales coordinator. 20 Q Mr. Zalar? 21 A Sales coordinator. 22 Q Mr. Walther? 23 A Sales account manager for axle brake division. 24 Q When you are referring to sales, whether account 25 manager or manager, you are talking about sales by Eaton to	1 problems incurring in one, excessive wear compared to 2 asbestos; two, drum problems; three, composition of 3 materials - very sporadic. Were you familiar with that 4 situation as referenced in that memo? 5 A No, not at the time. I think this is probably based 6 on lab dynamometer testing. That's what I'm guessing. To my 7 knowledge, that didn't occur on any of the field tests 8 applications that were out there. 9 Q And whose lab dynamometer testing are you referring 10 to? 11 A I don't know. It could be the lining suppliers or 12 it could have been Rockwell, Eaton, I don't know. 13 Q The next sentence reads, based on this input, IH has 14 temporarily stopped their NAB program until such time, and it 15 seems to be missing a word, the lining suppliers can develop a 16 nonasbestos lining that meets or exceeds the current asbestos 17 lining being produced today. 18 Were you aware of IH in this period stopping 19 its nonasbestos brake program because of the issues addressed 20 in this memo? 21 A No, I was not. 22 Q Were you aware of any other OEM manufacturers 23 besides International at any point stopping their efforts to 24 go to nonasbestos brakes because of problems encountered with 25 the nonasbestos material being supplied?

24 (Pages 90 to 93)

MERRILL LEGAL SOLUTIONS
(800) 325-3376

www.MerrillCorp.com

5cfe6bcd-afe7-469e-b187-b081ecda30a3

ROGER HOBBIE

Page 94	Page 96
1 A No. 2 MR. HAFNER: I believe that is all of the 3 questions I have. 4 BY MR. BARTELS: 5 Q I have some follow-up. Mr. Hobbie, I wanted to 6 clarify some testimony you just discussed. It is not your 7 testimony that by 1986, the majority of all trucks on the road 8 had nonasbestos brakes? 9 A No. 10 Q In fact, if you go back over some of the documents, 11 and I will try to do this as quickly as I can, Hobbie 6 which 12 was the document dated April 16, 1985 from T.W. O'Boyle where 13 he in the memo indicates that the standard friction material 14 found in heavy truck brakes today is asbestos? 15 A Yes. 16 Q You agreed with that at least as of the date of this 17 memo? 18 A Yes. 19 Q You still agree with it? 20 A Correct. 21 Q In fact, in Hobbie Exhibit 10, which was a memo 22 dated September 25, 1986 from Jim Clark, now he is referring 23 to Navistar, he is actually mentioning that Navistar has 24 requested all current brake assemblies using asbestos linings 25 to be provided via stockpiling if necessary through 1987.	1 low friction asbestos product because they are not convinced 2 that the current nonasbestos product is equal in all 3 performance aspects. Did I read that correctly? 4 A Yes. 5 Q So obviously at least through 1986, there are still 6 major OEMs based on this information that are still insisting 7 on using asbestos products until the nonasbestos products can 8 be worked out, correct? 9 ALL COUNSEL: Objection to the form. 10 Q Let me rephrase it. It appears from this letter 11 that there are still as of October 1986, certain major OEMs 12 continuing to use low friction asbestos products because they 13 are not convinced that the current nonasbestos product is 14 equal in all performance aspects, correct? 15 ALL COUNSEL: Objection to the form. 16 A Right. 17 Q The reason I'm bringing this back up is at one point 18 it sounded like you were suggesting that by 1986, the trucking 19 industry in general had from 1985 to 1986 miraculously evolved 20 into straight nonasbestos products? 21 A No. 22 Q You agree with me on that? 23 A I agree with you on that. I think what actually 24 transpired, it had started to reach that point, even though 25 that sort of raises a flag that there were still issues going
Page 95	Page 97
1 So it would appear that at least Navistar 2 through 1987 wasn't just limiting it to high friction brakes 3 but all brakes they used with asbestos? 4 ALL COUNSEL: Object to the form of the 5 question. You are reading a whole lot more into that. 6 Q Let me ask you again. Here is what it says, based 7 on the attached list, Navistar has requested all current brake 8 assemblies using asbestos linings to be provided via 9 stockpiling, if necessary, through 1987. I have read that 10 correctly; is that right? 11 A Yes. 12 Q You would agree that Navistar at least is not just 13 limiting these to these off-road heavy-duty frictions? 14 A Basically, that's what that says. 15 Q They are saying we want all brake assemblies that we 16 use with asbestos to keep going through at least 1987? 17 ALL COUNSEL: Objection to the form. 18 A Yes. 19 MR. HAFNER: What was the exhibit number of 20 the last exhibit number you referred to? 21 MR. BARTELS: I think it was 10. 22 Q Exhibit 14, dated October 14, 1986, this is a letter 23 from Mr. Bruggeman to Abex, a guy named Mr. Pruneski wherein 24 he says, even as of that date, October 14, 1986, I will read 25 the one paragraph, certain major OEMs still continue to use	1 on, the industry was starting to accept the fact that 2 nonasbestos was going to happen and it would come and they 3 weren't going to flip a switch necessarily because of all of 4 the testing that had to be connected. It was a whole new 5 technology. 6 Q In other words, there was still testing not only 7 Eaton was performing but Rockwell and other competitors to 8 ensure that the new nonasbestos products coming on the market 9 were at least equal to the asbestos products that they were 10 replacing? 11 A Exactly, had to be. 12 ALL COUNSEL: I will object to the form of the 13 question. The witness has already explained. 14 MR. BARTELS: You can object to the form. You 15 can't discuss why. I have your objection on the record. 16 MR. HAFNER: I think you are putting words in 17 the witness's mouth. 18 MR. BARTELS: He seems to understand my 19 questions and he is answering them. So I appreciate what you 20 are saying. Thank you. 21 Q Again, just to clarify because of something I 22 thought you said earlier on, it is not your position that by 23 1986, the majority of the trucks on the road were using 24 nonasbestos products? 25 A That's correct.

25 (Pages 94 to 97)

ROGER HOBBIE

Page 98	Page 100
1 MR. BARTELS: Thank you. No further 2 questions. 3 MR. QUICK: Anybody else? 4 BY MR. HAFNER: 5 Q Can you please pull up or somebody give Mr. Hobbie 6 Exhibit 10 for me. And do you have that Bates number by any 7 chance? 8 MR. QUICK: It's 012366 through 371. 9 Q Let me see if I can find it here. I don't think I 10 have it readily handable. Okay. Mr. Hobbie, I apologize for 11 asking you to do this again. What is the date of that letter? 12 A September 25, 1986. 13 Q Is it an interoffice memorandum? 14 A Yes. 15 Q And who is it from? 16 A Jim Clark. 17 Q To who? 18 A Tom Bruggeman. 19 Q It is a multi-page document? 20 A Single page memo with attachments listing a bunch of 21 Eaton part numbers, brake assemblies, lining material, brake 22 size. Then there is quantities after that. 23 Q Can you read the memo, the first page to me, the 24 contents. 25 A Engineering is continuing to investigate	1 International is saying or the internal memo is saying is as 2 far as International is concerned, on this list with these 3 parts numbers attached to this memo, certain of them have 4 asterisks next to them. For those parts, we have to stockpile 5 or keep available asbestos-containing linings for those parts. 6 Is that correct? 7 A I believe that's correct. 8 Q But as far as the ones that do not have asterisks to 9 them, all of these are okay to use nonasbestos materials; is 10 that correct? 11 A Sounds like it, yes, I think that's what it is 12 saying. 13 Q Now, looking at those part numbers with the 14 asterisks next to them, is it possible for you to tell, and 15 again I don't have it so I apologize for asking you to do 16 this, the ones with the asterisks, do they appear to be 17 relating to class six, seven, eight trucks, bigger trucks 18 versus smaller trucks? Can you make that distinction based on 19 the information on those pages? 20 A They all look like class eights. There are some 18 21 by 7s which is definitely heavy-duty. 16 and a half by 5s, 22 that is heavy-duty steer. No medium duty that I can see. 23 They are all on the heavy-duty side. 24 Q When you say that, you mean that the medium duty 25 trucks reflected on the five-page list, International is
Page 99	Page 101
1 consequences of announced deadlines for the stoppage of 2 asbestos production by Abex and Carlisle. Based on the 3 attached list, Navistar has requested all current brake 4 assemblies using asbestos linings to be provided via 5 stockpiling, if necessary, through 1987. 6 Any applications not currently having approved 7 nonasbestos materials will require continued supply of 8 asbestos products through 1988 while test programs are 9 completed. (These brakes are indicated by an asterisk on the 10 list, the attached list.) 11 Q The difficulty I'm having because I can't easily lay 12 hands on the document, is it a multi-page list attached to 13 that first page? 14 A Yes. 15 Q How many pages are there? 16 A Five. 17 Q If I understand it correctly, some of the items on 18 those five pages have asterisks near them or next to them? 19 A Yes. 20 Q If I understand the way you read the memo to me, the 21 ones with the asterisks next to them are the ones that do not 22 have a nonasbestos brake material already approved for that 23 part number; is that correct? 24 A Yes, I believe that is correct. 25 Q So we are clear, am I correct that what	1 buying from you brake material that does not have asbestos in 2 it? 3 A It looks like there is quite a few 16 and a half by 4 7s that don't have asterisks by them so . . . 5 Q Unfortunately, I don't have the document in front of 6 me, what I'm trying to get at, does it appear that the ones 7 that have the asterisks next to them are your bigger vehicles? 8 A Yes. Generally, and I think it is the higher 9 friction material. 10 Q And they would be -- would all of them be air brake 11 systems, can you tell? 12 A Yes. 13 Q Are there any, the part numbers that do not have 14 asterisks, are any of them hydraulic? 15 A No. 16 Q It was exclusively air brake systems? 17 A Yes. 18 MR. HAFNER: That's it. 19 MR. QUICK: Anybody else? 20 MR. BARTELS: I would like the court reporter 21 to send us both an original with the exhibit as well as an 22 E-transcript. 23 24 (Continued on following page) 25

26 (Pages 98 to 101)

ROGER HOBBIE

Page 102

MR. HAFNER: Do the same for me.
MR. QUICK: Me too.

ROGER HOBBIE
(Witness excused.)
(Deposition concluded at 1:06 p.m.)

Page 103

CERTIFICATION

* * * * *

BE IT KNOWN that I, David G. Christy, took the foregoing deposition at the time and place stated in the caption hereto; that the witness, Roger Hobbie, before testifying was first duly sworn to state the truth; that the testimony of said witness was reduced to writing under my direction; and that the foregoing 102 pages contain a full, true and accurate transcription of my notes of said deposition.

I FURTHER CERTIFY that I am not of counsel nor attorney for either of any of the parties to said cause or otherwise interested in the event thereof; and that I am not related to either or any of the parties to said action.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26th day of June 2007.

David G. Christy

Certified Court Reporter, #50061

27 (Pages 102 to 103)

MERRILL LEGAL SOLUTIONS
(800) 325-3376 www.MerrillCorp.com

5cfe6bcd-afe7-469e-b187-b081ecda30a3