RG 297, Box 6, File "Misc. Metals & Minerals Div."
Office of Industry Advisory Committees

NATIONAL PRODUCTION AUTHORITY
Washington, D. C.

Minutes

Meeting of
ASBESTOS FIBRE AND TEXTILE MFRS. INDUSTRY ADVISORY COMMITTEE
July 17, 1951

Ray H. Coultrap, Miscellaneous Metals and Minerals Division, NPA
GOVERNMENT PRESIDING OFFICER

Committee Members
(* Present at Meeting)

* A. J. Scanlon
American Asbestos Textile Corp.
Norristown, Pennsylvania

* Ernest Mushlock
Keasbey and Mattison Company
Ambler, Pennsylvania

* John G. Schoepf
Asten-Hill Manufacturing Company
Philadelphia, Pennsylvania

* Gustav Walters
The Russell Manufacturing Company
Middletown, Connecticut

* C. H. Carlough
Carolina Asbestos Company
Davidson, North Carolina

* George S. Fabel
Southern Asbestos Company
Charlotte, North Carolina

* R. J. Hinkle
The Garlock Packing Company
Palmyra, New York

* J. A. Bettes, Jr.
Raybestos Manhattan, Incorporated
Manheim, Pennsylvania

* Frank J. Wakem
Johns Manville Corporation
New York, New York

* R. E. Cryor
Union Asbestos and Rubber Company
Chicago, Illinois

* H. E. Sunbury
United States Rubber Company
New York, New York

Industry Advisory Committees are representative groups formed for the purpose of furnishing advice and information to the National Production Authority on matters furthering the defense effort. No actions are taken or decisions made in these meetings since they are solely for advisory purposes. Suggested subjects for consideration at future meetings may be sent to the Government Presiding Officer.

12-85

Government Attendance

National Production Authority

Henry H. Crowell, Miscellaneous Metals and Minerals Division
William Gilmour, Office of Public Information
Rex Greaves, Office of Industry Advisory Committees
Alexander Jeffries, Miscellaneous Metals and Minerals Division
B. J. Middleton, Rubber Division
Phillips Trenbath, Office of General Counsel
Z. V. Warner, Industrial Economics Division

Other

Oliver C. Bowles, Department of Interior
Joseph H. Chilcote, Department of Navy
Paul A. Cooley, Munitions Board
Henry D. Lytton, Defense Production Administration
Ralph L. Muir, Economic Cooperation Administration
LeRoy M. Otis, Munitions Board
L. E. Sieffert, Department of Navy
Stanley Spaulding, Department of Navy
Michael G. Van Lear, Department of Navy
Jesse M. Weaver, General Services Administration

PURPOSE OF THE MEETING

The Asbestos Fibre and Textile Manufacturers Industry Advisory Committee met on July 17, 1951 to consider the possibilities of exploring and developing new sources of fibre supply and to discuss ways of meeting the abnormal demands of both direct defense and defense-supporting activities.

Mr. Ray H. Coultrap (Miscellaneous Metals and Minerals Division, NPA) was the Government Presiding Officer.

RULES GOVERNING INDUSTRY ADVISORY COMMITTEES

Since this was the first meeting of the group, Mr. Rex Greaves (Office of Industry Advisory Committees, NPA) briefly reviewed the rules governing the formation and operation of industry advisory committees, and Mr. Phillips Trenbath (Office of the General Counsel, NPA) outlined the conditions under which such committees may meet without being in violation of the anti-trust laws.

PRESENT STATUS OF THE INDUSTRY

Mr. Coultrap told the committee that the asbestos fibre supply is not adequate to meet steadily increasing demands and, therefore, consideration must be given to which of the demands are the most pressing. To complicate the situation further, he said, statistical information is not available either on total requirements or on the ability of the industry to meet present and future demands. He compared the present situation with that obtaining during World War II; many differences are apparent, including the fact that fibre, rather than facilities, is now in short supply.

The primary purpose of the meeting, he said, was to examine some of the defense requirements in the light of the total problems of the industry and to see what action might be contemplated to meet demands. Of immediate and pressing importance, he said, is a request from the Navy Department that a directive be issued to enable it to obtain types A, B, and D asbestos cloth. The policy of the Miscellaneous Metals and Minerals Division has been to issue directives very sparingly; Mr. Coultrap expressed the opinion that the matter of filling the Navy's requirements could be worked out by asking the industry to voluntarily assume to fill such requirements as was done when similar problems arose during WPB operations.

Another request pressing for immediate action, he said, is for 9-cut two-ply asbestos yarn for molded plastics.

Discussion disclosed that most of the industry is 100 percent on rated orders, and has been for some time. As a result, new orders, even Navy bids, cannot be accomodated. All DO's are of equal value, and must be filled in chronological order, industry representatives pointed out; as a result, DO 97's have been particularly burdensome.

An industry representative asked if it were possible to learn whether the defense program, including the Navy program, will continue to be as intensive as at present. With such information, he believed, the industry might be in a better position to plan its production to meet requirements.

ASBESTOS FIBRE SUPPLY

Imported Fibre.- Dr. Oliver C. Bowles (Bureau of Mines, Department of the Interior) provided the committee with data on Canadian and Rhodesian asbestos fibre imports. During the first five months of this year, 9,427 long tons of Canadian crudes and spinning fibres were received; on an annual basis, Dr. Bowles pointed out, this is equivalent to 25,340 short tons. The imports included all groups.

During the same five-month period, 493 long tons of Rhodesian C & G were received. On the basis of these January to May receipts, total tonnage for the year may be estimated at about 1,325 short tons, Dr. Bowles said. Total receipts from that source are expected to be about 1,500 tons less than 1950 receipts.

Industry representatives were pleased to learn of the Canadian tonnages, which had been estimated previously at a much lower figure. The estimated tonnages would indicate, they felt, that Canadian mining production is running better than had been expected.

The Canadian Supply Situation.- Mr. Jesse M. Weaver (Emergency Procurement Service, GSA) told the committee of action being taken cooperatively with the Canadian asbestos producers to increase the supply of ore and spinning fibres. Tonnage receipts from Canada can be expected to increase further, but not appreciably within the next year and a half to two years, he said; mining equipment and priority assistance to expedite expansion have been furnished.

Mr. Weaver said that he had been assured, as an official Government representative, that ore is available in quantities sufficient to meet the increased demands of American industry and the joint defense effort. Canadian producers had "tabled" planned expansion plans, fearing over-expansion would cause hardship at a later date; they needed only assurance that the demand would not only continue, but would probably increase, Mr. Weaver said.

New Domestic Sources of Supply. It has been learned, Mr. Weaver said, that a very good chrysotile fibre is available in the Northern California and Southern Oregon region. To confirm the presence of reserves, as well as surface ore, core drilling should be undertaken; once the reserves are established, the industry should develop this domestic source, he believed. Recommendations to this effect have been made, he said; it is generally believed that such new developments will have a stabilizing effect on other sources of asbestos.

Questioning by committee members revealed that the exploration has been delayed at the appropriations level. Dr. Bowles explained that the Defense Minerals Administration had earmarked sufficient funds for that purpose and that several established mining companies had made application to become part of the project. Until funds are voted for this purpose, the exploration and development of the mines must be held in abeyance, he said.

An industry spokesman expressed the opinion that the various plans for augmenting the asbestos supply are working at cross purposes. Canadian producers delayed their expansion program, he pointed out, because they were not convinced that the demand would continue steady. Now that the textile industry wishes to consume even those fibres formerly considered not up to standard for spinning purposes (such as the group 3 fibres which have been absorbed in the cement industry) the establishment of further domestic sources would work adversely for the Canadians, since such a new source would become competitive, he felt. No opportunity has been presented to test out market requirements in a so-called normal period, he pointed out; therefore, no one knows whether the increased Canadian production and the increased supply available from newly developed sources will cause an economic imbalance in the asbestos market.

Mr. Weaver pointed out that the time element involved in both programs precludes any major benefits being apparent for about two years; the planning should be done for the future of the asbestos industry, he said.

STOCKPILING PROGRAM

In discussing the supply situation, several committee members expressed the opinion that asbestos should be diverted from the stockpile and that the rate of acquisition should be slowed-down in order to help industry meet the accelerated Navy program. The stockpiling program and the Navy cable and cloth programs are intimately related, a committee spokesman said. Usable asbestos which could ease the immediate supply situation is, he believed, being earmarked for the stockpile; some of the material is a low-iron, spinning fibre satisfactory for the B or D cloth for which the Navy is in immediate and pressing need.

Mr. Paul A. Cooley (Munitions Board) told the committee that, until recently, very little asbestos has gone into the stockpile, although it is one of the materials which Congress has designated to be stockpiled as essential to the national security.

Mr. Weaver pointed out that stockpiling is not only a matter of policy; it is a matter of law. Grades, types, and quantities of materials are specified, and the Munitions Board is designated as the agency to carry out the program. For several years, he said, no asbestos was stockpiled; contrary to the generally held opinion, therefore, the stockpile actually consists of a very small percentage of the amount of asbestos that will be required. Material can be withdrawn only through Executive Order, he told the committee.

To the suggestion that the activities be curtailed for six months, Mr. Greaves replied that various industries have gone on record asking for a temporary easement and that these recommendations have been acted upon in very few instances. He expressed the opinion that the problem of supplying immediate Navy needs could not be solved through requesting a cessation or curtailment of stockpiling activities.

REQUIREMENTS AGAINST TOTAL PRODUCTION

Navy Asbestos Cloth Requirements.- Mr. Stanley Spaulding (Aviation Supply Office, Department of the Navy) specified the following immediate firm requirements for the Bureau of Ships:

	Asbestos Cloth - 36-inches wide* (figures in square yards)			
	Grade B*	Grade A*	Grade D*	Grade D-40-in.wide
Under Procurement	178,000	191,000	7,100	11,500
Required by January 31, 1952	124,000	240,000	24,000	16,900
Total	302,000	431,000	31,100	28,400
Already under contract	24,000	82,000	none	none

Mr. Spaulding explained that the Aviation Supply Office in Philadelphia is charged with the responsibility of furnishing the material when, where, and in the quantities needed. He described the inventory control plan which has been established as a check on all requests and the efforts which are being made to control wastage and inventory build-up at any single yard.

"Under procurement," Mr. Spaulding said, means that the ASO has placed requisitions for those quantities; of those amounts, only the yardage specified as "under contract" has been awarded on bids; the balance is needed by August 31, 1951, to take care of construction now in process. In addition to this backlog, the Bureau of Ships has established the yardage that will be needed, at the present consumption rate, for the next six months, or by January 31, 1952.

Industry representatives questioned whether this six-month reserve stock need be taken into consideration immediately. Mr. Spaulding explained that all the figures are firm requirements for construction already under way or planned and that the six-month period is procurement lead time. So far, he said, the consumption rate is ahead of the procurement rate.

Navy Cable Program Requirements.- Mr. Michael G. VanLear (Bureau of Ships, Department of the Navy) told the committee that the authorized cable program will continue at the present level and will require roughly $20 million worth of cable a year. This estimate, he said, includes new construction. In event of an emergency, requirements will increase sharply; he believed them to be at about 20 percent of the World War II level at the present time.

In addition to the Navy requirements, Mr. VanLear said, some maritime ships, not former consumers of asbestos cable, must be included in the requirements planning. Translated from the dollar figure, the need will amount to 4 million feet of cable a month, it was estimated.

A number of weights are in very short supply, Mr. VanLear said. All cable is being procured for authorized work, not to build up stocks, he stressed. Three companies now using lap would prefer to have tape, since it is more economical, he said.

Navy Asbestos Requirements for Molding Compounds.- Mr. Lorenz Sieffert (Bureau of Ships, Department of the Navy) told the committee that an estimated 960,000 pounds of asbestos per year is needed for molding compounds. The program, he said, has mushroomed during the last six months, primarily because of the increased number of circuit breakers being built for ships. Manufacturing companies have told the Navy that they have been unable to procure enough asbestos for these circuit breakers. Some of the impetus has come from reconversion "out of mothballs" and some from new construction, Mr. Sieffert said.

The immediate need is for 8,000 pounds a week, Mr. Sieffert said, some of which is for cloth, some for yarn; about one-third of the requirement must be low iron. Part of this is for the 9-cut, two-ply yarn, on the procurement of which the Miscellaneous Metals and Minerals Division has been asked to assist.

Packing Industry Requirements.- Mr. B. J. Middleton (Rubber Division, NPA) told the committee that the production backlog in the packing industry is approximately 3 or 4 months. He expressed the opinion that no further cuts should be made in the already scarce supply of asbestos fibre for packing before substitutes for other requirements, including Navy programs, are considered. The packing industry need cannot be projected on a six-month reserve supply basis, he pointed out, because much of the need cannot be known until a boiler or a chemical plant has been torn down; at the present procurement rate, these rebuildings are being delayed for lack of packing.

Committee members representing that segment of the industry concerned wholly or in part with packings reported that rubber allocations are not being completely utilized because of the shortage of asbestos fibre for that purpose and that the production backlog is increasing weekly.

CONSERVATION: CONSIDERATION OF LIMITATION ORDER

Conservation Through Substitutions.- An industry representative asked how much thought had been given to the utilization of substitutes, such as the linocloth paper produced during the last war, for some of the Navy cloth requirements. Mr. Coultrap said that he had checked on that matter with officials at the Bureau of Ships and had been told that it could be used but would not be, except as a last resort, in order to uphold standards.

Mr. Joseph H. Chilcote (Bureau of Ships, Department of the Navy) told the committee that the paper can be used only in certain applications. For one thing, he reminded the committee, it cannot be washed, so is not as economical as cloth in the long run. Yards are being checked at the present time to see where it can be utilized, he said. Asked if development work, such as coating the outside with glass to make it more scuff-resistant, should be continued, Mr. Chilcote said that he would advise that any further experiments be held up, since the Navy Department would base its acceptance or rejection on the type of paper with which it had experience.

An industry representative said that his offer of combination glass cloth was recently rejected by the Navy Department. He pointed out that one pound of asbestos plus glass will replace two and one-half pounds of asbestos fibre in type A cloth. The consensus of the committee was that often the combination glass cloth is superior for Navy purposes and that the rejection was the result of the supply officer's unfamiliarity with the acceptability of the cloth. Mr. Chilcote promised to follow through to be sure that the acceptability of the combination cloth is established.

Committee members endorsed the suggestion that every effort should be made to effect the conservation of asbestos fibre through the use of other materials, such as glass, paper, etc., in combination.

Conservation Through Order.- At an informal conference earlier in the year, the matter of an asbestos order, along the lines established by Order M-79 of World War II, had been taken under consideration. At the present time, the committee recommended that any discussion of a conservation order be postponed until a future meeting.

METHODS TO MEET PRESENT AND FUTURE REQUIREMENTS

Several suggestions were offered and discussed as to how the Navy requirements, which seemed the most immediate and pressing, could be solved without recourse to directives. Discussion revealed that no appreciable orders have been received from the Air Force; during World War II that branch of the Armed Services used asbestos tubing in various applications. Army needs are being met, industry representatives reported; Mr. Coultrap said that no requests have been received from the Army for help in securing its asbestos needs.

It was generally believed that the cutback in automotive production would free some asbestos fibre which normally goes into packing. This, and the proposed substitutions should, it was felt, free some fibre for cloth. Because of the present production backlogs (many of which were reported as great as 18 weeks) the yardages being asked are crippling, an industry spokesman said; in addition to the savings of yarn already considered, he suggested that some portion of export sales be sent to the Navy.

Suggestion was made that each segment of the industry set aside a percentage of asbestos fibre receipts each month to meet Navy needs; this fibre would be produced into cloth or cable, or provided for the molded plastics. Total Navy requirements would absorb about 15 percent of the industry's production, it was figured.

Because the percentage was so large, in view of the fact that the industry can be said to be 100 percent on DO's, the question arose about the ability of the industry to continue such a proportionate share to the Navy without harm to some of the other branches of the Armed Services or to essential, defense-supporting industries. It was proposed that an effort be made to learn all the requirements for the industry's production before attempting to meet the Navy requirements with a set percentage.

The committee recommended that a questionnaire be circulated to learn the total requirements for the industry's production, the breakdown to be in terms of end production along the foundations established by Order M-283 of World War II.

Promises on Immediately Pressing Orders.- Each industry representative was requested to check production figures and scheduling immediately after returning to his plant to see what might be offered through NPA to fill the most pressing of the Navy requirements. The following interim commitments were made by individual companies present: 5,000 square yards a month of type A, starting in September; 4,000 square yards a month of type AG (glass asbestos cloth), preferably in 60-inch width, starting August 1. These are over and above any cloth currently being furnished on contract which may be included in the estimated need. In view of these voluntary commitments, NPA for the present took no directive action to assure Navy requirements.

In addition, an industry representative stated his company would furnish part of the yarn needed for the molded plastics; others promised to check and to see what each individually could do to meet the balance.