

EXHIBIT
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UNITED STATES GYPSUM COMPANY

300 WEST ADAMS STREET

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SCOTT, MAC LEISH & FALK

August 18 1938
RECEIVED
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Scott, MacLeish & Falk,
134 South La Salle Street,
Chicago, Illinois.

Referred to _____

Answered _____

Attention: Mr. C. E. Price

SUBJECT: Dust Survey - Jersey City

Handwritten signature
mg.

Gentlemen:

We are attaching for your information a copy of Dr. Gardner's report, giving the results of his dust survey at Jersey City, and also a report in connection with the examination of the X-rays of about 200 men at the Jersey City plant.

It appears that we have a very hazardous dust condition at Jersey City, and also have a problem with a number of men who now have asbestosis and tuberculosis.

We are taking the necessary steps to provide dust collecting and ventilating equipment, and in the meantime will provide respirators to minimize the dust hazard.

The real problem we have for consideration is that of deciding what to do about the men who now have an occupational disease. If some of those men who have asbestosis should make claim against the company and receive an award, would the United States Gypsum Company have to stand the entire expense or could part of it be prorated to the former owners of the Jersey City plant?

I am attaching a copy of my letter of August 13th to Mr. Keady, summarizing some of the more important points in the report. We realize, of course, that the management of our company must make the final decision as to what action we shall take on notifying the men who have been examined and who have been found to have asbestosis, tuberculosis, or some other disease. We shall also have to come to some decision in connection with the continuation of the employment of our men who have an occupational or other disease, but we would appreciate your advice in this connection since you will, of course, have in mind the legal consideration.

Yours very truly,

UNITED STATES GYPSUM COMPANY

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Handwritten initials
DIS. EX. NO. 7
7-29-38

Dust Survey - Jersey City

CHICAGO - August 13, 1936

Mr. W. L. Keady,
Vice President,
Office.

We have a comprehensive report of dust conditions in our Jersey City plant and a report on the X-rays of the employees examined at that plant by Dr. Gardner's organization.

In brief the findings are:

1. Diagnosis of asbestosis for five men.
2. Possibly five additional men have asbestosis but necessary to confirm by clinical correlation.
3. Serious asbestos dust hazard under present operations.

WHAT CONSTITUTES DUST HAZARD:

Dr. Gardner points out that various authorities have tentatively suggested a concentration of five million particles of free silica per cubic foot of air as limits above which a silicosis hazard might exist, and this value has met with some recognition.

There is no standard for safe concentration of asbestos dust comparable to the value just given for free silica dust. However, Dr. Gardner quotes the results of a survey made in four asbestos fabricating plants and reported in 1935 in Bulletin #42, Department of Labor and Industry of Pennsylvania. The incidence of asbestosis among workers with more than five years exposure:

<u>Average Dust Concentration</u> <u>for Each Group Studied</u>	<u>Percentage of Each Group</u> <u>Having Asbestosis</u>
44 million particles per cu. ft. air	73% (8 out of 11 persons)
17 " " " " " "	27% (4 " " 15 ")
8 " " " " " "	10% (2 " " 20 ")

The authors of the report conclude that it is not possible from their findings to establish the maximum safe condition of asbestos in the air.

DUST ENCOUNTERED IN PLANT

Among them are asbestos, infusorial earth, slate, clay, soapstone, mica and limestone. Dr. Gardner advises some of these minerals are definitely



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hazardous; others are probably not very dangerous although conclusive proof is lacking; and still others have been shown to be practically harmless.

DUST CONCENTRATION IN PLANT

Dr. Gardner considers concentration of an excess of five million particles per cu. ft. of air hazardous. The following conditions were found:

1. #1 bin in building #1 where man was shoveling asbestos - 296 million particles per cu. ft. air.
2. Inside #3 bin where bags of asbestos, clay, etc., were opened and contents pushed into screw conveyors the count was 22 million particles.
3. Over the opening of the fourth floor through which the bins are supplied the concentration was 79 million particles.
4. Concentration where asbestos boards are sawed was 6 million particles.
5. Loading bags with asbestos cement on first floor gave a concentration of 261 million particles.
This is highly hazardous.

Other hazardous counts were also given.

The summary and conclusion from Dr. Gardner's report, looking to prevention, lists the men who should wear respirators until dust conditions are brought within safe limits and gives detail recommendations on exhaust systems, prevention of dust leakage and ventilation.

OTHER COMMENTS

In addition to asbestosis, there are a number of other physical disabilities among the men such as heart disease, tuberculosis, syphilis, etc. There are cases with active manifestations of tuberculosis.

Case #270 (M. Tarby) has a unilateral chronic tuberculosis. Possibility of sanatorium treatment of this man should be considered.

Case #344 (Witkowski). In view of the fact that this individual is only 19 years of age, his condition should be investigated further to determine whether treatment is required.

There seems to be no suggestion of a silicosis hazard at Jersey City. It may be alleged, if cases arise, that those with tuberculosis have con-

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tracted this disease as a result of their occupation.

RECOMMENDATIONS

1. That immediate steps be taken to provide respirators for those men covered by Dr. Cardner's recommendation. I am suggesting to Mr. Heade and Mr. Rembert that this be done.
2. That prompt action be taken to install necessary dust prevention and ventilation equipment. I am also suggesting to Mr. Heade and Mr. Rembert that this be done.

COMPENSATION FOR OCCUPATIONAL DISEASES

Certain named diseases such as mercury poisoning, lead poisoning, etc. come under the Compensation Act of New Jersey. However, silicosis and asbestosis are not named and any claims arising out of these diseases might be under common law.

INSURANCE PROTECTION

For diseases listed under the Compensation Act, we have unlimited insurance protection. Our insurance for occupational disease claims which might be made under common law is placed with the Continental Casualty Company for the primary coverage of \$5,000 for one person or aggregate claims of \$15,000 in one year. Our excess coverage of \$45,000 for one person and \$155,000 aggregate for one year is insured with Lloyds. If claims are filed both of the companies may cancel the occupational disease coverage.

FOR CONSIDERATION

1. What action shall we take on notifying the men who have been examined of the various diseases which they have?
2. What action shall we take in connection with the continuation of the employment of our men who have occupational and other diseases?
3. What action shall we take on the tubercular cases?

TRP:ECC

General Service Manager

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