

NON-ASBESTOS MATERIALS

To: Steve Conway

May 27, 1980

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MARKET

Strip Lining -- Until so legislated, the market would probably not demand non-asbestos materials for the reason that they are asbestos-free. However, the market might demand non-asbestos materials based on their technical capabilities and performance characteristics. And that is precisely the essence of our marketing program for these new materials. This new generation of friction materials offers a significant improvement in wear rate for both the lining and the drum. The fact that this first commercial application of non-asbestos/non-metallic formulations was made for the school bus market has further improved the reception it has received.

Block -- We are currently road testing non-asbestos/non-metallic blocks that have been dynamometer tested and look extremely good. As previously stated, introduction of asbestos-free blocks in commercial quantities will take place later this year and will probably have an immediate application in those areas where drum wear has been a major problem. Again, it will be for technical reasons that this material finds a niche in the marketplace.

Disc Brake -- Other than RBM materials, we do not have a viable non-asbestos formulation at this time. However, we do expect to be testing a new non-asbestos/non-metallic formulation before the end of the year.

MARKETING

During 1979, we had friction material manufacturers announce their intention to have a complete non-asbestos line by 1981 or 1982. Shortly thereafter, some of them introduced the first formulations. Abex elected to keep a very low profile since our materials were still being tested and reformulated.

Since new materials always are subject to more rigorous testing by the O.E. manufacturer, we elected to do our homework thoroughly before introducing our new formulations. This paid off: our competitors failed with their candidates, and we succeeded with ours. When we knew that we had a viable product, it was introduced under the name of STAR LINE. This name was arrived at after thorough evaluation of other possibilities; such as, "XL," "Tiger," and "Alpha," etc., all of which were discarded for one reason or another. The name STAR LINE applies to all non-asbestos formulas; the metallic version is called STAR MET.

SPNY 003587