

MINUTES OF MEETING

OF THE

BOARD OF DIRECTORS

Tuesday and Wednesday June 16-17, 1981

at

The Homestead, Hot Springs, Virginia

DIRECTORS PRESENT

Robert E. Nelson	Abex Corporation
	Friction Products Group
Francis E. Messier	Bendix Corporation
	Automotive Aftermarket Operations
William Simon, Treasurer	Brassbestos Manufacturing Corporation
Stuart Comins	P. T. Brake Lining Company, Inc.
F. William Barton	Reddaway Manufacturing Company, Inc.
John P. Gallagher	Thiokol Chemical Corporation

OTHERS PRESENT

Gordon A. Carrigan, President	S. K. Wellman Corporation
Robert P. Gorman, Counsel	Durand, Gorman, Heher, Imbriaco
	& Lynes, Counsellors at Law
Edward W. Drislane, Secretary	Friction Materials Standards Institute
James W. Armstrong, Committee Chairman	Bendix Corporation
Philip H. Grim, Committee Chairman	Abex Corporation
	Friction Products Group
Robert Join, Guest	Federation of European Manufacturers
	of Friction Materials (FEMFM)

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Mr. Carrigan, acting as Chairman, called the meeting to order at 8:30 AM, June 16, 1981.

MINUTES OF PREVIOUS MEETINGS

Minutes for the Board of Directors meetings of June 24, 1980 and June 25, 1980 had been distributed. A Director suggested that the Secretary dispense with the reading of the minutes. Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the minutes of the Board of Directors meetings of June 24 and June 25, 1980 be accepted as written.

PRESIDENT'S REPORT

Mr. Carrigan, President, read his report. Refer to EXHIBIT 1. He noted with sadness the loss of Mr. Joe Greenen who had served the industry and the Institute so well. Mr. Carrigan mentioned some of the highlights of Committee

A Director asked what would happen if the Membership objected to the combined catalog. It was stated that the question could be referred back to the Data Book and Technical Committee if there were valid objections raised by the Membership. At this point a Director asked if the work on combining the catalogs could be completed on time for the 1982 catalog printing. The Executive Secretary indicated that he felt it could be combined in time for the 1982 catalog printing, if the decision were made at this June meeting and was not remanded back to the Committee for further consideration.

Upon motion duly made, seconded and unanimously passed, it was

RESOLVED: To accept the report of the Data Book and Technical Committee as written.

BRAKE PERFORMANCE STUDY COMMITTEE
Mr. R. E. Nelson, Chairman of the Brake Performance Study Committee, prepared this report. Refer to EXHIBIT 7.

Mr. Nelson reported on the relatively low level of activity with the National Highway Traffic Safety Administration (NHTSA), and in summarizing stated that he did not expect too much in the way of regulatory initiatives on brake lining over the next few years. He noted recent activity relating to the Vehicle Equipment Safety Commission and its Regulation V-3, and in particular a planned Institute petition on the friction requirements where low friction original equipment linings may be called for on rear drum brakes on the new front wheel drive models. Mr. Nelson commented on what may be the completion of a new specification for the Defense Construction Supply Center. A question was asked on the "several vehicle manufacturers' evaluation of non-asbestos linings, with emphasis on means for evaluating such materials. Mr. Nelson replied that the procedures for evaluation were not significantly different from those for testing conventional asbestos-type friction materials--a preliminary screening with a test machine, followed by vehicle and full-dynometer testing. Essentially the testing is involved with newer brake systems and is relatively independent of the type of materials.

Upon motion duly made, seconded and unanimously passed, it was

RESOLVED: To accept the report of the Brake Performance Study Committee as written.

HEALTH AND ENVIRONMENTAL AFFAIRS COMMITTEE

Mr. J. W. Armstrong, Chairman of the Health and Environmental Affairs Committee presented his committee report. Refer to EXHIBIT 9.

Mr. Armstrong addressed the items referred to the Committee at the 1980 Meetings. These had to do with the approaches to assist members who were having difficulties with health and environmental regulations. He covered steps the Institute had taken to advise on the outside help that is available, and noted the series of information bulletins that were sent to the Membership on EPA matters, hazardous waste disposal, and the like. Mr. Armstrong then discussed the possible exchange of information on citations from regulatory authorities and the corrective action involved. A questionnaire had been sent to the Membership relating to questions in this area.

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Mr. Armstrong then reviewed initiatives from the EPA's Office of Toxic Substances, and the comments the Institute sent the EPA as concerns EPA proposals on record-keeping and reporting to that agency. His report covered what appeared to be a new "spirit of cooperation" between EPA and industry, and the new liaison between the EPA rulemakers and representatives from industry. Mr. Armstrong's report concluded with comments on OSHA, and the indication that there is a temporary hold on asbestos regulations that could affect the friction materials industry.

At the conclusion of his report, Mr. Armstrong addressed specifically the areas of concern that the Board of Directors referred to the Committee, and in particular regulatory difficulties that Mr. Lee Burgess had mentioned at the 1980 Meetings. Mr. Armstrong, advised that he and the Secretary had written Mr. Burgess asking for specific input on the regulatory problems and inviting him to the meeting, but no reply was received on these requests for information. Further, Mr. Armstrong advised that only six replies had been received to the questionnaire sent the Membership on possible Institute committee work on training, citations from regulatory authorities and other possible areas of committee study.

The questionnaire replies indicated a mixed reception to the idea of passing on information on citations. All replies indicated an interest in assistance with training information. The committee, at its next meeting, will review the questionnaire replies. In the meanwhile, the individual replies to the questionnaire will be discarded.

In the discussion that followed, the Chairman indicated that any actions from EPA's Office of Toxic Substances are now on hold as far as asbestos. This EPA Office has singled out the friction materials industry for its initial efforts on asbestos control. Mr. Armstrong suggested that we should take a positive approach, working with the regulators to develop a revised training program for both EPA and OSHA. It was suggested that the Institute cooperate with the EPA on developing training materials which are truthful, practical and helpful. A Director questioned whether the Institute might unnecessarily expose itself if it adopted a positive position on training the asbestos products worker and brake repair worker. It was suggested the better course could be to cooperate with the regulatory authorities, but let them take the credit for developing any training programs. The Institute's position should be to assist wherever possible, and to help any training programs where it can agree with the materials in question.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the report of the Health and

Environmental Affairs Committee as written.

The President expressed his thanks to the Chairman and the Committee for its work during the past year.

FEDERATION OF EUROPEAN MANUFACTURERS OF FRICTION MATERIALS (FEMFM)

Mr. Carrigan introduced Mr. Robert Join, Secretary of the Federation of European Manufacturers of Friction Materials (FEMFM), of Paris, France. Mr. Join was asked to briefly update the Board of Directors on activities in Europe.

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In defining the Members who are invited to attend the Wednesday night reception and banquet, this includes all Officers, Directors and Employees of Member companies, regardless of sex. It was added that all members so defined are invited to all meeting functions, except the reception and dinner for Officers and Directors which is ordinarily held on the Monday night of the meeting.

The Secretary was directed to add this information to the Meeting Announcement Form which is sent to the Membership when soliciting reservations. The Directors asked that this subject be added to the agenda for the Membership meeting session scheduled for June 18, 1981.

AMENDMENT OF CONSTITUTION AND BY-LAWS

At the earlier meeting of the Membership (June 17, 1981) it was decided that the question of votes required for election of new Members would be re-considered by the Board of Directors. Some Members indicated dissatisfaction with the simple majority vote of those casting their ballots within thirty days of submission of the question to the Membership. Suggestions were made that affirmative votes be required of a majority of the full Membership, or two-thirds of those responding. A suggestion was made if a Member was to cast a negative ballot, he would be required to state the reason for the negative vote. It was suggested that this might better be handled by making an initial announcement to the Membership of receipt of an application, with request that Members submit any positive or negative information on the applicant by a certain date.

After additional discussion, the Board of Directors favored adopting a policy of: (1) Original notification of application to the Membership with request for any positive or negative comments by the Members, and (2) revision of the Constitution and By-Laws to require the affirmative vote of two-thirds of the ballots cast within thirty days of the mailing of ballots to the Membership. This will again be submitted to the Membership for their consideration as an agenda item at the meeting scheduled for June 18, 1981.

OTHER BUSINESS

There being no other business brought to the attention of the Board of Directors,

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To adjourn

Adjourned at 5:15 PM, June 18, 1981.

E. W. Drislane
Secretary

MINUTES OF MEETING

OF THE

BOARD OF DIRECTORS

Wednesday, June 25, 1980 at 4:30 P.M.

at

The Homestead, Hot Springs, Virginia

DIRECTORS PRESENT

Robert E. Nelson

Francis E. Messier

William Simon

James L. Mellow

Stuart Comins

F. William Barton

John P. Gallagher

Abex Corporation

Friction Products Group

Bendix Corporation

Automotive Aftermarket Operations

Brassbestos Manufacturing Corporation

Nuturn Corporation

P. T. Brake Lining Company, Inc.

Reddaway Manufacturing Company, Inc.

Thiokol Chemical Corporation

OTHERS PRESENT

Gordon A. Carrigan, President

Robert P. Gorman, Counsel

Edward W. Drislane, Secretary

S. K. Wellman Corporation

Robert P. Gorman, Esquire

Friction Materials Standards
Institute, Inc.

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Mr. Carrigan acting as Chairman, opened the meeting at 4:30PM.

ELECTION OF OFFICERS

Mr. Carrigan, called for nominations for the office of President. The name of Mr. Gordon A. Carrigan was presented for President. The nomination was seconded.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the nominations for the office of
President be closed.

Whereupon the Secretary was instructed to cast one ballot for the election of Mr. Gordon A. Carrigan as President. The Secretary advised that the ballot had been cast.

Mr. Carrigan called for nominations for the office of Vice President. Mr. James L. Mellow was nominated and seconded for the office of Vice President.

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Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the nominations for the office
of Vice President be closed.

Whereupon the Secretary was directed to cast one ballot for the election
of Mr. James L. Mellow as Vice President. The Secretary advised that
the ballot had been cast.

For the office of Treasurer, the name of Mr. William Simon was presented
and seconded.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the nominations for the office
of Treasurer be closed.

Whereupon the Secretary was directed to cast one ballot for the election
of Mr. William Simon as Treasurer. The Secretary advised that he had
cast such ballot.

For the Office of Secretary, the name of Mr. Edward W. Drislane was
presented and seconded.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the nominations for the office
of Secretary be closed.

Whereupon the Secretary was instructed to cast one ballot for the election
of Mr. Edward W. Drislane as Secretary. The Secretary advised that the
ballot had been cast.

Whereupon the following persons are duly elected as officers of the
Institute for the ensuing year:

Gordon A. Carrigan - President
James L. Mellow - Vice President
William Simon - Treasurer
Edward W. Drislane - Secretary

RETENTION OF COUNSEL

Mr. Carrigan advised that according to Article VI of the By-Laws, at each
annual meeting legal counsel shall be retained for the ensuing year.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the Law firm of Robert P. Gorman be
retained as Counsel for the ensuing year.

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RETENTION OF AUDITORS

The Chairman on recommendation of the Secretary, suggested the retention of auditors for the ensuing year. Based on the recommendation of the Secretary, it was suggested that the auditors be retained for the ensuing year.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That Marshall Granger & Co., Certified Public Accountants, be retained as auditors for the ensuing year.

BUDGET - JULY 1, 1980 THROUGH JUNE 30, 1981

The Chairman advised the meeting that the expense budget presented to the Annual Meeting for \$95,470 for 1980-81 had been adopted by the Membership.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That a budget of \$95,470 for the fiscal year starting July 1, 1980 be accepted.

FEE FORMULA - JULY 1, 1980 to JUNE 30, 1981

The meeting was advised that the outgoing Board of Directors had voted to maintain the 1979-80 fee formula for the fiscal year starting July 1, 1980.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: That the annual fee for the Active Members for the fiscal year starting July 1, 1980 for Active Members and Regional Members with Active Members rights be a basic rate \$1,150 and \$700 for each category in which engaged; for the individual regular Regional Member \$1,450; for trade groups holding Regional Membership \$2,400; and Licensees \$550.

MEETING OF THE BOARD OF DIRECTORS

The next meeting of the Board of Directors is scheduled for the week of June 15, 1981, at the Homestead in Hot Springs, Virginia. If for Committee action or other reasons an earlier Board Meeting must be called, the Directors will decide on a location and date at that time.

OTHER BUSINESS

Mr. Comins stated that he felt the problems faced by Wheeling Brake Block, as stated by Lee Burgess, should be considered further. Mr. Burgess had indicated at the Membership Meeting session on June 25, that he was facing legal action on June 30 from the EPA that could close his plant. Mr. Burgess had indicated that EPA Inspectors had found a minute amount of asbestos dust and that he would be in court on June 30, 1980 and that the EPA could close his Plant. Mr. Comins suggested that the Institute and its members help a Member defend against allegations of the type EPA is making against Wheeling. A question was asked as to how the Institute could assist Members to defend against actions of this nature. Counsel suggested that this could be a questionable area if an Association or its Members were to go to the direct assistance of a party against whom legal action has been taken by an Agency such as EPA or OSHA.

A Director stated that the approach should be making available to Members information on which they could rely to determine if they are in compliance with regulations. One Director suggested that the Chairman of our Health and Environmental Affairs Committee be asked to go to Wheeling Brake Block to find the problem and assist in resolving the allegations being made by EPA.

There appeared to be a "gray area" as to what the Institute or its Members might be able to do for a Member if that Member was confronted with EPA charges that could close a Plant. It was stated that the Institute could make available information as to how they could comply with regulations in this area.

At the least it was suggested that the Institute could tell its Members where they might get the information necessary for compliance. This could take the form of information on Laboratories that would sample asbestos, Laboratories that provide consulting services in assisting manufacturers in complying with EPA and OSHA regulations, and information of that type. It was suggested further that the Institute might canvass its Members to determine the types of complaints that have been alleged by OSHA and EPA and what actions the Members took to either refute the allegations or move the area concerned into compliance.

A Director stated that the Institute could make some recommendations to assist in compliance based on three approaches, which would be applicable to compliance with either OSHA or EPA regulations:

1. What the manufacturer can do himself to assure compliance with regulations.
2. What outside help is available in order to assure compliance.
3. A summary listing of citations alleged against Members by regulatory authorities and the steps that industry took to prove or move into compliance.

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This question of what can be done to assist Members with compliance will be referred to the Health and Environmental Affairs Committee, with the outline above as guidance.

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There being no further business brought to the attention of the Board of Directors, upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To adjourn

Adjourned at 5:10 P.M.

E. W. Drislane
Secretary

FMSI 07248