MINUTES OF THE ANNUAL MEETING

OF THE

FRICTION MATERIALS STANDARDS INSTITUTE, INC.

Wednesday and Thursday, June 17 and 18, 1981

at

The Homestead, Hot Springs, Virginia

MEMBERS PRESENT	REPRESENTATIVES
Abex Corporation	Robert E. Nelson
Bendix Corporation	Francis E. Messier
Brassbestos Manufacturing Corporation	William Simon, Treasurer
Carlisle Corporation	William E. Harris, Jr.
Certified Brakes, A Lear Siegler Company	Robert J. Anderson
Delco-Moraine Division	Donald L. Emrick
Guardian Corporation	Norman Morse
Nuturn Corporation	Robert H. Nelson
P. T. Brake Lining Company, Inc.	Stuart Comins
Raybestos-Manhattan, Inc.	David E. Cunningham
Reddaway Manufacturing Company, Inc.	John M. Moore
Thiokol Chemical Corporation	John P. Gallagher
Virginia Friction Products	Frederick L. Carreras
S. K. Wellman Corporation	Gordon A. Carrigan, President
Wheeling Brake Block Mfg. Co., Inc.	Lee Burgess

OTHERS PRESENT	
Abex Corporation	Philip H. Grim, Jr.
Bendix Corporation	James W. Armstrong
	Thomas Hernon
Certified Brakes, A Lear Siegler Company	Robert Mighton
Delco-Moraine Division	Fred Yost
P. T. Brake Lining Company	Adrian Comins
	Sidney Comins
	Steve Doyle
	Ben Kublin
Reddaway Manufacturing Company, Inc.	F. William Barton
Wheeling Brake Block Company	George Stratton
Asbestos Information Association	Bob J. Pigg (Guest)
Federation of European Manufacturers of Friction Materials (FEMFM)	Robert Join (Guest)
Legal Counsel	Robert P. Gorman, Counsel
Friction Materials Standards Institute	Edward W. Drislane, Secretary

Mr. Carrigan, President, called the meeting to order at 1:30 PM, June 17, 1981. As the first order of business, Mr. Carrigan called for a roll call.

FMSI 02114

MINUTES OF MEETING OF JUNE 25-26, 1980

The minutes of the Membership Meeting held June 25-26, 1980 had been distributed. No corrections were suggested. The Chairman asked for a motion to accept the minutes without reading by the Secretary.

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

RESOLVED: To accept the minutes of the June 25-26, 1980 Membership Meeting 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 activity, finances, and accomplishments of the Institute over the past year.

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

RESOLVED: To accept the President's report as written.

BOARD OF DIRECTORS ACTIVITIES REPORT

The Chairman called on Mr. Drislane to report on activities of the Board of Directors. Mr. Drislane's report covered activities of the Board since the June 1980 Meeting, and included actions taken by mail ballot as well as activities at the Board of Directors Meeting on the previous date, June 16, 1981. In addition, the Secretary reported on decisions made at the Board meeting held after the first Membership Meeting session on June 17, 1981.

The Board of Directors voted to reinstate Borg & Beck de Mexico, S.A. as a Regional Member in August 1980. They had earlier been removed as a Regional Member for having failed to pay the annual fee. The fee was paid soon after the June 1980 meeting.

The Board voted to record the name change on the Institute's records of Licensee Lima International Parts and Sales, Inc., to International Brake Industries, Inc.

The Board voted to approve the Data Book and Technical Committee's recommendations for (1) a letter suffix denoting drilling after the lining when listing a disc brake lined shoe assembly, and (2) assignment of a new disc brake shoe number when there is a drilling change in the shoe. Both (1) and (2) apply to a new drilling of a disc brake shoe.

The Board voted to transfer Safeguard Automotive Corporation's Active Membership in the Institute to U. S. Automotive Manufacturing, Inc., who had purchased Safeguard's brake lining facilities.

The Board voted to refer a question on the number of Members' affirmative votes required to elect a new Member of the Institute to the Institute Development Committee. The question concerned possible change from the requirement of 3/4 of the members' affirmative votes to 2/3 of the members' affirmative votes.

The Board voted to approve circulation of a questionnaire prepared by the Health and Environmental Affairs Committee to the Membership. This questionnaire concerned areas of interest where the Committee might assist Members in compliance with regulatory requirements.

In the Membership area, the Board voted to recommend to the Members acceptance of applications filed by the following for Membership:

(1) Virginia Friction Products, Inc., of Tappahannock, Virginia for Active Membership.

(2) Revestimientos Especiales Moldeados, S. A. (remsa) of Pamplona, Spain for Regional Membership.

The Board voted to accept the Licensee applications filed by:

(1) Automatic Metal Stamping Company, of Concord, Ontario, Canada

(2) Raymond Merchandise Division, Barnes Group, Inc., of Corry, Pennsylvania

This completes the actions taken by the Board by mail ballot. The following actions were taken by the Board at the meeting held on June 16, 1981.

The Board approved reports by the President, Treasurer and all Committee Chairmen, At the conclusion of the Treasurer's report, the Board voted to terminate the Regional Membership of Dur-Bloc, S.A. of Lima, Peru for failure to pay the Annual Membership Fee.

After review of the Investment Advisory Committee report, the Board resolved to commit proceeds of the time deposits maturing in 1981-82 into the Vanguard Money Market Trust, rather than into Treasury Obligations. The resolution called for investment in the money market fund while its return was in excess of 12%, and to move the funds into treasuries if the return on the money market fund fell to less than 12% for 60 days.

The Board voted to allocate any printer overruns on Institute catalogs to the Members purchasing the catalogs, if necessary.

The Board voted to continue the present fee formula for 1981-82.

The Board directed the Secretary to seek bids from Wallace Press and one additional printer based on the Institute collecting from Members and paying the printer bills direct, rather than billing to individual members. In addition, the two printers currently providing Institute catalogs will be asked for bids using the current billing procedures as well as billing and collection of funds from the Institute alone.

The Board resolved to combine the "Automotive Data Book" and the "Brake Shoe Identification Catalog" into one catalog.

The Board resolved that next year's annual meeting will be held at Sawgrass in Ponte Vedra, Florida (near Jacksonville) on the week beginning June 14, 1982.

At the June 16, 1981 meeting, the Board recommended that the Membership amend the Constitution and By-Laws to accept an application for Membership based on the majority vote of Active Members voting within thirty days of the mailing of ballots to the Membership. This would replace the current requirements of affirmative ballots of three-fourths of the Membership. (This recommendation was subsequently amended at the June 17, 1981 meeting).

The Board of Directors directed that raw statistical data submitted to the Accountants be discarded by the Accountants six months after the quarterly historical sales report is distributed.

The Board approved purchase of a new Xerox 2600 copier for the Institute Office at a total cost of less than $4,000, including removal of old machine, installation, electrical work and sales tax.

At the Meeting of the newly elected Board of Directors on June 17, 1981, the Directors placed Mr. Gordon A. Carrigan's name in nomination to serve as President for 1981-82. Counsel advised that Mr. Carrigan was not eligible to serve as President, as he was not a Director of the Institute. Mr. Simon then resigned as a Director, and the Board selected Mr. Carrigan to fill the vacancy. With these changes, the Directors then elected Mr. Gordon A. Carrigan President, Mr. Robert E. Nelson Vice President, Mr. William Simon Treasurer and Mr. Edward W. Drislane Secretary.

At the June 17, 1981 Board Meeting, the Board recommended two amendments of the Constitution and By-Laws. They recommended amendment of ARTICLE V, Section 2, on the election of Officers to permit election of a President and Vice President who may or may not be Directors of the Institute. They recommended amendment of ARTICLE III, Section 4, Election to Membership, to permit election of a new member based on the affirmative vote of two-thirds of those voting within thirty days of the mailing of ballots to the Members. This replaced the earlier Board recommendation of a simple majority of those voting within thirty days.

The Board voted to add to the Membership Meeting Agenda on June 18, 1981 a discussion on the organization of the Annual Meeting. They recommended inviting spouses or guests of Members to the Tuesday reception, and affirmed that Members includes Officers, Directors or Employees of Member Firms regardless of sex, which Members are invited to all Meeting functions with the exception of the Board of Directors reception, banquet and Meeting.

MEMBERSHIP COMMITTEE REPORT

Mr. Comins, Chairman of the Membership Committee, read his Committee's report. Refer to EXHIBIT 2. In summary, the report noted that during 1980-81 Active Members increased from 20 to 21. Regional Members increased from 20 to 21. Licensees increased from 12 to 14.

At the Board of Directors meeting preceding this meeting, the Secretary advised that an application for Regional Membership had been received from Cougar Automotive Corporation, in Montreal, Canada. The application had not been announced or forwarded to the Membership Committee as it was not complete and had to be returned to the applicant for additional information.

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

RESOLVED: To accept the report of the Membership Committee as written.

TREASURER'S REPORT

Mr. William Simon, Treasurer presented this report. Refer to EXHIBIT 3.

Mr. Simon's report indicated that the Institute would have an excess of income over expenses of about $18,700. His report analyzed the variances accounting for this excess, which variances were related to: (1) Income projections for 1980-81 indicated a $6,500 surplus; (2) Unbudgeted net from catalog sales of $2,000; (3) Salaries under budget by over $4,000; (4) Unbudgeted fee income of about $5,000 from new members.

An income statement, a balance sheet, and a summary of the past eight years, projected for 1980-81, and an estimate for 1981-82 were presented.

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

RESOLVED: To accept the Treasurer's Report as written.

INVESTMENT ADVISORY COMMITTEE

Mr. F. W. Barton, Chairman of the Investment Advisory Committee, presented this report. Refer to EXHIBIT 4.

The Chairman reported that Institute funds were now invested primarily in U. S. Treasury obligations, with two remaining time deposits maturing in the 1981-82 fiscal year. These investments were made in line with the then Chairman's recommendations which were endorsed by the Board of Directors in 1978. Investment income for 1980-81 was projected at about $14,000, based on data available at May 1, 1981.

As indicated in the earlier report by the Secretary on Board of Directors activities, the Board at its meeting on June 16, 1981 resolved that the funds to be received in 1981-82 from maturing time deposits will be invested in the Vanguard Money Market Trust rather than in Treasuries, and the Institute will maintain approximately one third of its investments in the money market fund, depending on rates of return. If the return on the money market trust falls below 12% for more than 60 days, those funds will be invested in treasuries.

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

RESOLVED: To accept the Investment Advisory Committee report as written.

BUDGET COMMITTEE

Mr. W. M. Sleeth, Chairman, prepared this report. Refer to EXHIBIT 5. The Secretary read Mr. Sleeth's report.

The Chairman's report recommended an expense budget of $101,005, an approximate 5-1/2% increase over the 1980-81 budget. Major items of increase in budget were rent ($1,100), Pension Expense ($3,400) and Meeting Expense ($1,100). There was one significant reduction in Miscellaneous Expense, which was explained in the report.

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

RESOLVED: To accept the report of the Budget Committee as written.

FEE FORMULA COMMITTEE

Mr. David Cunningham, Chairman of the Fee Formula Committee, presented this report. Refer to EXHIBIT 6.

The report indicated that there would be 21 Active Members in 1981-82, with 37 categories. In addition, there would be eight Regional Members with rights of Active Members reporting 10 categories. In addition, there would be 11 regular Regional Members, two trade association Regional Members, and 14 Licensees. Using the same fee formula as used in 1980-81, these totals would generate $94,700 in fee income in 1981-82.

It was stated that if the 1980-81 fee formula were retained for 1981-82, fee income plus investment income would exceed the expense budget by over $9,000. The Directors at their earlier meeting resolved to maintain the fee formula for 1981-82. The fee formula is:

Active Member - Basic Fee $1,150; Category $700
Regional Member with Active Member rights - same fee as Active Member
Regional Member (Regular) - $1,450
Regional Member (Association) - $2,400
Licensee - $550

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

RESOLVED: To accept the Fee Formula Committee Report as written.

INSTITUTE DEVELOPMENT COMMITTEE

The agenda listed a report for the Institute Development Committee for discussion. The Secretary advised that there would be no report for this Committee as Mr. J. L. Mellow, Chairman, had resigned from Nuturn Corporation shortly before the Meeting, and no report had been prepared. The only assignment given the Committee had been a review of the Constitution and By-Laws, ARTICLE III, Section 4, Election to Membership. That section now requires the affirmative vote of three-fourths of the Membership of the Institute to elect a new Member.

At the Board of Directors meeting preceding the Membership Meeting, the Board had recommended that the Constitution be amended to permit the affirmative votes of a simple majority of the Members casting ballots be required to elect a new Member. As any such amendment was subject to ratification by the Membership, the Board had recommended this change, subject to review by the Membership at this meeting. Some Members stated that this was not sufficient support to elect a new Member. A suggestion was made that a Member casting a negative vote on an application for Membership be asked to support the vote with reasons for the vote. It was then suggested that input of this nature might be helpful if presented before the Membership voted on an application. A suggestion was made that the Institute advise the Membership on the filing of an application for Membership, and that comments on the qualifications of the applicant could be sought at the time for later consideration of the Board and the Membership.

It was recommended that this subject be returned to the Board of Directors for further consideration. At the subsequent Board meeting, it was resolved that the affirmative votes of two thirds of the Active Members casting ballots within 30 days of the mailing of ballots would be required to elect a new Member. Ballots will be sent to the Membership for ratification of this proposed amendment of the Constitution.

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 environemental 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.

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.

After delivering his report, the Chairman commented that he had requested comments or input from Members who were having specific problems, but that comments or input were not received. After the EPA had made broad proposals on recordkeeping and reports for the asbestos products industry, comments were solicited from the Membership but none were received. The comments sent to EPA were those of the Committee only. A questionnaire had been sent to the Membership on areas where the Committee might assist the Members, but only six questionnaires were returned. Mr. Armstrong stated that he felt the Committee had responded to what he felt were the needs of the Members, but that there was little input from the Membership when the Committee solicited input.

In response to a question concerning asbestos as a hazardous waste, the Chairman stated that asbestos had been temporarily removed from the RCRA definitions of hazardous waste because it is controlled by the National Emissions Standards for Hazardous Air Pollutants (NESHAPS). There are indications that asbestos will continue to be controlled by NESHAPS rather than by RCRA. The Research Triangle Institute is studying this question under a contract from the EPA.

Comments were made concerning asbestos dust counts and other observations on asbestos emissions. It was stated that it would probably be in the best interests of the manufacturer that if sampling tests have been made which show that asbestos counts are within regulatory limits, it would be in that manufacturer's best interests to maintain those records. It may be advantageous to have documentation proving that sampling has been done, and that the tests showed compliance with regulations.

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

RESOLVED: To accept the report of the Health and Environmental Affairs Committee as written.

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 update the Membership on activities in Europe.

Mr. Join indicated that there continue to be two main areas of concern in Europe: (1) The approval of replacement brake linings for European vehicles where different from the original equipment linings, and (2) the asbestos health questions in the European Economic Community. Mr. Join indicated that there are ten European countries in the Community, but the Commission cannot pass laws. It can only write directives, and then it is up to the member country to put this directive into effect. The Commission recently drafted a directive on the protection of workers from exposure to asbestos. Mr. Join indicated that this most recent directive was most negative to asbestos, and while this is a draft directive at this time, a statement was made in that draft to the effect that the truly safe approach would be to ban asbestos. As regards exposure to asbestos from friction materials, it was recommended in the draft that asbestos use be stopped unless one could prove that the work environment was totally free from asbestos using electron microscopy. As electron microscopy could detect minute amounts of very fine asbestos, this is a most strict interpretation of an asbestos-free environment. It was stated that European countries are, of course, permitted to promulgate laws and regulations more severe than those proposed by the Commission, and this is now the case in Denmark.

In addition, Mr. Join indicated other Commission recommendations, such as 0.25 fiber crocidolite and 1.0 fiber chrysotile limits for asbestos exposure, additional medical surveillance rules, and questions as to whether garage workers should be subject to the medical surveillance requirements of asbestos products factory workers.

Mr. Join was asked about requirements for waste disposal in Europe, and he replied that plastic bags containing the waste must be buried and covered with one foot of earth, at a site not to be used for subsequent development. A question was asked concerning Government Inspectors using a light device to scan areas near factories for asbestos emissions. Mr. Join replied that this may be inspection with light beam devices (scanning with a beam 3° wide) using the Tyndall Effect to detect fiber emissions in the air. It was stated that the EPA could be looking in three areas of concern: (1) water contamination, (2) landfill wastes, and (3) air emissions. In this case the inspectors must be looking for airborne asbestos emissions.

Mr. Join indicated that he would send the Institute a copy of the Commission's Working Group recommendations. The Institute will send Members copies of these European Commission papers on request.

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

RESOLVED: To thank Mr. Join for his presentation on activities of interest in Europe.

MR. B. J. PIGG, ASBESTOS INFORMATION ASSOCIATION

Mr. Carrigan introduced Mr. Bob Pigg, Executive Director of the Asbestos Information Association, as the Institute's Guest Speaker at this Meeting. Mr. Pigg had addressed the Institute Membership at the 1980 Meeting, and had been invited back to update the Membership based on the many changes in Washington.

Mr. Pigg concentrated his remarks on the Washington climate for asbestos to areas of concern for friction materials manufacturers. These areas are the regulatory climate at OSHA and EPA. In his remarks, Mr. Pigg advised that AIA had recommended to OSHA that the NIOSH recommendation of 0.1 fiber exposure limit be rejected, and that the OSHA proposal for a reduction to 1.0 fiber exposure limit be withdrawn. Representatives of AIA had sat down with OSHA people, and they had been assured that the new Administration's approach to OSHA would be one of "fairness and objectivity." The main areas of concern with EPA are now those of their Office of Toxic Substances (OTS). Representatives from AIA have sat down with OTS personnel, who have targeted friction materials as well as asbestos-cement pipe and textiles as areas of principal interest. Mr. Pigg stated that he felt the prospects are good for resolving issues affecting labeling and work practices, and that they will continue to work with the regulatory agencies in attempting to resolve the issues.

In concluding, Mr. Pigg invited Institute Members to attend their Industry-Government Conference scheduled for September 16-17 this year in Alexandria, Virginia. Mr. Pigg advised that he would provide a copy of his remarks at the Institute meeting to Mr. Drislane for distribution to the Institute Members.

Mr. Pigg had earlier responded to questions asked after Mr. Armstrong's and Mr. Join's remarks, and there were no additional questions. At the conclusion of Mr. Pigg's remarks, he presented a slide program with aduio on asbestos usage and controls. The program entitled "Asbestos-A Natural Product for

Modern Needs" would be made available to Institute Members who may wish to show the program. It is not aimed at the friction materials area, but is a general theme on asbestos based on an earlier program prepared by Johns-Manville. Upon the conclusion of Mr. Pigg's presentation, Mr. Carrigan expressed the thanks of the Institute's Members for his well received remarks on the asbestos question as seen from Washington.

NOMINATING COMMITTEE

Mr. Francis E. Messier, Chairman of the Nominating Committee presented his Committee's report. There was no written report for reference.

In introduction of the nominees, Mr. Messier stated that there were three Directors now serving on the Board whose terms continue till June 1982. They were:

Mr. Robert E. Nelson, Abex Corporation
Mr. Stuart Comins, P. T. Brake Lining Company
Mr. F. William Barton, Reddaway Manufacturing Company

Mr. Messier advised that Mr. James Mellow's term would also have extended to June 1982, but that due to his resignation from Nuturn and from the Board of Directors, this vacancy would have to be filled at this meeting.

Mr. Messier, as Chairman of the Committee, placed the following names in nomination for the Board of Directors:

Mr. William Simon, Brassbestos Manufacturing	1 year to June 1982
Mr. Robert Anderson, Certified Brakes	2 years to June 1983
Mr. John Gallagher, Thiokol Corporation	2 years to June 1983
Mr. Francis Messier, Bendix Corporation	2 years to June 1983

Mr. Carrigan, President, called for nominations from the floor. No nominations were offered.

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

RESOLVED: That Nominations for the Board of Directors be closed.

The Secretary was directed to cast one ballot for the election of Mr. William Simon, Mr. Robert Anderson, Mr. John Gallagher and Mr. Francis Messier to the Board of Directors. The Secretary advised that the ballots had been so cast.

The President advised that with the election of these four Directors for the terms indicated, that the Board now had the required seven Members.

The Chairman of the Nominating Committee advised the Membership that it would recommend to the Board of Directors the election of the following slate of Officers to serve effective July 1, 1981:

For President - Mr. Gordon A. Carrigan
For Vice President - Mr. Robert E. Nelson
For Treasurer - Mr. William Simon
For Secretary - Mr. Edward W. Drislane

(Note: At the Board of Directors Meeting following this Meeting, Counsel advised that Mr. Carrigan was not eligible to serve as President for the year 1981-82 since he was not a Director for that period. After discussion, Mr. Simon resigned his Directorship, and pursuant to ARTICLE IV, Section 5, the resulting vacancy was filled by the Board's election of Mr. Carrigan as a Director until June 1982.)

ANNUAL MEETING COMMITTEE

Mr. J. M. Moore, Chairman of the Annual Meeting Committee presented this report. Refer to EXHIBIT 13.

Mr. Moore's report recommended resorts for the June 1982 meeting, in this order: (1) Sandpiper Bay, Port Lucie, Florida, (2) Sawgrass, Ponte Vedra Beach, Florida, (3) Hyatt at Hilton Head, Hilton Head Island, South Carolina, and (4) The Doral, Miami, Florida.

At the conclusion of his report, Mr. Moore stated that he had subsequently visited Sawgrass and had personnal knowledge of Sandpiper Bay. He indicated that Sandpiper Bay was filled with several larger meetings,and it was possible that the Institute could be lost in the shuffle there. Meanwhile, he had visited Sawgrass, and now recommended it as the Number One location for June 1982. He indicated that Sawgrass was convenient to the Jacksonville Airport, the golf was good, and that there are excellent condominium type accomodations. He also stated that Sawgrass was particularly interested in groups such as the Institute, because they were geared to handle groups with from 30 to 100 attendees.

The Board of Directors had earlier accepted Mr. Moore's report and had resolved that the Institute would meet next year at Sawgrass during the week of June 14, 1982. The Secretary had been directed to make reservations accordingly. Mr. Moore stated that in working with the Golf Tournament Committee that they would work in a golf program which would be more of interest to the weekend golfer-- "four man scramble." There would be more information on this prior to the June 1982 meeting.

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

RESOLVED: To accept the report of the Annual Meeting Committee as amended to hold the 1982 meeting at Sawgrass.

PUBLIC RELATIONS COMMITTEE

Mr. Simon prepared the Public Relations Committee report. Because of scheduling difficulties (the morning session started on time), the Secretary was asked to read this report. Mr. Drislane read this report under protest.

Mr. Simon's report highlighted the Institute's public relations activities of the past year, as well as noting that while the Institute had requested Members to send in copies of any releases they saw in the trade press, there had been little or no input from the Membership.

Comments were made as regards getting more information on the Institute to the Membership. It was stated that other associations publish newsletters giving more information on members' activities. One Member commented that the APRA's Brake Systems Institute has over 200 Members, and the APRA has over 1,000 Members, and there is more activity to report. A Member questioned the distribution of the Newsletter the FMSI publishes (the FMSI News). The Secretary advised that this is still published, but not on a regular basis. It is published as there is news that has not otherwise been sent to the Membership. The Secretary stated that the last FMSI News had been published in the Spring of 1981, and that there would probably be a new issue in July 1981, with information on the June meeting, election of Officers, etc.

RESOLVED: To accept the report of the Public Relations 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.

Mr. Nelson was asked about the "radar braking" referred to in his report. He replied that this was a project that had appeared on NHTSA proposed activities for several years. This would in theory involve a braking system that would be actuated when a vehicle is closing at some predetermined rate on some other vehicle or perhaps stationary object. It is strictly in the discussion stage and is considered a research project for which funds have not been budgeted at this time. He was questioned about NHTSA's plans for DOT 130, a brake systems standard for medium and heavy duty vehicles. Mr. Nelson indicated that there has not been much action on the DOT 130 area, and that NHTSA has been staying more with improving DOT 105 (the hydraulic brake systems standard) and DOT 121 (the air brake systems standard).

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

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

DATA BOOK AND TECHNICAL COMMITTEE

Mr. Phil Grim, Chairman of the Data Book and Technical Committee, delivered this report. Refer to EXHIBIT 8.

Mr. Grim's report covered items that had been resolved by the Committee during two meetings and with mail ballots during the year. Among the items resolved were questions on drilling changes in disc brake shoes, listing of the combined lining-shoe assembly number, the term "Mixed attachment" when applied to disc brake packages including an integrally molded lining at one position with a riveted or bonded lining at the other, imported car coverage, brake shoe definitions, semi-metallic disc brake lining listings, and off-highway block numbering.

The most significant recommendation of the committee had to do with the restructuring of the Institute's catalogs. Mr. Grim described the alternatives which the Committee considered such as light duty versus heavy duty catalogs, passenger car versus truck catalogs, etc. The Committee, after considerable debate had resolved as follows: "That the Institute's "Automotive Data Book" and "Brake Shoe Identification Catalog" be combined into one catalog listing the full designation and all available shoe information in the alphabetical section, with lining and shoe numerical information and shoe illustrations after the alphabetical section."

Mr. Grim suggested a title for the new book along with several reasons for making this recommendation. This report had been delivered earlier at the Board of Directors meeting, and the Committee's recommendation for a consolidated catalog had been approved. The Members were advised that the Secretary had recommended that the two catalogs be continued, with the Data Book including all lining and shoe information in the alphabetical section, and with the Shoe Catalog showing just shoes in numerical order and all illustrations. The Secretary had suggested that this would have several advantages--primarily involving printer bids, work load on the office, and the option for the Member to purchase only that catalog information he wished. These recommendations were considered, but the Board supported the Committee's recommendations. A question was asked about including the block illustrations from the Brake Block Identification Catalog. Mr. Grim stated that this had been considered but was not recommended for several reasons--new blocks are not released that often, and the block catalog normally has a life of about 4 years. Incorporating this information would add to the bulk and cost of the catalog. There is a marked movement towards discs for the heavies, which will probably be in full swing by the mid 1980's. The Committee made the recommendation for combining the Data Book and Shoe Catalog information as the most economical appreach.

A Member asked if the Institute could show the drilling of disc brake shoes in the Brake Shoe Identification Catalog. This would be the drilling for riveted attachment--not the drilling or piercing for integrally molding. It was pointed out that in the "1981 Supplement to the 1980 Brake Shoe Identification Catalog" that the Institute indicates drilling as illustrated by the note under the D159 and D183 Outer: D159-O takes 7070B (6 hole) drilling and D183-O takes 7070C (8 hole) drilling. The Member indicated that he was aware of this but asked that the drill patterns be shown. It was stated that where the configurations were identical and the drilling the only difference, this would require additional illustrations and increased page count. A request was made to have the Committee consider this recommendation. The Chairman stated that the Committee would consider this as an agenda item at its next meeting.

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

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

HISTORICAL SALES REPORTING

The Secretary reported on the historical sales reporting program for the 1980 calendar year. The report for the first quarter of 1981 had just been completed, and that information was not in the report. The Secretary stated that the program had weakened due to Carlisle Corporation's withdrawal from the reporting program. The Secretary also advised that at the Board of Directors Meeting on June 16, 1981, the Board had recommended that the Accountants be requested to discard the input from the individual members six months after a report had been issued. This had been recommended to insure the confidentiality of the individual replies.

A member questioned the six month period. The Secretary advised that this would give the Accountants time to review earlier data in case a Member did not provide cumulative data (for example a Member reporting the same or lower sales at the six month report than at the three month report). In response to a question, the Secretary stated that this had been necessary twice in the past.

Mr. Harris commented that Carlisle had withdrawn from the program based on an internal decision. It was then suggested that the Secretary write Mr. Guffey at Carlisle advising that the Accountants will be destroying all raw input data from the Members within six months of the report in order to doubly insure the confidentiality of the information.

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

RESOLVED: To accept the report on the historical sales reporting as written.

RATIFICATION OF ACTS OF OFFICERS

The Members were advised on a change in the makeup of the Board of Directors that had occurred at the meeting of the new Board of Directors on June 17, 1981. Counsel advised that under one--and the more probable--interpretation of ARTICLE V, Section 2 of the Constitution, the Institute's President and Vice President must be chosen from members of the Board of Directors. Since Mr. Carrigan was not a member of the Board for 1981-82, he would not be eligibe to serve as President for that period. After discussion, Mr. Simon resigned from the Board of Directors, and (pursuant to ARTICLE IV, Section 5 of the Constitution) the remaining Directors elected Mr. Carrigan to fill the resulting vacancy. Counsel recommended that the Board (as the membership had done earlier) pass a resolution ratifying that past acts of any President or Vice President who was not also a Director at the same time, provided that such Officer acted in good faith on behalf of the Institute.

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

RESOLVED: That all acts by and all acts done at the direction of any President or Vice President of the Institute who was not also at the same time a Member of the Board of Directors, shall be and hereby is ratified and affirmed provided only that such acts or directions were done in good faith.

ORGANIZATION OF ANNUAL MEETING

At the earlier June 17, 1981 session of the Membership Meeting, questions arose as concerns spouses or guests attending social functions at the Annual Meeting. The Board of Directors considered this question at a meeting later on June 17, 1981 and made recommendations thereon to be considered by the Membership. First, the Board stated that all Officers, Directors or Employees (regardless of sex) of Active Member companies were invited to attend all sessions--business or social--of the Institute, except for Board of Directors functions (e.g. the Board's dinner and meeting opening the Annual sessions). This invitation did not include attendance at the Board of Directors Meeting or Banquet held at the beginning of the Meeting. Members' spouses or guests attending the June Meeting will be invited to attend the Reception ordinarily held on the Tuesday night of the meeting, but are not invited to attend the reception and banquet for the Membership which is ordinarily held on the Wednesday night of the meeting.

Upon motion duly made, seconded, and passed with fourteen (14) in favor and one (1) opposed, it was:

RESOLVED: That Members' spouses or guests are invited to attend the reception normally held on Tuesday evening of the Annual Meeting, but are not invited to attend the reception and banquet normally held on Wednesday evening.

The Secretary was directed to add this information on the receptions and invitations to spouses or guests on the data sheets sent members notifying them of the Annual Meeting.

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

RESOLVED: To adjourn

Adjourned at 10:05 AM, June 18, 1981.

E. W. Drislane
Secretary