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San Francisco, California
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SOMASTIC MEETING WITH
H. C. PRICE COMPANY
CHEVRON RESEARCH COMPANY

MEMORANDUM TO FILE:

On Wednesday, August 23, 1972, a meeting was held with Robert P. White, President and John M. Holliman, Jr., Vice-President of H. C. Price and Company, Coating Division, P. O. Box1118, Bartlesville, Oklahoma, 74003 in H. B. Wands' office.

Present representing Chevron Research Company were H. B. Wands, B. G. Fehringer, M. V. Hunter and R. J. Schmidt.

The meeting was convened for the purpose of discussing H. C. Price's objective of replacing asbestos in their pipe line coatings sold under the name of SOMASTIC (a Chevron trademark) with a fiber that does not represent a health hazard.

H. C. Price is convinced that even if techniques could be found to remove asbestos health hazards, a substitute must be found for asbestos for the reason, if for no other, that personnel will think that their emphysema and other lung disorders will result from the use of asbestos and be the source of litigation and legal claims whether or not justified.

Price currently has a research program underway at Midwest Research Institute (MRI) of Kansas City. Price has not yet received a written report on this research but the report is expected to be available shortly. According to oral reports from MRI, fiber-glass appears to be an acceptable substitute for asbestos. In fact in some ways the fiber-glass coatings seem to have properties more desirable than asbestos.

Schmidt pointed out that the current performance of the asbestos coating reflected 30 or 40 years of actual commercial experience; that even though the MRI tests seem to indicate that fiber-glass would be a satisfactory substitute for asbestos, this could only be told with certainty after the new product had been in the ground for a substantial period of time;;that in Schmidt's opinion it would, therefore, be preferable to try to find some way to live with the asbestos hazard rather than to substitute another fiber.

Hunter pointed out that they had been working with asbestos in the Richmond asphalt for many years, are still using asbestos and plan to continue, had no difficulty with employees or governmental agencies. It was agreed that Hunter and Schmidt would talk to our safety people supervising the Richmond operations to see if

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the Richmond experience offered any useful suggestions to H. C. Price.

Schmidt made the suggestion that perhaps the asbestos could be mixed at some central mixing station with asphalt and then in such concentrated form be admixed at the mastic preparation sites completely without any health hazard. The H. C. Price representatives had not adverted to this possibility and it was agreed that the idea was worth careful evaluation.

In view of the desirability of applying the mastic coating to a metal pipe having a primer in a soft or molten form, Schmidt also suggested the possibility of using an annular heating element or ring which would heat the primer coating so that the SOMASTIC coating could be applied to the soft primer coating to insure a firm bond between the 2 coatings. This was a suggestion which had not occurred to the H. C. Price people.

Schmidt pointed out that the permeance of the bond between asphalt and the asbestos fibers was very different from the bond between the asphalt and fiber-glass; that even though the asphalt/glass bond can be improved by giving the glass a surface treatment, on a long-term basis, it is possible that the penetration of water into the asphalt could greatly weaken the asphalt/glass bond in a manner which would make the coating unacceptable. This was one of the reasons that Schmidt was reluctant to substitute any fiber for asbestos unless absolutely necessary. It was agreed that it could be catastrophic if a long underwater cement coated SOMASTIC pipe line were to have the asphalt/glass bond fail.

Schmidt was asked whether it would not be possible to develop some water or accelerated water permeation test with the fiber-glass. Schmidt expressed the view that perhaps such an acceleration test could be devised. The acceleration test would not reveal the actual acceptability of the fiber-glass but it might indicate whether there was any apparent difficulty with the use of fiber-glass.

Schmidt pointed out that the tests of the Asphalt Institute for mastic coatings are designed for coatings using asbestos and that such tests are not completely reliable for coatings containing asbestos substitutes.

In the near future, Price is going to coat for a customer a commercial length of piping with a coating containing the fiber-glass. This test would at least give some indication of possible difficulties in the practicable application of coating with the substitute fiber.

The Price people were reminded that Chevron Research, as owner of the SOMASTIC trademark, have a legal obligation to specify the nature and quality of the coatings sold by H.C. Price under the SOMASTIC trademark and that if there was to be any change in the product sold under the SOMASTIC trademark, Chevron Research would have to adopt and issue the new specifications.

It was pointed out to the Price people that Chevron Research is appreciative of the trademark license royalties received and is prepared at Chevron Research's expense to make a reasonable effort to help Price to evaluate its current problem and to find an acceptable answer. No information was requested or given as to the extent to which Chevron Research would make a financial commitment to assist.

Formerly Mr. White had mentioned the possibility that Price might offer to buy the SOMASTIC trademark. At this meeting Mr. White advised Wands that he would like to postpone the purchase question for the present.

The conferees recognized that theoretically we had possible problems of inventorship, receipt of confidential disclosures, and that we should work with Mr. Don M. Bradley, Price's attorney, to avoid any complications in such regard.

In summary it was agreed as follows:

1. Prior to any further discussion, we would work out with Bradley a mutually acceptable understanding regarding inventions and confidential disclosures.

2. Our people would review our asbestos operations against the possibility that we might have some suggestions which would remove the necessity of substituting for asbestos.

3. Assuming that it becomes necessary to substitute fiber-glass for asbestos, our people will be giving some thought as to acceleration tests and similar suggestions which might be useful in dealing with the coatings containing fiber-glass.

H. B. WANDS

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cc: Messrs. J. A. Buchanan
J. M. Whitney
C. J. Tonkin
B. G. Fehringer