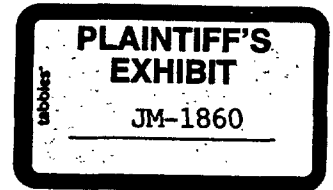




ASBESTOS INFORMATION ASSOCIATION

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BOARD OF DIRECTORS MEETING

September 8, 1976

Stouffer's National Center Hotel

Arlington, Virginia

Pursuant to notice, a meeting of the Board of Directors was held September 8, 1976, in Stouffer's National Center Hotel, Arlington, Virginia. The meeting was called to order at 9:00 A.M.

The following Directors were present:

George Barge	Atlas Asbestos Company
Richard Bauer (for W. B. Hoffman)	National Gypsum Company
W. H. Beasley	Cement Asbestos Products Co.
John H. Chidester	Brunswick Fabricators, Inc.
William Clark	Asten-Hill Ltd.
Thomas A. Dougherty	Certain-teed Corp.
William Fassuliotis	GAF Corporation
James Gilmore (for D. E. Eldred)	Vermont Asbestos Group
John W. Hollingsworth	Dresser Industries (Magcobar Div.)
A. R. Hooker	The Flintkote Company
John H. Marsh	Raybestos-Manhattan, Inc.
C. G. Morgan	North American Asbestos Corp.
Dimitry Poutiatine	Johns-Manville Corp.
J. L. Rainey	Amatex Corp.
John Riopelle	The Bendix Corp.
Martin J. Sendeki	Congoleum Industries, Inc.
D. Tijunelis (for T. K. Lindquist)	Borg-Warner Corp. (Borg & Beck Div.)
William C. Thurber	Union Carbide Corp.
C. Fred Workman	Nicolet, Inc.

Also present: Guy G. Gabrielson, Jr., Nicolet, Inc., Chairman, Asbestos Regulation Task Force; R. H. Mereness, Executive Director, AIA/NA; A. H. Fay, Past President, AIA/NA; Richard H. Rosenberg, Borg-Warner Corp.; Joseph A. Artabane, Esq., Cadwalader, Wickersham and Taft; Richard T. Davis, Frank C. Frantz & Co.; and B. J. Pigg, Administrative Assistant, AIA/NA.

Revision of Association By-Laws

Mr. Dougherty discussed reasons for which the Executive Committee felt revision of Association By-Laws was in order. The matter was initially discussed at the June 10 Board of Directors meeting. Some administrative corrections are necessary, ambiguities exist, and Association membership is now restricted to one class. He said that the Executive Committee in meeting September 7 reviewed in detail a draft revision and had proposed several modifications. In view of time constraints, it was not possible to give full consideration to the draft. Mr. Dougherty stated the draft would be forwarded to members as soon as practicable for consideration and formal action at the December Board of Directors meeting.

Other Business

The next regular meeting of Directors is scheduled for December 9 at a time and place to be announced.

Adjournment

There being no further business the meeting was adjourned at 10:55 A.M.


R. H. Mereness
Executive Director

20 September 1976

Mr. Gabrielson said the four contractors submitting bids for the construction study are: Equitable Environmental Health, Inc., Betz Environmental Engineers, Inc., the Franklin-Hahnemann Institute, and Charles T. Main, Inc. He said that it would be of significant assistance to the consulting firm selected if members would provide the AIA/NA office with a complete list of all asbestos-containing materials sold for use in construction; each such material to be identified by trade name, product code or other designation used by or known to the contractor who installs or applies it. In addition, members were requested to provide, if possible, the physical quantity and value of each such material sold for use in construction in the U.S. He said that replies to this request will be kept confidential, will be delivered directly to the Association's outside consultant, will not be disclosed to other members, and will not be placed in AIA/NA files. The consultant will report the data only in aggregate, industry-wide or national market form. A memorandum outlining the above was distributed to members present and is to be mailed to those not present.

Mr. Gabrielson spoke of the work of the Special Counsel Legal/Medical Research Committee explaining that confidentiality of work performed by Special Counsel could be maintained by normal "attorney-client" relationship and by attorney's "work product." The latter is in the form of memoranda, such memoranda to be made available to AIA/NA members upon request from company attorneys. In regard to obtaining "work product" memoranda, Mr. Gabrielson said that it is necessary for each member company of the Association, other than those who have members on the Legal/Medical Research Committee, to designate an associate member of the Committee. It is not necessary that associate members be attorneys nor would they be expected to attend Committee meetings. Members concerned were requested to advise the Executive Director the name of their associate member designee to the Committee in turn to inform Special Counsel.

Mr. Gabrielson discussed status of multidistrict panel approach to pending federal asbestos-health related cases. The Judicial Panel on Multidistrict Litigation has ordered the parties in various asbestos products liability suits to show cause why these suits should not be consolidated for pretrial proceedings. Mr. Gabrielson referred to a memorandum on the subject which had been prepared by Cadwalader, Wickersham & Taft. The "work product" is available to AIA/NA members. He said it was Cadwalader's opinion that it would probably be in the industry's best interest to oppose the multidistrict procedure and to seek separate trials. Mr. Gabrielson stated many insurance carriers, including those of mining companies in Canada, had registered opposition to the procedure. He encouraged AIA/NA member to urge their respective carrier (s) to do likewise as well as litigate each case as a matter of policy rather than settle out of court.

have its own study completed by March 1, 1977.

Mr. Gabrielson reviewed the work of the AIA/NA Ad Hoc Committee for Construction in developing a request for proposal for a technological feasibility and economic impact study of the construction industry. He stressed the importance of this matter since approximately 70% of asbestos-containing products are consumed by the construction industry. He also spoke to the "indivisibility" of the asbestos-health issue in all aspects of the industry. He said with Executive Committee concurrence, several consulting firms were invited to submit bids for the construction study to be completed in three phases within a 6-month timeframe. Four proposals have been received. Phases were described in general as: data gathering, industrial hygiene, and evaluation and conclusions. Concurrent with the independent study, the Ad Hoc Committee for Construction will develop an industry proposal for a construction standard.

Mr. Gabrielson said estimates of costs from the four contractors were reasonably consistent. Phase I estimate is \$50,000 with total cost about \$150,000 or about 50% higher than the Weston study. Complexities of construction industry study are cause for increased cost, especially as pertains to exposure data. He stated he had recommended to the Executive Committee that a contractor be selected and Phase I of the study be authorized to commence immediately.

Mr. Dougherty expressed agreement of Executive Committee in need for AIA/NA to pursue study of construction industry as an urgent matter. He said the Executive Committee had authorized Mr. Gabrielson to select a firm from those submitting bids and enter into a contract on behalf of the Association for Phase I (estimate \$50,000) of the construction study with an appropriate cancellation clause included in event financial support is not forthcoming. Mr. Dougherty proposed that funding for Phase I be initially defrayed from the Association's reserve funds and ultimately by an 18% assessment of 1976 membership dues. Funding for Phases II and III (estimate \$100,000) to be included in the 1977 budget which could be accomplished by maintaining the same dues for 1977 as at present (2.5 mills). Financial support will also be sought from the construction industry. Mr. Dougherty explained that a vote of Directors regarding an 18% assessment for 1976 would be formally acted on by written ballot which will be forwarded by mail to members with a requested return date to the Executive Director of October 12, 1976. After discussion, and on motion by Mr. Thurber, the action of the Executive Committee to authorize Mr. Gabrielson to select a contractor and proceed with Phase I of the study, subject to cancellation of contract following formal ballot vote of the Directors on AIA/NA conducting the entire study, was unanimously approved.

logical feasibility and economic impact study conducted by Roy F. Weston, Inc., now employed by the Gulf Oil Corp. will also be available to testify.

Mr. Gabrielson recalled at the June 10, 1976 Directors meeting the issue of seeking an injunction against OSHA to force a delay of the manufacturing standard until a regulation for the construction industry is promulgated had been raised by Johns-Manville Corp. He emphasized that consolidation of the proceedings for the two standards was the primary recommendation of the AIA/NA response with regard to the proposed revision to the asbestos manufacturing standard which was submitted to OSHA April 9, 1976. Mr. Gabrielson explained that the Association's initial response to the J-M suggestion had been in the negative because of the feeling that a delay in the manufacturing standard would introduce a longer period of uncertainty and have an adverse impact on the industry. This position, he said, had been reconsidered, partly because delay of the manufacturing standard proceedings has already occurred in connection with development and certification review of the Inflationary Impact Statement (IIS) and a survey of marketing personnel indicates that a further delay in resolution of the manufacturing standard would not have a serious, adverse impact in the marketplace. In addition, the feasibility aspect of a proposed construction standard is likely to be a prominent issue and, therefore, consolidation with the manufacturing proposal is definitely in the industry's interests. For the above reasons, a letter was sent to Dr. Morton Corn on July 27 reiterating the Association's primary recommendation regarding consolidation of proceedings and stating that injunctive relief was being considered if OSHA elected to proceed with an exclusive hearing on the manufacturing standard. (Note: This letter distributed to members by AIA/NA Memo. of 7/29/76.) He said he would propose that the Association proceed with an injunction if the latter event occurs.

Mr. Gabrielson reviewed developments concerning a proposed standard for the construction industry since the June 10 Board of Directors meeting. OSHA's Advisory Committee on Construction Safety and Health, subsequent to meeting June 29-30, has reaffirmed its position that a 2f/cc asbestos standard should be established for the construction industry. On August 17, OSHA let a contract with Research Triangle Institute, Research Triangle Park, N. C., for an engineering feasibility study and preparation of an inflationary impact analysis for development of a standard for the construction industry with completion date set for January 31, 1977. It was noted that there is a difference in procedure for a construction standard in that the impact analysis is now required prior to publication of a proposed regulation. A proposed standard for the construction industry could be published as early as February or March, 1977 with public hearing in April. Mr. Gabrielson suggested that the Association should