UK FIRM PAID $4.8 MILLION TO DEFEND CLAIMS THIS YEAR

506/720

Asbestos Abatement Report
Volume 1, Number 9
October 5, 1987

LONDON – The British engineering firm T&N, formerly Turner & Newall, spent about $4.8 million for legal costs during the first half of 1987 to defend against claims relating to its use of asbestos in U.S. buildings, Colin Hope, T&N group managing director, told AAR Sept. 25.

The claims include one for $170 million made by the Chase Manhattan Bank relating to work T&N carried out in 1958 at Chase's New York City headquarters. The bank is seeking $70 million to pay for removal of the asbestos and $100 million in punitive damages.

Chase said in August that it had filed the action against T&N in the U.S. District Court for Southern New York.

The bank's headquarters is one of two buildings in the U.S where T&N concedes its asbestos products were used in construction. The other is the Prudential Insurance Company of America's building in Boston. In a number of the other cases still pending against it, T&N says it was not responsible for the asbestos installed.

Hope said a total of 74 suits have been brought in U.S. courts against T&N. He said it is impossible to predict how much the company will spend defending these claims for the remainder of this year and in future years.

Most of the cases stemmed from U.S. trial lawyers' pursuit of parties that have potential claims for removal of asbestos from their buildings, Hope charged. He added that these lawyers urge plaintiffs to file claims even where there is only scant evidence that the defendant had been in any way involved with installing the asbestos product.

Hope said that T&N has successfully defended 20 U.S. actions by proving that it wasn't involved in supplying asbestos materials in the buildings in question.

"In many of these claims, work to remove the asbestos has not yet started and [plaintiffs] are clearly aiming to pay for that work with sums they hope to recover from legal action. There is no evidence that undisturbed asbestos in a building is in any way dangerous. These suits appear to have been made on the basis of fear rather than on examination of the facts," Hope said.

T&N Still Mines Asbestos

T&N, which has annual global sales of about $1.6 billion, is now principally involved in selling automotive components and specialized industrial products. Its asbestos production interests are currently limited to mining the mineral in India and Zimbabwe. T&N processes asbestos for use in building products in these countries and Zambia. However, in the 1950s and 1960s T&N had what Hope called a "very small presence" in the U.S. construction industry as a supplier – through third parties – of building products containing asbestos.

Hope said T&N "never sold products it knew to be dangerous," and subsequent evidence showed its products only represented a danger when refurbishment work involved grinding or cutting the asbestos. The products aren't dangerous when left in place, said Hope, who added that T&N had been a "pioneer" of safe handling and processing of asbestos.□

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