

FILE NAME: Johnson & Johnson (JAJ)

DATE: 1974

DOC#: JAJ227

DOCUMENT DESCRIPTION: Background on SVC Publication
[Societa Talco e Grafite Val Chisone - SVC Pamphlet]

PERSONAL AND CONFIDENTIAL

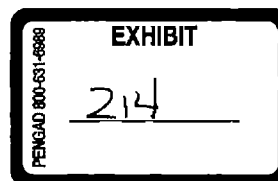
BACKGROUND

The SVC publication was the brainchild of Mr. Gianfranco Villa son of the owner of the Val Chisone talc operations. Villa has been preparing the booklet for two years and had his heart set on the idea that it would raise his personal reputation and talc and business to new heights. He had been following the talc/asbestos controversy but only from disconnected pieces which came to him through his agent in England or from J&J staff. He figured that he has the best talc in the world and other talcs had a lot of asbestos in them. So he would capitalize on the matter by putting out his booklet which would force others to assay his talc, find his was better, and thereby put him in position to hold the top place in the high grade market.

Villa decided to release the English version about three months ago. He instructed his British agent Cartwright to publicize it. At that time he visited Bob Dean in England with one of his Italian technicians. He had hoped for commendation but came away frustrated and mad. He had the impression in England that he was being told to withdraw the booklet and reprimand whomever put it together. He did not apparently disclose that he himself had conceived the idea and had taken two years to put the booklet together.

He has been aware of our epidemiological work by virtue of the fact that he gives the permission to have the records examined for former employee service. My impression is that he always thought the study had the objective of proving his talc the safest in the world (which we find right) but it never occurred to him that the study could unearth some surprises. So from his point of view his pamphlet documented his talc as the cleanest, purest talc in the world and he knew our epidemiological study was now going to show the talc safe. So with that background he felt secure in his position as having the best, cleanest, safest talc in the world documented beyond any possible doubt whatever. Having not quite recovered from his English reception he decided that the best and safest talc in the world deserved the highest position in the trade so he gave the British an Italian fillip and raised the price.

Similarly he tried to get Ferry to push the release here in USA but Ferry did nothing other than send word back that he was going to visit Gianfranco in Italy and bring me along for technical backup.



Thus it was necessary for us to prepare for a cold reception when visiting the Italian principals and tread with caution on all fronts.

Deliberations with Gianfranco Villa and Staff

Mr. Ferry explained the present competitive state of the US talc market, the various regulations being imposed on talc producers and sporadic adverse publicity which leads to consumer advocate pressures on the business. Ferry couched that approach so Villa could see that there was a possibility that what was good for talc generally was good for his talc also.

Ferry and I then jointly explained how the US talc status was more politically oriented than fact oriented. We explained how FDA hired Lewin as an expert and got themselves in a box with the wild answers he obtained on all talcs including Villas talc. We explained Selikoff/Langer problems which was new to him.

I then spoke to the technical side of SVC talc and made it clear that we were in complete agreement and desired the same thing. I agreed that SVC talc is the best in the world as Villa says but that it is even better than his English version of his booklet explains. I described the long term technical relations with our two companies and how the present controversy forces us to defend the safety of talc generally and not one talc source specifically, even our own. At that point Villa realized that his booklet says the wrong thing in English and will add to controversy in US business, FDA and consumer circles.

Villa then stopped talc talk and ordered lunch sent in during which time all of us argued for about an hour evaluating the merits of several bottles of different local wines which appeared out of nowhere.

Villa then resumed talc talk by saying that it is not always possible to translate Italian into technical English. He explained that in Italian a trace of something (such as chrysotile) actually means none at all could be found. In Italian, a trace means none at all, but it always comes out wrong in English. He asked if we had any ideas on what to do about the matter and opened the door to the possibility that a few slight revisions might be needed by someone fluent in talc technology as it applies to the American and British markets. He asked for a suggestion as to how that possibility might be carried out.

I suggested that a committee be formed which would comprise Mr. Ferry, a top mineralogist from either Milan, Bologna or Rome, perhaps a scientist from the Colorado School of Mines or the Montana School of Mines and that I would represent J&J on the committee to help out. I proposed that the committee be organized to carry out the work but that it be under the guidance of an Italian business executive to act as International President of the Committee, I proposed that it would be most effective if Gianfranco Villa would be President of that Committee to assure maximum benefit to cosmetic talcs the world over. Gianfranco Villa agreed.

Decisions Reached

Having obtained Mr. Villas agreement that his booklet needed a rewrite the following decisions resulted.

1. He will stop the distribution on his booklet in England and to any English speaking countries.
2. Mr. Ferry will not release any copies in the USA and Villa now understands why he delayed till now.
3. It is up to Mr. Ferry and me to carry through with how we will revise, rewrite or rearrange the SVC publication for maximum benefit to all concerned.

Items Avoided

Having obtained full understanding and agreement on the broad objective we decided not to pursue any details such as trace metals or how SVC talc actually assays against competitive cosmetic grades worldwide.

However, I had heard that Gianfranco has a talc rock collection so I had taken along and gave him specimens of high grade Korean, high grade Indian and high grade Pakistani talc rocks. He liked that. The odds are he will have those samples assayed immediately to find them up to his. We learned that the publication was drafted in Italian and translated into English. We also learned that Villa has a German and French version in the works but he did not want to discuss any aspect of those versions. We believe he will standpat on everything until he sees how Ferry and I get along by providing him with the help we promised.

Ashton

Copies only to:

Mr. G. Lee
Dr. D.R. Petterson
Dr. B. Semple