PLAINTIFF'S EXHIBIT
G-359

ASBESTOS INFORMATION ASSOCIATION
NORTH AMERICA
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EXECUTIVE COMMITTEE MEETING

Thursday, February 10,1977

Washington, D. C.

The meeting was called to order at 9:00 A.M. in the Association office. Present were:

Thomas A. Dougherty	Certain-teed Corp., AIA/NA President
Guy G. Gabrielson, Jr.	Nicolet, Inc.
John H. Marsh	Raybestos-Manhattan, Inc.
Dimitry Poutiatine	Johns-Manville Corporation
Jack L. Rainey	Amatex Corporation
Kurt Schwarz	Supradur Manufacturing Corp.
Others:	
Robert H. Mereness	AIA/NA Executive Director
B. J. Pigg	AIA/NA Administrative Assistant

Minutes

On motion, minutes of previous meeting, January 13, 1977, were approved as submitted.

Financial Report

In the absence of Mr. Barge, Committee member for financial affairs, Mr. Dougherty requested the Executive Director to report on finances. A preliminary year end 1976 report and a report for the month ending January 31, 1977, were reviewed. The year end statement noted a net worth of $4,340. Billings for the Equitable Environmental Health, Inc. study paid in 1976 exceeded expected payments due in the period by $25,004. Billings from EEH in 1977 under contract terms should be considerably less than the $100,000 budgeted bringing the total figure for payments to EEH in line with the contract sum of $150,000 and thus permitting return of monies to the nearly exhausted reserve. It was noted that expenses that expenses in support of the Legal-Medical Research program in 1976 had exceeded the $25,000 budget by $11,788. The expenditures were explained in terms of the extensive work being done in the new program in 1976. A final year end 1976 statement will be presented to the Committee at its next meeting prior to submission to the board of directors on March 10.

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Expenditures against contingency fund/special projects in 1976 were given as follows: Roy F. Weston, Inc. - - $94,418.06; Equitable Environmental Health, Inc. -- $91,344.64; miscellaneous expense -- $4,928.40 (industry meeting, reproduction of excerpts from report to OSHA). Total disbursements were $190,691.10. Total expenses incurred in 1976 in support of the Legal-Medical Research program came to $39,578.68. Budgeted amounts for these two line items were $100,000 and $25,000 respectively. It was noted that the 1976 budget was not revised to include an estimated expenditure of $40,000 for Phase I of the EEH study. A special assessment was approved and realized to defray the cost of the estimated Phase I expense.

Mr. Dougherty said that best estimates of costs for completion of the EEH study and the ongoing \Legal-Medical Research program should be available for directors at the March 10 meeting. When originally proposed to the directors, the estimated costs of these two programs were $150,000 and $50,000, respectively.

The financial report for the month ending January 31, 1977, was in keeping with budget and accepted as presented.

Remarks of the Executive Director

In accordance with approved plans to increase support of the Association's work and in keeping with changes to the Bylaws to permit associate memberships 143 letters were mailed to prospective firms during the period Jan 1 -- Feb. 4. Letters were sent to those non-members who had endorsed and/or contributed to the Association's response to OSHA on the proposed revision to the manufacturing standard or otherwise communicated with AIA/NA. It was reported two letter response had been received --one company requesting associate membership; one company advising that it had committed its management to "finding a way to get along without asbestos fiber." A third company telephoned to advise of interest in membership but, being a small user of asbestos fiber, the minimum dues of $2,000 were prohibitive.

Pursuant to decision reached at January 13 Executive Committee meeting, it was stated that Nippon Asbestos , Ltd. has been advised that its prospective membership in the Association would be under regular classification as the firm uses raw fiber in its manufacturing, though marketing only asbestos-containing products in North America. It was stated that the former membership chairman, Mr. Workman, had provided an extensive list of prospective member companies of which the AIA/NA office had only minimal information. Mr. Poutiatine said he would be pleased to assist in screening the list. It was advised that certification of Inflationary Impact Statement prepared by CONSAD Research Corporation on proposed revision to asbestos manufacturing standard has been further delayed. A 60-day extension, from Feb. 1, to included analysis of the feasibility of recent NIOSH recommendation of 0.1 f/cc

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was awarded to CONSAD by OSHA. Clayton Environmental Consultants, Southfield, MI,is subcontractor for technical analysis and measurement studies.

Significant ramifications of OSHA's recently announced draft proposal concerning identification, classification and regulation of toxic materials posing a potential occupational cancer risk to workers outlined at Jan.27 meeting of standards subgroup, National Advisory Committee on Occupational Safety and Health (NACOSH) were noted. It was reported that the subgroup will consider the draft proposal in public meeting on Feb. 17 at the Dept. of Labor building in Washington. The proposed policy,designed to speed up OSHA's rulemaking on carcinogens, would eliminate repetitive debate on certain basic issues and establish three categories for classifying substances as carcinogens, i.e, confirmed, suspected, and a third grouping for which more scientific data are needed. Mr. Marsh invited attention to a portion of the proposal concerning exposure limits which could have major impact on the asbestos industry. Specifically, it is stated that category I toxic materials be reduced to the lowest level feasible, and where "suitable substitutes are found to exist which are less hazardous to workers,the Secretary (of Labor) shall prohibit occupational exposure for such specific applications." A discussion followed. Through "News & Notes" Association members were advised of the Feb. 17 meeting. Association staff will be at the meeting. It was stated that Dr. Kotin of J-M was on the program to express his views.

Reference was made to OSHA's advance notice of proposed rulemaking on hazardous materials labeling published in the Federal Register, Jan. 28 requesting comments by March 29. At this juncture, impact on the industry appears negligible since labelling requirements in the asbestos standard and those thus far proposed by OSHA's advisory committee on hazardous materials labelling are similar. The Association's Standards & Technical Comittee will consider this matter at its meeting, March 7.

Anticipated amendments to EPA's national emission standard in regard to spraying of asbestos as reported at Executive Committee meeting January 13 have been delayed due to some expansion of definitions in the standard and additional guidance for demolition work, e.g., decorative material which contains asbestos. Amendments are expected to be published in the Federal Register within 30 days.

Special Counsel has been requested to obtain information from pertinent government agencies on studies and grants regarding asbestos, making reference to the Freedom of Information Act.

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Mr. Dougherty raised the point as to the advisability of making an office call on Dr. Bingham in the near future, assuming she is named as Assistant Secretary of Labor (OSHA). Mr. Gabrielson expressed his opinion that a call should be made following a reasonable settling in period after the new assistant secretary takes office.

A review of recent bills introduced in state legislatures affecting asbestos was given with special emphasis on New Jersey. A public hearing on a Cancer Control Act which would ban asbestos along with 15 other substances will be held February 18 in Trenton, N. J. Messrs. Gabrielson and Marsh indicated they would be present at the meeting. Mr. Dougherty requested the Executive Director to attend . Mr. Ed Fenner of J-M and AIA/NA's Standards and Technical Committee was cited for his interviews with news media representatives on the reported "peril to students" from asbestos flaking from ceilings in New Jersey.

Guidance and suggestions were requested of the Committee for appropriate activites for the Association's industry and public information and education program.

Report of the Chairman, Asbestos Regulation Task Force

Mr. Gabrielson said he had nothing to add to the remarks of the Executive Director on OSHA's activities on the proposed revision to the manufacturing standard.

As to the construction industry study being conducted by Equitable Environmental Health, Inc. (EEH), Mr. Gabrielson said work was proceeding in an aggressive manner. Efforts are now underway to draft a recommended standard for the construction industry. This is a difficult task, especially in the absence of a governmental proposal, Mr. Gabrielson stated. He said EEH is using the October 9, 1975 proposed revision to the manufacturing standard as a basis for costing out a construction standard and has requested guidance on an alternate approach. Such an alternative has been developed, with exception of a medical surveillance program. Mr. Gabrielson described the views of EEH physicians (Drs. Cooper and Utijian) on the latter , and said he has engaged in detailed discussions on this subject. He spoke to the advantage of endorsement of an Association position on medical surveillance by EEH's medical representatives. Mr. Gabrielson said he had incorporated a recommended schedule for medical examinations in the draft proposal which he was hopeful would be acceptable. He referred to estimated expenditures for such a program and said, if the Association's proposals were to be adopted, the costs would be substantially lower than those required to defray what has been proposed by OSHA in the manufacturing standard. The Association proposal would apply only to workers

exposed to over a 2f/cc, TWA, with peak or ceiling limit of 10 f/cc. In this connection, he said, EEH dust count data obtained to date indicate that most exposures are quite low.

A worksheet depicting the Association's proposed standard for the construction industry was distributed. Mr. Gabrielson said he proposed a review of the proposal by the Ad Hoc Committee for Construction at a meeting in the near future. He said that, while he had mixed feelings about contribution construction association representatives might make, it would be worthwhile to obtain endorsement of AIA/NA's position by this group. A discussion followed concerning responsibility for payment of costs of a medical surveillance program under provisions of a construction industry standard. The involvement of and likelihood of cost payments by the federal government, employers and manufacturers of asbestos-containing construction materials were presented. It was felt that the federal government would not assume cost responsibility. It was agreed that in the draft proposal to be reviewed by the Ad Hoc Committee on Construction responsibility for medical surveillance costs would be assigned to employers.

Mr. Gabrielson said EEH had completed their field sampling program and are in reasonably good shape on calculation of numbers of people exposed, hours per day, etc. Data has been obtained on the principal applications of asbestos-containing materials in construction. Rough draft of the economic phase of the study is being written. The next meeting with EEH is scheduled for February 15 in New York City.

Mr. Gabrielson commented on the regulatory problems confronting the industry in general and in particular the draft proposal by OSHA on carcinogens previously mentioned. A discussion followed. It was agreed that the Association should maintain its course, complete the studies now in progress, and seek the attainment of reasonable and practicable standards.

Meeting With Organized Labor

Mr. Dougherty recalled that he had mentioned at the Committee's January 13 meeting a meeting with representatives of the United Cement, Lime & Gypsum Workers on January 24 in Washington, D. C. He said this meeting had been rescheduled for March 8 in Chicago. Purpose of meeting was described as an effort toward enhancement of labor and industry appreciation of mutual problems and concerns in the federal regulatory area. Mr. Dougherty said he would attend the meeting and extended an invitation to committee members to accompany him.

Legal-Medical Research Program

Mr. Gabrielson said Wendell Alcorn, Special Counsel to the Association, had recently met in Philadelphia with an attorney for plaintiffs in a number of asbestos cases. Alcorn said the attorney maintained a comprehensive, indexed file of asbestos-related litigation cases. Mr. Gabrielson said it was a principal objective of our assignment to Special Counsel to compile and analyze asbestos related litigation cases so that any defense counsel would be appropriately prepared. Speaking to the medical research project he said he did not foresee any pleasant surprises being found as a result of the literature review. He noted increased reference to asbestos and cancer after 1964. Nonetheless, Mr. Gabrielson stated he felt the medical research project would be an extremely valuable reference tool for defense counsel and would add credibility to industry's concerns regarding asbestos-health issues. Special Counsel expects to complete interviewing of physicians who may be candidates as expert witnesses in third party litigation by the end of February. The next meeting of the Legal-Medical Research Committee was announced for Monday, Feb. 28 at the Union League Club, New York City, commencing at noon. As to status of work, Mr. Gabrielson said he considered the medical phase to be on schedule but the legal phase to be behind. The February 28 meeting will provide opportunity to obtain updated status for presentation to directors at meeting.

Association Captive Insurance Company

Mr. Gabrielson reported that Mr. Walter Curtner, manager of insurance, J-M Corp., had written to define the scope of a captive insurance company feasibility study. Letters from Mr. Gabrielson have been sent to three prospective firms to submit proposals. Mr. Gabrielson said that time would probably not permit response for a full report to directors on March 10 as was hoped.

Report on International Asbestos Information Conference

Mr. Marsh distributed a written report of the Executive Committee meeting of the IAIC, held in London on Feb. 1. The report included a review of current developments affecting the industry outside the U.S.A. Mr. Schwarz commented on prohibitive regulations in Sweden as they relate to manufacturing of products as opposed to their use. Mr. Marsh also distributed copies of a communication from Dr. McCullagh, Asbestos Association of Australia, to Mr. Cross, Director General, IAIC, proposing an international workshop on fiber counting techniques. The Executive Director was requested to forward copies to members of the AIA/NA Standards and Technical Committee.

Mr. Marsh mentioned a press release by the International Agency for Research on Cancer on "Asbestos and Cancer -- a New Evaluation," and a hand-out membership listing of the U.K. Government Enquiry Committee into Asbestos.

Mr. Poutiatine referred to a meeting of major asbestos-cement manufacturers in London on January 11 sponsored by Eternit at which asbestos exposure standards and asbestos usage problems of nations throughout the world were discussed. He stated only 15 nations have asbestos exposure standards. He said the industrial group was unanimous in its support of the IAIC that they had agreed to seek a 2 fiber /cc standard for all types of asbestos; and to communicate with governments and labor unions in the interests of the industry. Mr. Poutiatine said the meeting served to promote a free exchange of information and appreciation of problems confronting the industry.

Legislative Alternate to Third Pary Litigation Meeting

Mr. Dougherty reviewed the J-M sponsored meeting of asbestos industry representatives in Denver on Jan 27 at which a legislative alternative to third party litigation in asbestos disease cases was proposed. About 25 companies were represented. In addition to himself, Messrs. Gabrielson and Marsh of the Association attended the meeting. Objectives of the proposed legislation would include:

(1) prohibit third party litigation;

(2) cover all asbestos disease which is occupationally related, including family members of workers; and

(3) establish a funding system for support of the legislation. It was proposed that the first three years funding would be provided by the federal government and afterward by the asbestos industry and the tobacco industry.

After fully outlining the proposal, Mr. Dougherty said he felt there was considerable concern as to success in involving the tobacco industry. He said there were many questions as to what would consist as medical evidence for claimants. He said attendees at the meeting were invited to consider the proposal as presented and submit suggestions and indication of support to J-M. Mr. Dougherty said he viewed this subject, at this point, as a matter for individual companies to consider rather than the Association as a representative body.

Advance Notice for Proposed Federal Rulemaking

The Executive Director reviewed the Dept. of Transportation's advance notice of proposed rulemaking published in the Federal Register, Dec. 9, 1976, which requested comments on the possible need for developing and issuing packaging standards for certain

materials, including asbestos. Following discussion, it was agreed that no action would be taken at this time by the Association.

Agenda for Directors Meeting, March 10

Mr. Dougherty said it would be beneficial for the agenda for board meetings to be provided directors in advance. For the March 10 meeting it was agreed that the agenda would, as a minimum, include the following items: report on OSHA standards and AIA/NA work in response thereto; Legal-Medical Research Program; Association Captive Insurance Company; IAIC; Financial Report; Remarks of Executive Director; Canadian Situation; and OSHA's draft proposal for a carcinogenic substances policy. It was also agreed that Dr. Kotin, Senior Vice President for Health, Safety and Environment, J-M Corp., should be invited to attend the March 10 meeting and be the luncheon speaker. Dr. Kotin would be requested to speak to the OSHA proposed policy on carcinogens and such other matters of concern to directors as he chose. The Executive Director was requested to draft an appropriate letter for signature of Mr. Dougherty (Note: letter was mailed February 10).

Other Business

The next regular meeting of the Executive Committee will be held at Stouffer's National Center Hotel, Arlington, VA, commencing at 2:00 P.M., Wednesday, March 9, 1977.

Adjournment

There being no further business, the meeting was adjourned at 2:50 P.M.

R. H. Mereness
Executive Director

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