

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION

August 15, 1969

C. B. Burnett
Herbert Morton Ball
J. B. Jobe
K. V. Lindell - Asbestos
A. B. Marchant
Ivan Sabourin, Esq. - Montreal
A. C. Smith - Finderne
F. J. Solon, Jr.
W. L. VanDerbeek - Finderne
Dr. G. W. Wright - Cleveland

ENVIRONMENTAL HEALTH TASK FORCE

REPORT TO POLICY COMMITTEE
ON MEETING HELD IN LIEU OF LEGAL PROBLEMS SUB-COMMITTEE MEETING

It was determined that in lieu of the Legal Problems Sub-committee Meeting scheduled for July 15, 1969, a second meeting of counsel of asbestos industrial insulation manufacturers would be held. Such meeting was held at the general headquarters of Johns-Manville on August 12, 1969. The following companies (in addition to J-M) were represented by their house counsel and/or outside counsel:

Armstrong Cork Co. Inc.
Certain-teed Products Corporation
Owens-Corning Fiberglas Corp.
Fibreboard Corporation
Combustion Engineering, Inc.
Eagle-Picher Company
Unarco Industries, Inc.
Keene Corp. - Baldwin-Ehret-Hill Div.

Herbert Morton Ball and the writer attended on behalf of the J-M Legal Problems Sub-committee.

The morning portion of the program was devoted to a lecture by Dr. Wright on asbestos and health problems. The purpose of this presentation was to "hit home" to the group the seriousness of the problem which confronts them. It appeared that Dr. Wright's presentation had the desired effect.

After lunch there was a short discussion of the Tomplait case (now settled) and the new case instituted in Beaumont (by Ward Stephenson, Esq., the same lawyer who represented Mr. Tomplait) of Potter vs. Fibreboard Paper Products Corporation, et al. We were told that Mr. Stephenson has instituted a third case in which we are a named defendant, this time in Louisiana.

The bulk of the afternoon discussion was devoted to devising the best means of handling these cases on an industry-wide basis.

Everybody seemed to favor the formation of an industry-wide committee of house counsel and indicated a general desire to cooperate in these matters. Further, the majority feeling was that if the litigation in this area becomes as extensive as is anticipated the most feasible way to conduct the matter on an industry-wide basis would be through the retention of a single, large "prestige" law firm. This firm would coordinate legal activities on behalf of all of the companies in the industry and direct the conduct of the litigation by the various local counsel that would have to be retained in the different areas where individual suits are instituted from time to time. The previous experience of the manufacturers in the electrical and tobacco industries in using such an approach and the considerable success which resulted therefrom was discussed.

The essential concept underlying such an approach is that the use of one law firm will result in:

1. economies of administration of the defense; and
2. a more efficient and unified defense posture on the part of all of the companies in the industry.

Such a law firm will develop expertise in handling the cases (which in large measure will be essentially similar) and this law firm will utilize its developed expertise to more quickly and cheaply educate local counsel and direct the activities of local counsel. Among other things, the law firm will develop such things as:

1. memoranda of law and legal briefs which will be of general applicability;
2. a library of legal and non-legal relevant information, including the pertinent medical knowledge; and
3. a list of medical and other expert witnesses best qualified to appear on behalf of the defendants.

The firm chosen will have a sufficient number of "young lawyers" to engage in the extensive legal research and brief writing that will prove necessary if any significant number of cases do in fact arise.

The fundamental thought is that the firm can perform these functions on behalf of all of the companies in the industry and that this will avoid a ten-fold duplication of effort and expense which will result if each company has to prepare its own defense in each case (and particularly if this must be done "from scratch" by various local counsel in each action instituted from time to time).