

CAPCO PIPE COMPANY, Inc.

Birmingham, Alabama

May 31, 1983

TO: Mr. W. T. Whitley
FROM: Mr. I. L. Taylor
SUBJECT: Meeting of Board of A/C Pipe Producers
May 18, 1983

Several items of interest were covered at the Board Meeting last week that I think are of interest.

1. There is great concern about the proposal of OSHA to lower the fiber content in the workplace from the present 2.0 fibers per cc to 0.5 or even 0.1. Although most feel that the initiative is a knee jerk reaction following the Gorsuch resignation, it is apparent that the potential harm to the industry is enormous. OSHA has commissioned the Mt. Sinai research group to recommend regulation. The fear is that the agency may promulgate the 0.1 fiber standard and require field monitoring of that standard. If any field monitoring requirements are imposed it will be a severe blow to A/C pipe in the market place. Although most U.S. producers can meet the 0.5 requirement, it was pointed out that many pipe plants in developing countries had difficulty in meeting the 2.0 requirement.

Joe Jackson is going to contact Bob Pigg with AIA/NA to see what they and Kirkland and Ellis plan to do about the OSHA initiative and offer our assistance. The A/C Pipe Association will then chart a plan of action aimed at keeping the standard where it is at the present time, either in conjunction with AIA/NA or alone if their program does not appear to be aggressive.

2. The State of California Health Department is conducting permeability tests on all piping materials. This is being done after tests showed that water stored in PVC pipe became contaminated by toxic chemicals in the back fill around the pipe.

Mr. W. T. Whitley
Meeting of A/C Pipe Producers Board
May 31, 1983
Page Two

3. The Association is revising our Industry statistics to reflect the dollar value of pipe by region. This will give us the delivered average selling price per ton of A/C pipe in each region. The program commences with the August '83 report.
4. Luis Cejudo announced that the three members of the Mexican Association had decided to withdraw from our Association due to their financial conditions. Luis stated that he had strongly opposed the action but that one of the three members felt very strongly about the matter. Since the Mexicans were allowed to stay in the Association this year as an associate member, it was questioned whether finances were really the problem since their dues were only \$7,000.00. Ettiere van der Rest has agreed to contact the dissident company in an attempt to have them change their position.
5. The A/C Pipe Producers Association is considering a 1984 budget that would call for a total contribution of \$150-200 M from the three domestic companies. The \$200,000 would fund association activities at the same level as 1983. Joe Jackson requested that a budget be approved by mid year so that he and John Welch can budget their time. Joe needs lead time to secure other clients. A Board Meeting has tentatively been set for July 8.

J. P. Taylor