

ATI-142

ASBESTOS TEXTILE INSTITUTE, INC.
MINUTES — GENERAL MEETING

FEB 2 1973

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MT-006320

ASBESTOS TEXTILE INSTITUTE, INC.

MINUTES OF 1979 WINTER GENERAL MEETING

FEBRUARY 2, 1979

TERRACE GARDEN INN, ATLANTA, GEORGIA

LIST OF DELEGATES

AMATEX CORPORATION
H. H. Walter

JOHNS-MANVILLE CANADA INC.
H. M. Hay

RAYBESTOS-MANHATTAN, INC.
J. W. Hawkins
C. A. Kennedy
J. H. Marsh
R. O. Moebius
M. Q. Scowcroft
A. P. Tiedemann

NIPPON ASBESTOS CO. LTD.
S. Shima

TBA INDUSTRIAL PRODUCTS LTD.
H. J. Corson, Jr.

ASBESTOS CORPORATION LTD.
J. Gaudry

SOUTHERN TEXTILE CORPORATION
E. C. Bratt
D. E. Childers
L. M. Eargle
J. W. Echerd

LAC D'AMIANTE DU QUEBEC LTEE
P. Buchholz
C. E. Stiefken (Asarco Inc.)

ASBESTOS TEXTIL S.A.
D. Barois B.
H. Barois

CADWALADER, WICKERSHAM & TAFT
W. B. Alcorn, Jr., Esq.,
Legal Counsel

GARLOCK OF CANADA LTD.
E. O. Thompson
G. Vallee

ASBESTOS TEXTILE INSTITUTE, INC.
D. M. Fagan,
Executive Secretary

Total attendance during the two-day 1979 Winter Meeting was 24 people: 21 members, 1 spouse, 1 legal counsel and 1 secretary. -- representing 10 member companies plus ATI INC.

1. CALL TO ORDER. The 1979 Winter General Meeting of Asbestos Textile Institute, Inc., was held February 2 at the Terrace Garden Inn, Atlanta, Georgia. A call to order was issued by President Corson at 11:30 A.M.

2. INTRODUCTIONS & OFFICIAL WELCOME. At the request of President Corson, each attendee rose and gave his name and company affiliation. The complete List of Delegates is as above.

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3. READING OF MINUTES. Upon a calling for the reading of the Minutes of the last General Meeting (copies of which had been heretofore distributed to the members), it was moved by Mr. Moebius and seconded by Mr. Hay to dispense with the reading thereof and to accept them as prepared. The motion was carried unanimously.

4. FINANCIAL REPORT. Treasurer Scowcroft presented the Report of Funds as of December 31, 1978, which covered the first four months of the current fiscal year ending August 31, 1979. Actual cash balance amounted to \$5543.50 although net worth was \$3516.93 after taking into consideration total assets and liabilities. Comparing the financial status of ATI INC. against the budget, for the first third of the year receipts were \$5515.37 of the \$17,800.00 anticipated for the entire year and expenses reached \$12,333.95 of the expected annual figure of \$18,360.00. The complete three-page Report of Funds is appended hereto as Attachment I.

5. FIBER PRODUCERS REPORT. Presented by Mr. Peter Buchholz, Sales Manager for Lac d'Amiante du Quebec Ltee --

"Total shipments of all grades of asbestos by Canadian producers in 1978 were 1,440,000 short tons as compared to 1,500,000 tons in 1977. This represents a decrease of 60,000 tons or 4%. Overall, demand for fibers was lower in 1978 than in 1977.

"Shipments of textile fibers in 1978 amounted to 26,450 tons, up 850 tons over 1977. Despite this small increase, actual sales to the textile industry were lower than the year before. Some asbestos-cement pipe manufacturers started to buy Group 3 fibers, which resulted in slightly higher sales. Inventories of textile grades remained high at the end of 1978 and we do not expect an improvement for 1979.

"Producer stocks of all other grades decreased by some 25% in 1978. This was mainly due to the strikes at Cassiar and Carey and the shutdown of the Clinton mine in August of 1978 -- and could not be attributed to strong demand for asbestos.

"You are probably all aware that for several years now Canada is slowly converting to the metric system. Some asbestos producers will go to the metric system starting July this year. No consensus has thus far been reached but indications favor a 50-kilogram bag. Some producers, however, are thinking of a 45-kilogram bag, which would maintain the old standard of approximately 100 pounds. Negotiations are continuing and we hope to have a final decision soon.

"Concerning the transport of asbestos, recent regulations by the U.S. Department of Transportation, effective April 1, 1979, require that all asbestos shipped to the United States by rail or truck must be on pallets and shrink- or stretch-wrapped. This will also apply to shipments to Mexico via rail, across the U.S."

6. ENVIRONMENTAL COMMITTEE REPORT. Presented by Committee Chairman, Richard O. Moebius -- Attached hereto as Attachment II.

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7. FIBER RESEARCH & TESTING COMMITTEE REPORT. Presented by Committee Member Dewey E. Childers --

"Revision I of the Chrysotile Asbestos Test Manual, 3rd edition, has been completed and replacement pages involving six tests have been sent to the member companies, as ordered. The Committee will next meet as a group and with the Technical Committee on June 14, 1979 -- in an effort to gain better insight on how both groups might work together for the benefit of the Institute and its members."

8. TECHNICAL COMMITTEE REPORT. Presented by Committee Chairman Gilles Vallee --

"Three Committee members plus three guests attended the February 2 meeting held earlier in the day. The Committee is current on its work for Sub-Committee D13.14 of the American Society for Testing and Materials and all pertinent specifications are now being reviewed by ASTM. No further work is anticipated before year-end. At the June 1979 ATI INC. General Meeting, the Technical Committee will meet the first of the two days, to enable its members to attend the Environmental Committee meeting which will be held the second day."

9. CHRYSOTILE ASBESTOS TEST MANUAL. President Corson advised that additional copies of Revision I of the Chrysotile Asbestos Test Manual, 3rd edition, are available from the Executive Secretary at \$1.00 per set, plus postage, to member companies. The cost to non-members is \$5.00 per set, including postage.

10. NEW MEETING SCHEDULE. A rescheduling of meeting times for ATI INC. Committees was announced by President Corson. Beginning with the June 1979 General Meeting, the Fiber Research & Testing Committee and the Technical Committee will meet Thursday afternoon -- and the Environmental Committee will meet Friday morning. This will enable all members of the organization to attend more than one Committee meeting and gain as much benefit as possible from Institute meetings.

11. POSITIVE APPROACH TO ASBESTOS/HEALTH SITUATION--A positive approach to issues relating to the asbestos/health situation in the United States, being taken by Johns-Manville, were discussed by Mr. Harry Hay. His entire presentation is appended hereto as Attachment III.

12. NEXT TWO MEETINGS. President Corson reported the next two meetings of the Institute will be as follows:

Jun 14-15 1979 -- Capital Hilton Hotel, Washington, D.C.;

Oct 3-5 1979 -- Arnold Palmer's Club & Lodge, Orlando, Florida.

13. ADJOURNMENT. There being no further business to be brought before the membership, it was moved by Mr. Hay, seconded by Mr. Gaudry, and so carried, unanimously, to adjourn the meeting at 12:30 P.M.

Att. I: Report of Funds to 12/31/78
Att. II: Environmental Committee Report
Att. III: Johns-Manville Approach
to asbestos/health situation

Respectfully submitted,

Doris M. Fagan

Doris M. Fagan,
Executive Secretary

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ENVIRONMENTAL COMMITTEE REPORT

Presented by Committee Chairman R. O. Moebius at the February 2, 1979, General Meeting of Asbestos Textile Institute, Inc., held at the Terrace Garden Inn, Atlanta, Georgia.

IN ATTENDANCE:

Amatex Corporation -- H. H. Walter
 Lac d'Amiante du Quebec Ltee -- P. Buchholz, C. E. Stiefken
 Raybestos-Manhattan, Inc. -- J.H. Marsh, R.O. Moebius, C.A. Kennedy; A.P. Tiedemann
 Southern Textile Corporation -- D. E. Childers, L. M. Eargle, J. W. Echerd

Feedback was given by various committee members in response to a previously circulated opinion poll which encouraged all members of the Environmental Committee to bring forth individual thoughts and suggestions on how to make the meetings for the coming term even more meaningful, and particularly, beneficial to non-manufacturing members and the Institute in general. The consensus was that the most significant need of the Committee is to be better informed about legislative and medical developments as they pertain to our working environment.

Mr. J. H. Marsh subsequently addressed one of these areas by discussing a wide cross-section of current and forthcoming legislation. Some of the subjects which received detailed discussion were-- The response of the Asbestos Information Association/North America to HEW Secretary Califano's "Estimates Paper". Through the courtesy of Mr. Marsh, this response will be made available to all Committee members prior to the next meeting. . . . The probabilities of upcoming OSHA regulation changes. . . . The effect on the United States by forthcoming British changes. . . . Environmental considerations by the State of Connecticut with respect to ambient air standards. . . . And, some new DOT regulations pertaining to the transport of asbestos fiber.

In the course of discussion of the need for better background information concerning medical developments as they pertain to our field of endeavor, Mr. Marsh also offered to make the expertise of Dr. Hilton C. Lewinsohn, Corporate Medical Director for Raybestos-Manhattan, Inc., available to the group during a future meeting. An official letter to Mr. Marsh expressing the interest of ATI INC. to hear Dr. Lewinsohn and suggesting an appropriate date will be forthcoming over the signature of the President of the Institute.

There was an opportunity for a short presentation to the Board of Directors, during which the Chairman of the Environmental Committee outlined certain plans for future meetings of his group, based on the feedback from the opinion survey and including, among other items, the suggestion of an invitation to Dr. Lewinsohn.

A group discussion was conducted of the present state-of-the-art of glass as a replacement for asbestos and this will become a standing item on the agenda for several future meetings. Again, Mr. Marsh offered to provide the Committee with a recent source of information on the subject, notably a Japanese report repudiating certain presently-accepted theories.

Before the conclusion of the Committee meeting at about 10:45 A.M., the suggestion was brought forth to have one representative each of the various States represented in the Committee gather new or pending legislation as it pertains to the working with asbestos, and bring it along to our meetings as a desirable item of cross-information among the members.

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Attachment II

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JOHNS-MANVILLE POSITION & FUTURE POLICY REGARDING THE ASBESTOS AND HEALTH ISSUE

Brief resume of remarks presented by H. M. Hay to the Board of Governors of the Asbestos Textile Institute, Inc., and to the ATI INC. General Meeting relating to Johns-Manville's position with regard to the asbestos and health issue.

At a meeting of members of Johns-Manville's Asbestos Fibre Division on January 8, 1979, John McKinney, Chairman of the Board and Chief Executive Officer of Johns-Manville Corporation, outlined the Company's position and future policy with regard to the asbestos and health issue. Mr. McKinney stated at the outset that it is Johns-Manville's policy to eliminate the chance of causing any future asbestos-related disease and to see that those already affected are properly compensated. In the opinion of Senior Vice-President for Health, Safety and Environment Dr. Paul Kotin, the current TLV of 2 fibers/cc being strictly enforced in J-M operations eliminates any risk of new cases of disease being generated.

With regard to compensation, Mr. McKinney does not believe that awards should be made through the courts as a result of individual legal action but that the government should assume responsibility by way of no-fault legislation which would prohibit third party claims. Under the present system, the time taken to settle each claim is lengthy and only one dollar in three of awards (if any) goes to the plaintiff.

John McKinney emphasized that J-M is not at fault and has nothing to be ashamed of. Of the cases settled (51 in 1977 and 160 in 1978) no punitive damages were assessed, the cost of all awards being borne by the insurance companies.

The idea of introducing no-fault legislation is not new but previous attempts to have this done failed through lack of support. Mr. McKinney explained that today the situation has changed. Already, insurance companies and the tobacco industry are showing interest in joining the Asbestos Industry to help promote this idea. Even more important, the U.S. government is becoming more aware of its own responsibility for conditions in naval shipyards during the war years which have been cited in several litigation cases as having resulted in injury to personnel. There does, therefore, seem to be a good chance that congressmen will now be more inclined to support this approach to the problem.

Mr. McKinney announced his intention to delegate as much of his work load as possible and estimates that he will be able to release as much as two-thirds of his own personal time to the asbestos and health situation. Already an asbestos committee has been formed at the Corporation Headquarters to coordinate Johns-Manville's efforts in terms of medical research, fiber technology, engineering, public relations and legal action needed to cope with the situation and combat the emotional accusations being made against the Industry which are for the most part untrue and absolutely unjustified.

The Industry is indeed fortunate to have a man of John McKinney's stature and devotion to the cause and to lead this campaign to clear the name of the asbestos fiber industry. I personally came away from the meeting elated and I hope that I have passed some of this feeling to you.

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Attachment III

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ATI INC. -- Report of Funds

Fiscal Year To August 31, 1979
Period: September 1, 1978, thru December 31, 1978

CASH BALANCE ON HAND - September 1, 1978

Checking Account	\$ 1,492.62	
Savings Account	10,381.80	
Petty Cash Account	<u>26.15</u>	
TOTAL CASH ON HAND - September 1, 1978		\$ 11,900.57

CASH RECEIPTS:

Members' Dues	\$ 5,245.00	
Booklet Sales	77.76	
Interest on Savings	191.61	
Office Equipment Sale	<u>1.00</u>	
	\$ 5,515.37	
Corporate Litigation Defense Fund	<u>1,072.00</u>	
TOTAL CASH RECEIPTS 9/1/78 to 12/31/78		+ 6,587.37
		\$ 18,487.94

CASH DISBURSEMENTS:

Legal Services (to 8/31/78)	\$ 5,140.00	
Legal Counsel Expenses (to 8/31/78)	794.71	
Secretary's Gross Wages (Net-\$928.00; Taxes-\$304.92)	1,232.92	
ATI-Paid Taxes on Wages	14.85	
ATI Meeting Expenses	976.99	
Secretary's Travel/Room/Meals	728.12	
Telephone	169.64	
Printing	154.99	
Photocopies	104.32	
Office Supplies	112.13	
Postage	179.78	
Office Rent	1,125.00	
Accountant (Caruso)	300.00	
ASTM Dues	35.00	
Gifts/Flowers/Plaques	507.84	
Insurance	55.00	
Test Manual, 3rd Edition, Revision 1	<u>702.66</u>	
TOTAL REGULAR EXPENSES	\$ 12,333.95	

Corporate Litigation:

Postage	\$ 100.73	
Photocopies	154.99	
Telephone	34.17	
Legal Services	<u>320.60</u>	
	+ 610.49	

TOTAL CASH DISBURSEMENTS	- 12,944.44
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CASH BALANCE ON HAND - December 31, 1978	\$ 5,543.50
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Checking Account	\$ 667.62	
Savings Account	4,868.41	
Petty Cash Account	<u>7.47</u>	

TOTAL AVAILABLE CASH FUNDS - December 31, 1978	\$ 5,543.50
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TOTAL AVAILABLE CASH FUNDS - December 31, 1978	\$ 5,543.50
ASSETS AS OF DECEMBER 31, 1978:	
Total Cash Funds As Listed Above	\$ 5,543.50
Furniture & Equipment/Nominal Value	<u>1.00</u>
TOTAL ASSETS	\$ 5,544.50
LIABILITIES AS OF DECEMBER 31, 1978:	
Accrued Taxes on Wages	\$ 413.67
Legal/General (9/1/78 to 12/31/78)	1,332.90
Legal/Litigation (9/1/78 to 12/31/78)	<u>281.00</u>
TOTAL LIABILITIES	- <u>2,027.57</u>
ACTUAL NET WORTH AS OF DECEMBER 31, 1978	<u>\$ 3,516.93</u>

GENERAL EXPENSES AGAINST GENERAL BUDGET

	<u>BUDGETED TO</u> <u>8/31/79</u>	<u>RECEIVED TO</u> <u>12/31/78</u>
RECEIPTS:		
Members' Dues (\$4350.00 x 4)	\$ 17,400.00	\$ 5,245.00
Interest on Savings	300.00	191.61
Booklet Sales	100.00	77.76
Office Equipment Sale	..	1.00
	<u>\$ 17,800.00</u>	<u>\$ 5,515.37</u>
	<u>BUDGETED TO</u> <u>8/31/79</u>	<u>EXPENDED TO</u> <u>12/31/78</u>
DISBURSEMENTS:		
Legal Services	\$ 6,000.00	\$ 5,140.00*
Legal Expenses	1,500.00	794.71
Secretary's Gross Wages	4,000.00	1,232.92
Taxes on Wages Paid by ATI	300.00	14.85
ATI Meeting Expenses	500.00	976.99
Secretary's Travel/Lodging/Meals	1,500.00	728.12
Telephone	400.00	169.64
Printing	400.00	154.99
Photocopies	400.00	104.32
Office Supplies	200.00	112.13
Postage	600.00	179.78
Office Rent	1,500.00	1,125.00
Accountant (Caruso)	300.00	300.00
ASTM Dues	35.00	35.00
Gifts/Flowers/Plaques	575.00	507.84
Insurance	150.00	55.00
Test Manual, 3rd Edition, Revision 1	..	702.66
	<u>\$ 18,360.00</u>	<u>\$ 12,333.95</u>
Reserve	(- 560.00)	+ 5,466.05
	<u>\$ 17,800.00</u>	<u>\$ 17,800.00</u>

*\$3140.00 attributable to last F/

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ATI INC. -- Report of Funds

Fiscal Year To August 31, 1978

Period: September 1, 1978, thru December 31, 1978

CORPORATE LITIGATION DEFENSE FUND

CASH DEFICIT AS OF SEPTEMBER 1, 1978

(\$ 8,374.37)

RECEIPTS:

Voluntary Contribution; Special Assessment #B
Deposition Expenses Refund\$ 1,050.00
22.00

TOTAL RECEIPTS

+ 1,072.00

(\$ 7,302.37)

DISBURSEMENTS:

Postage \$ 100.73
Photocopies 154.99
Telephone 34.17

\$ 289.89

Legal Services/Philadelphia --

Dechert, Price & Rhoads \$ 256.25
Cadwalader, Wickersham & Taft 64.35

+ 320.60

TOTAL DISBURSEMENTS

- 610.49

CASH DEFICIT AS OF DECEMBER 31, 1978

(\$ 7,912.86)

NOTE: Outstanding Under
Special Assessment #B :Assessment...\$1400.00
Vol Contr.... 1050.00
\$2450.00

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