FRICTION MATERIALS STANDARDS INSTITUTE, INC., E-210 ROUTE #4, PARAMUS, N.J. 07652

MINUTES OF ANNUAL MEETING

of the

FRICTION MATERIALS STANDARDS INSTITUTE, INC.

Wednesday and Thursday, June 16 and 17, 1976, 8:30 A.M.

at

Innisbrook, Tarpon Springs, Florida

MEMBERS PRESENT	REPRESENTATIVES
Abex Corporation	S. S. Conway
Auto Friction Corporation	Stuart Comins
Bendix Corporation	
Friction Materials Division	F. E. Messier
Brassbestos Manufacturing Corp.	W. Simon
Carlisle Corporation	
Molded Materials Division	E. R. Zacharias
General Motors Corporation	R. J. Kick
Delco-Moraine Division	
Hayes-Albion Corporation	E. Rysso
Lasco Brake Products	W. J. Laher
Maremont Corporation	
Grizzly Brake Division	J. W. Greenen
H. K. Porter Co.	
Thermoid Division	A. Lechter Lopez
Raybestos-Manhattan, Inc.	R. R. Moalli
Reddaway Manufacturing Co.	J. M. Moore
Royal Industries Brake Products	D. Ogilvie
S. K. Wellman Corporation	G. A. Carrigan
Wheeling Brake Block Mfg. Co.	L. Burgess

OTHERS PRESENT	
Abex Corporation	R. E. Nelson
Auto Friction Corporation	B. Kublin, S. Doyle
Bendix Corporation	
Automotive Aftermarket Operations	T. Manion
Delco-Moraine Division	R. E. Kettering
Hayes-Albion Corp.	R. Abbott
Maremont Corporation	C. Werner
	R. Rogers
	J. Mellow
Raybestos-Manhattan, Inc.	D. E. Cunningham
	J. H. Kelly
Royal Industries Brake Products	W. M. Sleeth
	R. Luellen
S. K. Wellman Corporation	M. Oberlin
Wheeling Brake Block Mfg. Co.	G. Stratton
Federation of European Manufacturers of Friction Materials (FEMFM)	R. Join
Clapp & Eisenberg	R. P. Gorman
Friction Materials Standards Institute	E. W. Drislane

Mr. Simon, President, called the Meeting to order at 8:30 A.M.

MINUTES OF PREVIOUS MEETING

The minutes of the Meeting held June 18 and 19, 1975 had been distributed. No reading was requested nor were any corrections made thereto.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the minutes of the Meeting held June 18 and 19, 1975, be accepted as written.

PRESIDENT'S REPORT

Mr. Simon, President of the Institute welcomed the Membership to the Annual Meeting at Innisbrook. Mr. Simon read the President's Report. Please refer to Exhibit 1.

Mr. Simon discussed the Institute's response to OSHA on the proposed 0.5 fiber/cc exposure level, the Asbestos Seminar held by the Institute in December 1975, work of our Data Book Committee including such items as the metric system and our catalog designs, and our liaison with the Federation of European Manufacturers of Friction Materials (FEMFM).

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the President's Report be accepted as written.

REPORT ON ACTIVITIES OF THE BOARD OF DIRECTORS

The Secretary rendered a report concerning the activities of the Board of Directors. This report has been scheduled to follow immediately after the President's report. The purpose of having this report at the beginning of the meeting is to alert the members on the activities of the Board, because some of these actions are pertinent to some of the other reports which will be rendered to the Membership. The Secretary proceeded with a report on the activities commencing with the Board Meeting which immediately followed the Annual Membership Meeting in June 1975.

At the June 1975 Board Meeting following the Annual Membership Meeting, the following actions were taken:

Elected: William Simon, President, Francis E. Messier, Vice-President, Andre A. Laus, Treasurer and Edward W. Drislane, Secretary.

Retained: Clapp & Eisenberg, Legal Counsel and Marshall Granger & Co., Auditors.

Approved: Budget and Fee Formula for 1975-76.

During the 1975-76 fiscal year, by mail correspondence and ballots, the Board of Directors took the following actions:

Accepted James E. Clegg's resignation as a Director.

Voted to have Gordon Carrigan succeed Mr. Clegg on the Board of Directors.

Voted to establish liaison with FEMFM in areas of (1) brake lining regulation, and (2) Asbestos in the work place and environment.

Voted to have Mr. Drislane attend the FEMFM General Assembly in Europe in Spring of 1976.

Voted to phase metric data into bulletins and catalogs as recommended by the Data Book and Technical Committee.

Endorsed amendments to the Constitution and By-Laws that had been recommended by Institute Development Committee and approved by Counsel.

Voted to accept membership applications of
(1) Frenos Venezolanos, C.A. (Regional Member)
(2) Util, SPA (Licensee)

The foregoing activities took place prior to the Meeting of the Board of Directors which was held on June 15, 1976 at Innisbrook. At that Meeting reports such as the President's report, Treasurer's report and various committee reports were read. The Board recommended that Scan-Pac Manufacturing Inc. be accepted as an Active Member of the Institute. It was decided that the rights of a Regional Member (such as Jurid) could be received from a parent Active Member (such as Bendix) if the parent has 100% ownership of the subsidiary.

The Directors voted to have the 1977 Annual Meeting at Marriott's Camelback Inn in Scottsdale, Arizona. On this subject Legal Counsel advised that the Constitution states that the Board of Directors or the President select the Meeting place. The Board of Directors recommended continuation of the historical sales program on a quarterly basis. The Board of Directors resolved to support amendments to the Constitution and By-Laws as recommended by the Institute Development Committee and as reviewed by Counsel. It was resolved to increase Miss Duschek's direct pension payments from the Institute to $450 per month. The Board of Directors resolved to continue yearly liaison with the Federation of European Manufacturers of Friction Materials (FEMFM) with the Institute's Secretary to attend the FEMFM Meetings with the Secretary of the European Federation to be invited to attend the Institute Board of Directors and Annual Meeting. The Board of Directors resolved to proceed with registering FMS and FMSI as registered trademarks.

The activities indicated by the Board of Directors at the June 15, 1976 are available in detail in the formal minutes of that Board of Directors Meeting. The foregoing report on activities of the Board of Directors is in summary form.

TREASURER'S REPORT

Mr. Andre Laus was Treasurer of the Institute until his resignation in the Spring of 1976. In accordance with the Constitution and By-Laws Mr. Simon as President assumed the responsibilities of Treasurer. Mr. Simon submitted the Treasurer's report which had been prepared by the Institute's staff and reviewed by Mr. Simon prior to submission. Please refer to Exhibit 3. Mr. Simon referred to the strong balance sheet and the income statement which again projected an excess of income over expenses. It was estimated that the net income would be approximately $12,500 for the 1975-76 fiscal year. A Director called attention to the 10 year financial summary which accompanied the report and pointed out that the annual fees have remained unchanged since the 1971-72 fiscal year.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the Treasurer's report as written.

INVESTMENT ADVISORY COMMITTEE

Mr. Sleeth, Chairman of the Investment Advisory Committee submitted this report. Please refer to Exhibit 4.

In summary he indicated that our funds are primarily invested in four year time deposits with 7-1/2% interest rates. The total of our investments projected to June 30, 1976 is $153,300. Projected interest income for the 1975-76 fiscal year amounts to $10,500. In response to a question it was indicated that if anything the Institute would expect a higher interest income in the next fiscal year.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Investment Advisory Committee as written.

BUDGET COMMITTEE

Mr. Douglas Ogilvie, Chairman of the Budget Committee submitted this report. Please refer to Exhibit 5. Based on decisions made at the Board of Directors Meeting on June 15, 1976 there were a few changes in the final Budget Committee report as submitted to the membership. In particular pension expense was increased by $600 and depreciation was increased by $60.

The total expense budget for 1976-77 amounts to $83,855. As indicated in the report this is a 5% increase over that budgeted for 1975-76. The major items in the budget (salaries, rent, and pension expense) were discussed along with minor items in the budget. The detailed items of the expense budget were shown with the 1976-77 figures opposite the 1975-76 figures. Again, the largest increase was in the area of salaries.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Budget Committee as submitted.

FEE FORMULA COMMITTEE

The Fee Formula Committee had been chaired by Mr. Andre Laus who resigned in the Spring of 1976. Mr. R. J. Kick filled in for Mr. Laus and submitted a

Fee Formula Committee report which was also reviewed by Mr. Gatke. Please refer to Exhibit 6.

Mr. Kick reported on the number of Active Members and categories available for 1976-77. In response to a question the Secretary indicated that the Jurid regional membership was not included with projected regional members for the coming year. The Scan-Pac Active Membership was also not included in the projected Fee Formula. Based on the preliminary budget figures it was recommended that the Fee Formula for 1976-77 remain unchanged from that used in the prior year.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the Fee Formula would be continued for 1976-77 as it was in the past fiscal year.
Active Members: Basic fee $1,050, Per category $650;
Regional Members: Individual $1,300, Association $2,200;
Licensee: $500.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the report of the Fee Formula Committee be accepted as written.

BRAKE PERFORMANCE STUDY COMMITTEE

Mr. Nelson, Chairman presented the report of the Brake Performance Study Committee. Please refer to Exhibit 7.

Mr. Nelson's report covered contacts that he, with the Secretary, made with the National Highway Traffic Safety Administration (NHTSA). In particular this concerned a visit to NHTSA in Washington, and a tour that NHTSA personnel made of the Abex plant in Winchester, Virginia. The status of Docket 1-4, the replacement brake lining standard, was discussed. Activity in this area centers on research being done by Professor Cook at the University of Illinois on the possibilities of scaled test machines for establishing a procedure.

Mr. Nelson reviewed the status of the AAMVA Equipment Approval Program. He pointed out that by January 1, 1978 many members will have to recertify brake linings that were originally certified on January 1, 1973. This will be at a considerable cost to members. Also discussed were activities concerning Standard 105-75 (Hydraulic Brake Systems) and Standard 121 (Air Brake Systems). Mr. Nelson's report continued with an overview on activities of the Vehicle Equipment Safety Commission (VESC) and the work done by the State of Minnesota in drafting up a regulation which essentially incorporated Regulation V-3 as their standard for brake linings.

A major item in Mr. Nelson's report concerned the Quality Control Sub-Committee work and their draft of a booklet entitled "A Quality Control Program for the Friction Materials Industry." This booklet was prepared by the Quality Control Sub-committee after several meetings and considerable outside work. The booklet was reviewed at the parent Brake Performance Study Committee Meeting on April 27, 1976. At that meeting there was considerable concern expressed by some members that this Quality Control

Program could be construed as a minimum requirement for a manufacturer of friction materials. In this event, regulators or others might allege that a member was not exercising due care in control of his products if he did not use at least the "minimum" requirements recommended by the Institute. The Institute's Quality Control Sub-committee tried in particular to avoid having this construed as a minimum program. It was a suggested program which could or could not be performed depending upon the individual manufacturer. The Brake Performance Study Committee Members are balloting on a proposed change in wording of the Scope Section and other recommendations for change in the content of the suggested Quality Control Program. When balloting is complete and differences are reconciled the parent committee will have another meeting to make their recommendations concerning Quality Control.

At completion of Mr. Nelson's report a question was asked concerning the AAMVA Re-certification requirements that most members must initiate by January 1, 1978. One member questioned "What if no one applies to re-certify their materials?" It was stated that if members did not wish to re-certify that was entirely their decision. The Institute would not be involved with any recommendation for the members not to apply for re-certification. Re-certification will cost $250 per device (brake lining) recertified. Additional testing costs by an independent laboratory will be required. It was suggested that there were two ways to handle the AAMVA Re-certification requirements. One was to meet the requirements and the other was to negotiate with the AAMVA. A member stated that the Institute and its members worked out a good relationship with New York State regulators when the original brake lining certification requirements were being drafted. It was suggested that there was more to be gained by working with regulators than adopting outright opposition. A member suggested that since there may be federal regulations (as proposed in Docket 1-4) before the next five year period is over perhaps re-certification could be made on a year by year basis rather than for the full five years at the $250 fee. Mr. Nelson indicated that it was his hope that NHTSA would have established regulations for the replacement brake lining standard by this time with the hope that such regulations would pre-empt various state regulations. As there is no federal regulation, there is currently no question of pre-emption in this area. Still further, pre-emption as claimed by the Truck Safety Equipment Institute (TSEI) for reflectors and lights has not been established. Mr. Kelly indicated that the TSEI was engaged in litigation with the possibilities of considerable cost to their group to prove pre-emption of federal statute over state statute for lighting devices and reflectors. He suggested that it might be well to consider possible financial assistance to the TSEI in their litigation. The Institute was approached for financial assistance to TSEI in December 1974. At that time the Board of Directors resolved that it would not make a financial contribution to the TSEI in support of this litigation.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Brake Performance Study Committee as written.

MEMBERSHIP COMMITTEE

Mr. Greenen submitted the report as Chairman of the Membership Committee. Please refer to Exhibit 2.

This report indicated that there was an addition of one regional member (Frenos-Venezolanos, Caracas Venezuela) and one licensee (Util, SPA of Villanova d'Asti, Italy).

In June 1976 an application was received from Scan-Pac Manufacturing, Inc. for status as an Active Member in the Institute. Scan-Pac's application had been reviewed by the Membership Committee who recommended its acceptance to the Board of Directors. The Directors reviewed the Scan-Pac application and the background of this manufacturer at its June 15, 1976 Meeting. The Board recommended to the membership that Scan-Pac Inc. be admitted as an Active Member. Scan-Pac is primarily a manufacturer of industrial friction materials. They are not a manufacturer of vehicular type brake linings or clutch facings. They do not have a compelling need for the use of the copyrighted FMSI numbers as they are not in the automotive field. Scan-Pac uses equipment purchased from Johns-Manville and they purchase sheeter stock for manufacture of finished friction material. Mr. John Moore is familiar with their operation and indicated that they would be a qualified manufactuer of friction materials. As Membership in the Institute requires an affirmative vote of 75% of the Active Members, a count was made of Delegates and Alternates to see that the necessary 75% of the Membership was in attendance. The Secretary and Counsel checked their counts and found that fifteen members (15% of 19 Active Members = 79% of the Membership) were present.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the application for Active Membership submitted by Scan-Pac Manufacturing Corporation be accepted.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Membership Committee as written.

PUBLIC RELATIONS COMMITTEE

Mr. J. H. Kelly, Chairman of the Public Relations Committee submitted this report. Please refer to Exhibit 12.

This report touched on news releases prepared by the Institute office and distributed to various publications during the 1975-76 fiscal year. In particular these cover the election of officers, the June 1975 Meeting, the honoring of Mr. Stickles, former Legal Counsel of the Institute, and the Asbestos Seminar held in Rochelle Park, New Jersey in December, 1975.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Public Relations Committee as written.

INSTITUTE DEVELOPMENT COMMITTEE

Mr. Conway, Chairman of the Institute Development Committee presented this report. Please refer to Exhibit 10.

In summary Mr. Conway's report referred to the changes in the Constitution and By-Laws made by mail ballot during the past year, and the recently proposed changes in the Constitution and By-Laws recommended to the membership. These will be covered more fully in the next agenda item entitled "Constitution and By-Laws."

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Institute Development Committee as written.

CONSTITUTION AND BY-LAWS

Based on recommendations of the Institute Development Committee at the June 1975 Meeting and subsequent review of the recommendations by Legal Counsel, ballots were submitted to the membership for amendment of the Constitution in January 1976. The Membership ratified by mail ballot amendments to Articles III, IV, VI, VII and VIII of the Constitution.

Upon reviewing the Constitution and By-Laws the Secretary questioned Legal Counsel as to whether there was authority in the Constitution to make amendments by mail ballot. Legal Counsel reviewed the Constitution and By-Laws and stated that on a reasonable reading of the wording on Article XI - Amendments, the Constitution may be amended by mail ballot. However, in his review he indicated that the authorization for amendment by mail ballot could be made explicit by re-writing certain sections of Article XI - Amendments, and Article VII - Membership Meetings. The recommended changes to the wording of these articles were drafted by Counsel and sent on to the Institute Development Committee. The Institute Development Committee recommended that these changes be incorporated into the Constitution. At the Board of Directors Meeting on June 15, 1976 the Directors resolved that they would recommend these amendments to the membership. In accordance with the Constitution, notice was given on the possible vote on amending the Constitution at this Membership Meeting.

Upon motion duly made, seconded and unanimously approved it was

RESOLVED: That Article XI - Amendments and Article VII - Membership Meetings be amended to specifically permit the use of a mail ballot for amending the Constitution and By-Laws.

QUALITY CONTROL SUB-COMMITTEE

Mr. John Easton, Chairman of the Quality Control Sub-Committee submitted this report. Please refer to Exhibit 7.1.

Mr. Easton noted that the Sub-committee had submitted a booklet entitled

"A Quality Control Program for the Friction Materials Industry" to the parent Brake Performance Sub-committee and that this completed their assignment pending approval of the parent committee.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: To accept the report of the Quality Control Sub-Committee as written.

FEDERATION OF EUROPEAN MANUFACTURERS OF FRICTION MATERIALS (FEMFM)

Mr. Robert Join, Secretary of the FEMFM had been invited to attend our Annual Membership Meeting. Mr. Join had earlier talked to the Board of Directors at the June 15, 1976 Meeting as regards activities on both brake regulations and asbestos in Europe. The President introducted Mr. Join and asked if he would comment on some of the activities discussed at the earlier Board of Directors Meeting.

Mr. Join illustrated the organization of the various European groups and UN groups as regards the source of braking regulations in Europe. In particular he outlined responsibilities of the Economic Commission for Europe (ECE) a UN organization, and its Regulation 13. This Regulation 13 is the background for the European Commission's (EEC) (Common Market) Directive 320. These regulations in effect support the use of brake linings approved by the vehicle manufacturer for replacement use. Mr. Join illustrated the various countries who are affiliated with both the ECE (the UN) and the EEC (Common Market).

Following the discussion on braking regulations, Mr. Join advised that Dr. Selikoff was now active in Europe. There had been meetings and seminars held in various places throughout the continent such as at Brighton, Rouen, Berlin, and Lyon. In the various presentations those espousing ideas similiar to Dr. Selikoff presented papers dealing with the concentrations of asbestos exposure encountered in brake repair shops. Mention was made of the possible environmental effects of asbestos. Mr. Join gave an illustration to indicate that concentrations of asbestos in the environment were infinitesimal as compared to concentrations of other possible pollutants.

On suggestion of Mr. Zacharias, and upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the Institute expresses their thanks to Mr. Join for his informative contribution to our Meeting.

NOMINATING COMMITTEE

Mr. Fran Messier, Chairman of the Nominating Committee reviewed the tenure of the Directors. He noted that Mr. Conway, Mr. Moalli and Mr. Sleeth are finishing the first year of their two year terms and that they are to serve until June 30, 1977. The terms of four Directors will expire as of June 30, 1976. They are Mr. Zacharias, Mr. Greenen, Mr. Carrigan and Mr. Messier.

The Nominating Committee presented the names of Mr. Zacharias, Mr. Greenen, Mr. Carrigan and Mr. Messier for re-election to serve until June 30, 1978. Other nominations were called for but none were made.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That nominations be closed.

The Secretary was directed to cast one vote for the election of the four nominees to the Board of Directors. The Secretary advised that the ballot had been cast.

Mr. Simon advised that with the election of these four candidates and the three directors whose terms have not expired the Board now consists of the required seven members.

TRADE ACT OF 1974

The Secretary advised that he had been asked to make the problem of friction material imports from countries such as Brazil and Mexico an agenda item for this Annual Membership Meeting. It has been stated that friction materials from these countries are coming into the United States in increasing quantities and that those countries exporting to the U.S. face very few tariff or other barriers. On the other hand, it is stated that both Brazil and Mexico have not only tarift barriers to the importation of friction materials from the United States, but there are other non-tariff barriers as well. It was stated that this was a problem of growing concern to some members.

A member pointed out that the Motor and Equipment Manufacturers Association (MEMA) has several people on their staff who are watching developments on tariff negotiations. Every month MEMA publishes information concerning tariff and non-tariff barriers to the export of United States products, and information on the import of automotive products. As stated at the Board of Directors Meeting on June 15, 1976, this entire subject is involved, and it is perhaps too big to be handled by the Friction Materials Standards Institute office.

It was stated by another member that the so-called "developing" nations get concessions for the export of their goods to the United States. It is likely that Brazil and Mexico are still considered "developing" countries. It is very difficult to protect the United States manufacturer against the importation of friction materials into the United States. Tariff negotiations are continually going on between the United States and other countries in Switzerland, and there are experts representing the United States who are familiar with exports and imports of automotive parts. The Secretary stated that if there was information sent to the Institute office that this information would be relayed to its members.

It was suggested that if members are effected by this problem that they contact the MEMA as regards either membership in that association, or means of acquiring the information put out by the MEMA. The Institute will take no action in the area of imports and exports at this time.

ASBESTOS STUDY COMMITTEE

Mr. Harry Wagner, Chairman of the Asbestos Study Committee submitted the report for the committee. Please refer to Exhibit 9.

Mr. Wagner discussed the proposed drastic reduction of the occupational exposure limit for asbestos to 0.5 fiber/cc. He also advised that the Asbestos Seminar conducted in December, 1975 was a constructive means of alerting members to the problems and providing them with input as to how to cope with the 2.0 fiber/cc exposure level (due to take effect on July 1, 1976). Mr. Wagner pointed out in particular the outstanding job done by the Asbestos Information Association in rebutting some of the reasons for OSHA's stringent proposals.

Upon motion duly made, seconded and unanimously passed it was

> RESOLVED: To accept the report of the Asbestos Study Committee as written.

HISTORICAL SALES REPORTING

The Secretary reported on the status of Historical Sales Reporting for the 1975-76 fiscal year. Please refer to Exhibit 13.

In particular, he listed the companies which were reporting and advised that two Regional Members who are in the higher dues level with Active Members were included in the reports in this past fiscal year. Reporting continues about as in the past, with sixteen members reporting at least once during the 1975 calendar year. Historical sales reporting was on a quarterly basis for the full 1975 calendar year. The quarterly reporting presents problems for some members, but the Board of Directors at their earlier meeting recommended that quarterly reporting be continued for 1976-77.

Two members indicated difficulty in getting their figures together on a quarterly basis and recommended that the reporting be put back to a semi-annual basis. It was suggested that if all members are reporting, and if one or two members alternately skip quarterly figures it might be possible to project their input. Other members stated that quarterly reporting is quite valuable in that it helps spot short term trends such as developed during the recent recession.

Another member stated that the reporting format was unsatisfactory, in that the companies reporting are listed, but only the number reporting in each category is listed. A question was raised as to the possibility of the individual reporting companies being listed in each category so that members could more accurately project the completeness of the data.

Mr. Mellow proposed a motion that for the annual report only, that members reporting in each category be identified when at least four are reporting in the category. By having at least four reporting in a category, this would perhaps reduce the concern expressed about individual figures being exposed. By doing so only in the annual report, in which more members participate, this should alleviate any problem as to identification of individual figures. The problem with interpreting results is that when reviewing statistics in certain categories, some members are not certain if those manufacturers who would be expected to have significant sales are included in the totals shown.

A member pointed out, for example, that in the clutch facing category that a Mexican manufacturer, Pasta Clutch, is selling a considerable number of clutch facings in the Southwest. The Secretary pointed out that Pasta Clutch is a Regional Member paying the same dues level as Active Members and has been invited to participate in the historical sales program but has declined. It must be assumed that those trying to interpret market shares should be aware of any manufacturers in certain categories whose figures are not included in the Institute's Historical program.

A member suggested that the Historical Sales Program is proceeding reasonably well and it is extremely important that the input and the reporting of the sales not get too complicated. If the procedure for reporting and summarizing sales gets more complicated, the data may become misleading. Legal Counsel indicated that there was no problem with including the names of those reporting in a category if at least four report in the category. This subject was discussed in detail at the June 1975 Meeting.

Upon motion duly made, seconded and unanimously passed (eight in favor, none opposed, with several abstentions) it was

RESOLVED: That the annual report of Historical Sales will identify the members reporting in individual categories, provided at least four members are reporting in the category.

DATA BOOK AND TECHNICAL COMMITTEE

Mr. Moalli, Chairman of the Data Book and Technical Committee, presented the report for this committee. Please refer to Exhibit 8.

Mr. Moalli reviewed the many activities of the Committee during the past year. In particular he mentioned a change in usage of the 800 and 8000 series brake lining numbers because it may get more difficult in the future to determine if a lining was sourced as a foreign vehicle or not. This ties in also with conversion to the metric system. The Committee resolved that the 800 and 8000 series numbers would no longer be blocked for assignment for foreign make cars.

In addition the Committee worked on problems with conversion to metrics. It was resolved that while metrics would be introduced to books and catalogs, they would be phased in. Mr. Moalli presented some of the guidelines that would be used in connection with metrics. The Institute will not go back at this time and convert old assignments to metrics.

The Chairman discussed the complete change in design of our catalog covers. In particular this involved large FMSI letters at the top of the catalog followed with illustrations to indicate the content of the catalog. The date of the catalog would be more prominently shown. In addition, the colors used for both the Data Book (red) and the Shoe Catalog (blue) were established so there will not be changes in colors from year to year. The Committee assisted in preparation of the 1975 Brake Block Identification Catalog, and over 40,000 copies of this catalog were printed and sold.

A major item in the Chairman's program was a survey which took the form of a questionnaire on an industrial friction materials catalog. The Committee had been assigned the responsibility for studying the feasibility of an industrial friction materials catalog and reporting back to the Board of Directors. The answers to the eighteen questions posed by this questionnaire are shown in Mr. Moalli's report. He indicated that the data received was interesting but it did not provide the answer. The Committee will have further work to do on study of an industrial friction materials catalog.

Discussion centered on several problems in preparation of an industrial friction materials catalog. It was indicated that the source for industrial information is not reliable. Mr. Burgess indicated that one piece of industrial equipment will have one brake and the next one used in a different application will have another brake. He reasoned it would be almost impossible to set up an accurate industrial friction materials catalog.

A question was raised as to what liability the Institute might incur for printing an inaccurate catalog. Counsel indicated that he would have to look into this but that this question is applicable to all of our catalogs. While the Automotive Data Book and the Brake Shoe Identification Catalog should have considerably more accuracy than an industrial catalog there is still the possibility of errors in these books. Statements were made to the effect that each model of industrial equipment is changed and that there is not a sharp cross-over from year to year. Also, there may be many applications for a machine and the machine itself is modified for those changes. It was the consensus that there would be many errors in application information in an industrial friction material catalog.

A member suggested that vehicular brakes are now being regulated with both Standard 105-75 and Standard 121. Because of these systems standards, the designs of highway vehicles will be specifically stated and held. There are no regulations concerning brake systems used on industrial equipment. Because of this, the variations possible in industrial equipment are many. A member stated that because of this problem and constant changes a catalog purporting to indicate the brake or clutch on a particular machine will be almost worthless.

One member questioned whether there was any reason to spend any more time in study of an industrial friction materials catalog. Mr. Moalli stated that the Committee must complete this particular study, but he will consider the input that was received from the membership at this Meeting. Mr. Burgess indicated that many pieces of industrial equipment machinery are manufactured for a single purpose. If this single purpose is for underground coal mining, brake dimensions used may be entirely different for the same type of equipment used in strip mining. Differences of this nature are common throughout the mining industry. It is apparently also true in the oil industry.

Mr. Doyle questioned a section of the Chairman's report involving the format for the catalog. It was suggested that the OE part number would be listed for the particular application. He indicated that perhaps we might similarly indicate an OE part number in the Automotive Data Book or in our Brake Shoe Catalog. In answer to this, it was stated that the same part might be used by International Harvester, GMC Truck, Ford Truck and others and they would all have different part numbers. A listing of all part numbers would be difficult. Further, a certain disc brake segment might be used by American Motors, Ford and others. Every time a formula was changed, even though the FMSI assignment was not changed, a new OE part number would appear. Several members suggested that a listing of OE part numbers in our existing Data Book and Brake Shoe Catalog would be most unwieldy. The Institute office publishes what information it does have on cross reference periodically. Also some members using FMSI numbers reduce the number of parts down to standard sets. They would not wish to tie in original equipment part numbers with these standard sets.

It was stated that the problem of liability for inaccurate information in a catalog does extend to our existing catalogs, and that Counsel will review the disclaimers applicable to our catalogs.

Upon motion duly made, seconded and unanimously passed it was

RESOLVED: That the report of the Data Book and Technical Committee be accepted as written.

INTRODUCTION OF OFFICERS

The President announced that the officers were elected at the Board of Directors Meeting which followed the June 16, 1976 Membership Meeting. At that Meeting Mr. William Simon of the Brassbestos Corporation was re-elected as President. Mr. Frances Messier of Bendix Automotive Aftermarket Operations was elected as Vice-president. A new treasurer was elected: Mr. William Messier of the Bendix Friction Materials Division. Mr. Drislane was re-elected as Secretary.

OTHER BUSINESS

Mr. Simon indicated that all agenda items had been covered. The introduction of new business if any was called for.

Mr. Lechter Lopez suggested that the Annual Meeting be held in March rather than June. The Secretary pointed out that the Constitution and By-Laws called for the Annual Meeting to be held in June of each year, and while this could be changed, it would require an amendment to our Constitution. It was stated by one Member that there was an advantage for the Institute's Meeting in June as we have been going to resort areas in the off season. Mr. Moore suggested that in June one can hold their meeting almost any place. In March one could run into the heavy winter weather if the meeting site is anywhere but in the south or the southwest. A motion to have the Meeting scheduled in March was withdrawn.

Another member suggested that rather than having two half day sessions as is current practice that the Annual Membership Meeting be held in one day. Mr. Comins suggested that the Membership meet all day long as necessary to complete their business. Another day could be scheduled for recreation. It was stated that with such an arrangement there might be difficulty in justifying the extra day for the Meeting. Also it was stated that if an all day Meeting was held it is likely that most Members would be gone for the second day. A suggestion was made that Committee Meetings be scheduled for one day to proceed the general Membership Meeting. One member stated that Committee Meetings used to held at the Annual Membership Meeting but it was found that this was too difficult in scheduling and reporting on the activities. A Director stated that it is worthwhile to have the two sessions as they are now held on a Wednesday and Thursday in order to encourage attendance for both recreational activities and for the reception and dinner. With a one day meeting there is a fear that attendance might deteriorate. No resolution was offered as regards changing the schedule of the meetings.

The Secretary pointed out that with the selection of Camelback Inn in Scottsdale, Arizona, there is a question that the Meeting be re-scheduled to an afternoon session. This is because of temperatures in the 90's and 100's at Scottsdale in June. It has been suggested that golf might better be played in the morning. Mr. Drislane suggested that decisions as to the actual hours for the June 1977 Meeting be deferred because of the recommendation from those at Camelback to hold an afternoon business session. It was suggested that any change in schedule of Annual Membership Meeting activities be referred to the Annual Meeting Committee for their recommendations. The President directed that this question on schedule for the Annual Membership Meeting be referred to the Annual Meeting Committee.

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There being no further business brought to the attention of the Membership, upon motion duly made, seconded and unanimously passed it was

RESOLVED: To Adjourn.

Adjourned: 11:00 A.M.

E. W. Drislane
Secretary