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ASBESTOS INFORMATION ASSOCIATION

1745 Jefferson Davis Highway, Crystal Square 4, Suite 509
Arlington, Virginia 22202 • (703) 979-1150

21 December 1977

Memorandum For: DIRECTORS

Subject: Minutes of Board Meeting, December 14, 1977

Minutes of the Board of Directors meeting, Wednesday, December 14, 1977, are enclosed.

R. H. Hereness
Executive Director

Enclosures

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BOARD OF DIRECTORS MEETING

Stouffer's National Center Hotel — Arlington, Virginia

December 14, 1977

Pursuant to notice, a meeting of the Board of Directors was held December 14, 1977, at the Stouffer's National Center Hotel in Arlington, Virginia. The meeting was called to order at 9:03 AM. The following Directors were present:

George Barge	Atlas Asbestos Corp.
Frank Brown	Connell Bros. Co., Ltd.
Robert Carlson	Special Asbestos Co.
William C. Clark	Asten-Hill Ltd.
Thomas A. Dougherty	CertainTeed Corp.
Dennis E. Eldred	Vermont Asbestos Group
Clarence A. Herbst, Sr.	Resinoid Engineering Corp.
A. R. Hooker	The Flintkote Company
B. J. Iwarsson	Abex Corporation
J. E. Keith	Rostone Corporation
Donald G. Magill, Jr.	Hollingsworth & Vose Co.
John H. Marsh	Raybestos-Manhattan, Inc.
James J. McHugh (for George P. Vogel)	National Assn. of Filter Manufacturers, Inc.
Joseph T. Mooney	Monsey Products Co.
Adam Novak	Huxley Development Corp.
Dimitry Poutiatine	Johns-Manville Corp.
Harrison B. Rhodes	Union Carbide Corp.
John Riopelle	Bendix Corporation
Kurt Schwarz	Supradur Manufacturing Corp.
Martin Sendecki (for N. E. DeCandia)	Congoleum Industries, Inc.
John Sheridan (for Joseph M Ciskowski)	Jim Walter Research Corp.
Fred Workman (for Guy G. Gabrielson)	Nicolet, Inc.
Edward R. Zacharias	Molded Materials Co.
Frank Zimmerman (for William B. Hoffman)	National Gypsum Co.

Also present: James F. Reis, Johns-Manville Corp.; Jerry Hammang, Vermont Asbestos Group; Wendell B. Alcorn, Esq., Cadwalader, Wickersham & Taft; Richard T. Davis, CPA, Frank C. Frantz & Co.; R. H. Mereness, B. J. Pigg and Mark E. Grayson, AIA/NA staff.

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Minutes

On motion, minutes of the preceding meeting, September 21, 1977, were approved as submitted.

Financial Report

The financial statement for the eleven months period ended October 31, 1977, was reviewed. Total assets of $132,770 and liabilities of $57,533 result in an accrued net worth balance of $75,237. Mr. Dougherty said the Association's accountant estimates that there will be a year end cash surplus of approximately $50,000, income less expenditures. Loss of dues income as a result of the resignation of one regular member in September is taken into account.

On motion, the financial report was accepted as submitted.

1978 Proposed Budget

Mr. Dougherty reviewed the Association's proposed budget for fiscal (calendar) year 1978. He said the proposed budget indicates a dues income requirement of $275,000 which represents a substantial reduction from dues necessary to the 1977 expenditure program ($430,000). He stated that the proposed budget did not include contingency funding for expenses that may be incurred in relation to possible public hearings on OSHA's recommended revision to asbestos standard(s). In the event of such extraordinary expense, Mr. Dougherty said the Board would have to consider special assessment. He said he felt members would prefer this procedure rather than building an association contingency fund. Following discussion, and on motion, the Association's budget for 1978 as proposed, was approved (copy enclosed).

In accordance with bylaws a dues formula for 1978 was presented. The following, on motion, was approved:

1. Regular Members

a) Dues for users of raw asbestos fiber will be based on a millage rate of dollar value of asbestos fiber consumed (freight excluded) in previous calendar year with a minimum of $2,000 per annum.

b) Dues for miners of asbestos fiber will be on a millage rate of dollar value asbestos fiber sold in North America during previous calendar year with a minimum of $2,000 per annum. The millage rate will be one tenth of the rate established for consumers of raw fiber.

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c) Dues for sellers of asbestos fiber will be $2,000 per annum, the minimum rate for all regular members.

2. Associate Members

Dues will be a flat rate of $500 per annum.

3. Millage Rate (applicable to users and miners of asbestos)

The Association's accountant will, in keeping with procedure, forward in January a confidential questionnaire to regular members who are users or miners of asbestos. Information provided will be used for computation of dues on a millage rate to be determined from consumption and sales data received.

Resolution on Association Representation in Response to Government Initiatives

Mr. Dougherty referred to the motion of Mr. Poutiatine, tabled at last directors meeting, which advocated adoption of a unanimous agreement by directors as basis for Association response to government initiatives. Mr. Poutiatine said that comments by certain directors along with serious discussion by the Executive Committee, and the establishment of a Standards Advisory Committee, had caused him to reconsider his motion at the September 21, 1977, directors meeting. In the thought that the Executive Committee could effectively exercise its power derived from the directors to find solutions to problems in keeping with the best interests of all Association members, he said he withdraws his motion. Dr. Rhodes explained the function of the Standards Advisory Committee which consists of Richard Carter, J-M Corporation; Isaac Weaver, Raybestos-Manhattan Corp.; and himself as chairman. Basically, the committee will be responsible for developing recommendations to the Executive Committee for AIA/NA responses to government initiatives affecting the asbestos industry. It was stated that the committee would act with dispatch on all matters under its purview. Mr. Dougherty expressed his appreciation to Mr. Poutiatine for the statesman manner in which resolution was accomplished to the complex problem he had presented. Mr. Dougherty also voiced the trust of the Executive Committee in the wisdom of the Standards Advisory Committee and services it could render to the Association.

Executive Director's Report

OSHA -- Situation with regard to revision of the general standard for worker exposure to asbestos dust and proposal of an exposure standard for the construction industry has not changed

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since last meeting although long awaited signing of contract for consultant firm of RTI to consolidate its studies on the construction industry with CONSAD's economic impact analyses of proposed general standard revisions has taken place. New RTI report and recommendations are due April 15. Public hearing, therefore, cannot reasonably be expected before mid to late summer 1978.

Effect of OSHA's generic cancer policy proposal on asbestos standard(s) is not clear. Term "lowest feasible" and requirement for search for substitutes where substance is identified as Category I carcinogen, as asbestos is, may effect wording of any asbestos regulatory proposals. Date for public comment on proposed generic cancer policy has been changed to January 30 with public hearing now scheduled April 4. AIA/NA has been invited to participate in the deliberation of the newly founded American Industrial Health Council, a group of some forty major companies recently joined together under the leadership of the Synthetic Organic Chemical Manufacturers Association to study in depth OSHA's generic cancer proposal. Mr. Ron Lang, executive director of SOCMA and also of the American Industrial Health Council will speak at luncheon replacing Assistant Secretary of Labor (OSHA) Eula Bingham. Dr. Bingham's letter of regret was read.

OSHA's proposed labeling standard predicated on recommendations from its Standards Advisory Committee on Hazardous Substances of January 1977 is expected before year end. It is anticipated that the proposal will contain requirements for material safety data sheets and employee education along with labeling. It was noted that AIA/NA staff has received several requests for sample material safety data sheets for asbestos. At present OSHA requires such data sheets only under safety and health regulations for the maritime industries. OSHA Form-20 refers.

EPA -- Final amendments extending prohibition of spraying provisions of national emissions standards to all friable materials sprayed on buildings, structures, etc., containing more than 1% asbestos by weight, may be expected to be published in the Federal Register in January 1978.

On November 10, EPA published its intent in Federal Register to determine extent of asbestos emissions that may exist from use of crushed stone produced from serpentine-containing rock quarries. The study was precipitated by early 1977 reports by EPA and Mt. Sinai School of Medicine that ambient air concentrations of chrysotile fibers were as high as 17 million per cubic meter in areas adjacent to a Montgomery County (Rockville), Maryland, quarry. Montgomery County adjoins the District of Columbia.

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CPSC -- The ban on asbestos containing patching compounds would encompass patching compounds which a consumer may purchase. In addition to products sold to the consumer, the ban applies to patching compounds (containing "intentionally added" respirable free form asbestos) which are used in residences, schools, hospitals, public buildings or other areas where consumers have access. The ban is scheduled to be published in the Federal Register December 15, 1977. The effective date of the ban will be 30 days from publication for manufacturers and 180 days for distributors and retailers to cease sale.

The consultant firm, A. T. Kearney, Inc., Cleveland, Ohio, continues study for CPSC of asbestos-containing products which may expose consumers to respirable asbestos fibers. Report is due mid-January 1978.

MESA -- President Carter signed bill November 9 which transfers Mining Enforcement and Safety Administration from Interior to Labor Department, effective March 8, 1978. Official promulgation of MESA's 2 f/cc asbestos standard for metal and nonmetallic open pit mines may be delayed until the change-over takes place.

State Developments -- Attention was invited to recently completed "Report of State Initiatives for Asbestos Regulation as of December 1, 1977" AIA/NA memo dated December 8, 1977. Copy enclosed. The report will be made available to non-members at printing and postage cost.

Government Studies on Asbestos -- Among recently announced federal contracts in further study of asbestos-health issues are the following:

NIOSH - Study efficiency of industrial vacuum collection units employed in brake and clutch servicing industries - Texas A&M Research Foundation ($64,522).

Investigation of health hazards in brake lining repair and maintenance workers occupationally exposed to asbestos - Mt. Sinai School of Medicine ($180,060).

Chronic inhalation study of short asbestos fibers - International Research & Development Corp. ($395,000).

FDA - Study presence of asbestos in food - Lancaster Laboratories, Inc. ($85,000).

Association Activities -- Members of the Association attended the Conference on Occupational Exposure to Fibrous and Particulate Dust and Their Extension into the Environment, December 4-7, sponsored jointly by the Society for Occupational and Environmental Health and NIESA. Conference was attended by over 300 people. The program was discussed with particular emphasis on the last session, "Health

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Implication of Government Response." Dr. Kotin, Johns-Manville Corp., spoke to professionalism and unbiased presentation of data as requisites of a scientific society preceedings.

Legal-Medical Research Program

Wendell Alcorn, Special Counsel, Cadwalader, Wickersham & Taft, reported on the work of this special project. He outlined the content and status of the medical State of the Art document. The four parts of the document are: (1) Draft memorandum of law. The intent is not to give a "canned" brief to counsel but to form a basic, quick study on the question of strict liability and claims thereto. This will include the Starnes and Bumgardner cases; (2) Enterline materials. This will include three books with the purpose to give counsel a library of various asbestos articles over the years. Book I will have facing sheets and abstracts of full articles along with an index. Book II will be the results of research on asbestosis and Book III will be results of research on lung cancer. (3) Copy of transcript testimony of defense expert witnesses - Drs. McIver and Kotin; and (4) Digest of State of the Art with citations to other cases.

Mr. Alcorn said there were seven points to the State of the Art Defense. These are:(1) Miners became concerned when textile workers developed asbestosis. As a result, miners took appropriate steps for their safety. (2) The dust levels were lowered. (3) Industry was told by medical science that lower dust levels significantly reduced development of asbestosis problems. (4) Industry is aware that medical science was debating the relationship between asbestosis and lung cancer. That is, lung cancer was thought to be outgrowth of asbestosis. (5) October, 1964 - N.Y. Academy of Sciences Dr. Selikoff stating:

a) not only textile workers but insulation workers contract asbestos related disease

b) there is a causation between asbestos and lung cancer

(6) December, 1965 publication of Dr. Selikoff's presentation. (7) From testimony in recent cases it was shown that major companies supplying insulation materials started placing warning labels on products in 1965-66.

Upon completion of Mr. Alcorn's presentation a discussion of the medical State of the Art document followed with specific emphasis on its availability to non-members of the Association. On motion, the directors approved a charge of $2,000, excluding duplication and handling fees, for the State of the Art presentation, provided that this procedure will not endanger the tax exempt status of the Association. Mr. Alcorn will research this point and advise

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the Executive Director.

Captive Insurance Program

The feasibility study being conducted by Armrisk, Inc. will be completed during the first quarter of 1978. Some delay has been experienced by late submission of information by some participants. A full report will be presented at next directors meeting.

International Affairs

Mr. Marsh reviewed his written report discussing the active role of the International Association in formulating asbestos policy in the various countries. The report included: (1) Summary of Main Features of Asbestos/Health Regulations in other countries; (2) EEC Advisory Committee; (3) Director General's Report October 1977; (4) Minutes of October 13, 1977 Executive Committee; (5) Minutes of October 14, 1977 Governing Council. The information included in item (1) is enclosed.

Mr. Marsh reported that pressures for severe regulations for exposure to asbestos dust is being seen in many European countries and that the international organization is active in presenting facts among the various nations and with the EEC.

The 1978 dues schedule for the International Association was discussed. The United States portion will be three shares, equal to that of Canada and Japan. A share will be ≅3000 with the possibility that it may be ≅4000. He strongly recommended AIA/NA support of the international organization.

Miscellaneous

Mr. Ronald A. Lang, Executive Director, Synthetic Organic Chemicals Manufacturers Association and recently appointed director of the American Industrial Health Council, was luncheon speaker. Mr. Lang spoke of the complexities and ramifications of OSHA's proposed generic cancer policy. He said the newly formed American Industrial Health Council currently consists of some 40 major firms. He said the Council is studying all aspects of the OSHA proposal and will develop a coordinated industry response including

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alternatives to the proposal which he said as now written could be devastating to much of industry, the chemical industry in particular. Mr. Lang's informative remarks provided directors with a clearer understanding of the generic regulatory approach as proposed by OSHA. The Executive Director, on behalf of the directors, expressed appreciation to Mr. Lang for his outstanding contribution to the meeting.

Other Business

The next regular meeting of Directors is scheduled for March 15, 1978, at Stouffer's National Center Hotel, Arlington, Virginia, commencing at 9:00 AM.

Adjournment

There being no further business, the meeting was adjourned at 11:55 AM.

R. H. Hereness
Executive Director

RHM:pl

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Enclosures

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