MINUTES of the General Meeting
of the Asbestos Textile Institute
held September 6, 1957 at Hotel
Commodore, New York, N. Y.

IN ATTENDANCE:

J. A. Bettes, President
RAYBESTOS-MANHATTAN, INC.

AMERICAN ASBESTOS TEXTILE CORP.
A. J. Scanlan

JOHNS-MANVILLE CORP.
W. C. Atkinson
Edw. Beale
L. R. Hoff
W. S. Hough
H. M. Jackson
E. A. Schuman
E. H. Wells

KEASBEY & MATTISON CO.
S. I. Harris
R. L. Lanz
A. E. May
D. F. Quealy
A. E. Whitfield
D. W. Widmayer

RAYBESTOS-MANHATTAN, INC.
J. A. Brown, Jr.
M. S. Maier
M. W. Oliver
R. B. Smith

SOUTHERN ASBESTOS COMPANY
J. T. Griffis
G. J. Harris
J. D. McCluer
J. L. Mitchell

TALLMAN-McCLUSKEY FABRICS COMPANY
A. R. Byrnes
John Cerny
T. C. McCluskey
R. S. Tallman

ASBESTOS CORPORATION, LTD.
J. A. D. Marcotte

BELL ASBESTOS MINES, LTD.
G. W. Smith
F. Parker Smith

CASSIAR ASBESTOS CORP., LTD.
J. D. Christian
T. T. Tigert

JOHNSON'S COMPANY
Carl Bindman

CADWALADER, WICKERSHAM & TAFT
M. I. Ruddock
B. M. Walls

ASBESTOS TEXTILE INSTITUTE
M. C. Shaw

GUESTS:

W. E. Hill, Southern Asbestos Co.
J. A. Obrian, Johns-Manville Corp.
R. R. Porter, Keasbey & Mattison Co.
J. F. D. Rohrbach, Raybestos-Manhattan, Inc.
M. Scanlan, American Asbestos Textile Corp.
E. R. Teubner, Philadelphia Asbestos Co.
S. R. Zimmerman, Raybestos-Manhattan, Inc.

1. The meeting was called to order by President Bettes and an address of welcome extended to the members and guests present. Mr. Bettes stated:—

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President's Message to Fourth
Quarterly Meeting, 9/6/57

We are pleased to see such full attendance at this our fourth quarterly meeting. We are especially pleased to have with us representatives of top management of each of our member companies. We need the full support of our senior officers to help us through this difficult period of readjustment.

In accordance with our usual practice, we will ask each man to stand, give his name, and his company affiliation.

ROLL CALL

There are advantages and disadvantages to holding down the President's chair. It is my prerogative to call on any of you men to express your ideas, but no one is likely to call on me. You fellows have elected me President of our Trade Association. I am therefore going on the assumption that you hold my ideas in some respect. I have had 28 years selling experience in the Asbestos Textile Industry. I am confident my most grudging competitor would admit that since 1939, when I came into Manheim as Sales Manager, I have been in the front rank of every constructive industry movement. It is in the light of this background that I ask you to weigh carefully the remarks that I am about to make.

First, I want you to distinctly understand that my remarks are not an expression of official Raybestos-Manhattan policy. Mr. J. F. D. Rohrbach has not had an opportunity to review the text of this message.

The Asbestos Textile Industry is struggling through a very critical period of over capacity, due to an endless shrinkage in our major markets. Company Presidents should weigh most carefully any request for expansion in Textile facilities from those of us at the operating level. Raybestos-Manhattan's General Asbestos & Rubber Division, operating two ten hour shifts, as it did during World War II, could turn out a greater poundage of asbestos textiles than will be sold in this country in 1957. General Asbestos has men with 25 year service records receiving only three day's work a week. Gentlemen, that is a mighty serious situation.

I now want to express my ideas on a subject that may prove a little embarrassing to our good friends in the mining branch of the Industry. Raybestos-Manhattan has been advised by two long established suppliers that all asbestos spinning fibre will go up 5% in price effective 10/1/57. In addition we have been advised that it will be necessary for us to pay for our fibre in Canadian funds. This is equivalent to an increase of somewhat more than 10%, at the present rate of exchange. First, I want to state that in my opinion, we should have no quarrel with the demand for payment in Canadian funds. We asked for payment in U. S. dollars when the shoe was on the other foot.

I do wish to state most emphatically, however, that in my opinion our Canadian friends would be better advised to seek ways and means of lowering, not raising, the price of spinning fibre. We fully recognize that the mines as well as the mills are in business to make money. If raising the price of spinning fibre is to the ultimate advantage of the mines, than this is precisely what they should do. If, on the other hand, lowering prices is to their ultimate advantage, than that too is what they ought to do.

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The time has long since passed when we can talk of the possible shrinkage in our markets due to higher prices. The high cost of asbestos textiles has been curtailing our markets for several years, and at an alarmingly accelerated pace in 1956 and 1957. I would like to back up my opinions with certain specific examples:

1955 Lap Sales ----------	3,230,000 lbs.
1956 " " ----------	2,680,000 lbs.
Shrinkage ----------	550,000 lbs.

If you take the first quarter 1957 lap sales and multiply that figure by 4, you will have an indication of still further reduction in our lap sales in 1957. You might logically ask, "where did that business all go?"

Up until about two years ago all enclosed type flourescent fixtures were wired with type AF fixture wire. This type wire is insulated with a carded asbestos wall. The lowest price lap that any manufacturer has been able to put together currently sells for 55¢ per lb. The use of this lap intails a shrinkage of about 10%. The actual raw material cost, therefore, to the wire and cable manufacturer is approximately 61¢ per lb. There is not today one single manufacturer of flourescent fixture wire using asbestos insulated wire. They are all using the new 105°C. quality PVC covered wire. The heat resistant grades of PVC are currently selling from 42-1/2¢ to 45¢ per lb. In addition PVC can be extruded over wire, at a considerably lower cost per foot, than asbestos lap can be carded onto wire. As far as we can see now, this market is gone forever. Essentially the same situation prevails with regard to heater cords. An ever growing percentage of domestic appliances are being equipped with PVC insulated cords, rather than asbestos insulated cords.

Most of you present are familiar with Raybestos-Manhattan's #9439 high tensile braiding yarn. This yarn in 9-cut currently sells for $1.06 per lb. In many cases this yarn is competing for business with 150-1/0 glass yarn wound 2-ends up which costs the wire and cable manufacturer 62¢ per lb. Another popular competing glass yarn is 150-2/0 which currently sells for 70¢ per lb. The glass yarns can be braided onto wire using a high speed Wardwell braiding machine. Asbestos yarns have to be applied with the relatively slow and cumbersome New England Butt type braider.

The most serious competition we face today is the continual substitution of silicone-glass combinations for the old standard AVA constructions. You might wonder why a silicone glass combination selling for approximately $6.00 per lb. could replace asbestos textiles selling for an average of only a little over $1.00 per lb. The answer is in the improved heat resistance of the silicone glass insulating materials which permit the use of smaller copper conductors. The saving in copper more than offsets the increased cost of the more expensive type insulation. The resultant weight saving is also important to Naval architects and other engineers.

Asbestos cloth sales to the plastics industry have been and still are on the decline. To be honest, this is not just a matter of price. Glass textiles frequently have technical advantages that produce a better product, nevertheless, every time any of us raise the price of asbestos cloth he puts his products in a less favorable competitive position.

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They say that confession is good for the soul. I must confess that I feel like an amateur businessman when talking to such worldwise salesmen as Carl Bindman and Denny Marcotte. Perhaps Carl and Denny, Jack Christian and Parker Smith know where they can seel their expanded capacity for textile fibre, in other world markets. Perhaps they can sell their textile fibers in other industries. I do not profess to be an authority on other than asbestos textiles. I do want to say to all of you, however, that I do not see any remote chance of expanding the U. S. market for Textile fibre unless we can find ways and means to LOWER the price of asbestos textiles. Only by so doing, can we hope to stop the endless round of substitutions that are progressively decreasing our markets.

In my humble opinion, the Canadian Mines should take a hard look at these facts before they again raise the price of textile fibre, and in so doing still further restrict our mutual markets.

2. In response to the opening remarks, several representatives of the mining interests present including Mr. Marcotte, Mr. Bindman and Mr. Geo. Smith addressed the group in an effort to clarify some of the points of interest presented by Mr. Bettes.

3. Following the opening remarks the minutes of the last meeting were presented for reading. However, since all members had received copies of these minutes and were familiar with the actions there taken, it was moved by Mr. Griffis, seconded by Mr. Hough and unanimously agreed that the reading be omitted at this time.

4. The Treasurer's Report was the next subject presented for consideration and in the absence of Treasurer Schoepf, the report was read by the Assistant Treasurer. Following a discussion of this report, it was moved by Mr. Widmayer, seconded by Mr. R. S. Tallman and unanimously agreed that the report be approved and entered as a part of the minutes of this meeting.

5. The next segment of the meeting was devoted to the presentation of reports covering the work of the several active committees of the Institute.

a) The first committee report was presented by Mr. J. T. Griffis, Chairman of the Sales Promotion Committee. This committee is presently engaged in several important undertakings and the actions taken with regard to these matters are included in the formal report which is appended as a part of the minutes of this meeting. One of the more important subjects discussed on this occasion was the "seal of quality" program which is to be undertaken by the Institute. The proposed distinctive seal of quality was illustrated and the certification agreement as drafted by our legal counsel was discussed. The full report covering this subject as well as the other projects under attention by this committee is attached as a part of the minutes of this meeting.

b) The Technical Committee report was presented by M. W. Oliver, Chairman. Mr. Oliver reported upon the activities of his committee during the past year and reviewed the accomplishments during that period. Supplementing the remarks of Mr. Oliver, a report was presented by Dr. M. S. Maier covering the considerations and recommendations of the Technical Committee relative to proposed nuclear radiation studies. The full report as presented is attached as a part of the minutes of this meeting.

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c) The Air Hygiene Committee report was presented by Mr. H. M. Jackson in the absence of the Chairman, D. R. Holmes. Mr. Jackson reviewed the several discussions held by the committee in meeting on September 5th and reported on the opinions expressed relative to the report issued by Mr. E. J. F. Hidgett covering the use of the Greenburgh-Smith Impinger as investigated at the Turner-Newall plant in the Rochdale factory. The full report as presented by Mr. Jackson is attached as a part of the minutes of this meeting.

d) The Fiber Committee report was presented by Chairman J. A. D. Marcotte. Mr. Marcotte spoke briefly regarding fiber availability and advised the meeting that the formal notification had been received to the effect that all chrysotile asbestos has now been removed from the U. S. Government critical list. This development should assist in promoting more wide-spread use of asbestos textiles.

6. Following the committee reports, President Bettes called upon Mr. H. I. Ruddock, legal counsel, to address the meeting with remarks of interest to the Institute from the legal standpoint. Mr. Ruddock spoke on the legal protections afforded to an association by 1) a written agenda, 2) presence of counsel at policy meetings 3) written minutes. He contrasted this with the misinterpretations that growed from any gathering of competitors which had no written evidence of the purpose or propriety of the meeting.

7. The Secretary's report was next presented and these remarks are attached as a part of the minutes of this meeting.

8. The Fellowship report was reviewed briefly by the Fellow and the significance of the investigations and results as reported were reviewed. The complete report, as submitted, is attached as a part of the minutes of this meeting.

9. Following the completion of the formal report presentations, the meeting was opened for the consideration of matters of old and new business.

a) Mr. Bettes notified the membership that a communication had been received from Mr. J. G. Schoepf, Asten-Hill Manufacturing Company, setting forth the desire of that company to resign from membership in the Institute. The Board of Governors, in meeting earlier, acted upon this request and, with regret, accepted the resignation of Asten-Hill Manufacturing Company from membership in the Asbestos Textile Institute and further instructed that a suitable resolution recognizing the contributions of both Mr. Schoepf and Mr. D. R. Holmes to the activities of the Institute in the past, be spread upon the minutes of this meeting and also be forwarded to Mr. Schoepf and Mr. Holmes. The resolution states:

> "Resolved that the Board of Governors of the Asbestos Textile Institute accepts with sincere regret the resignation from membership of Asten-Hill Manufacturing Company and in the course of so doing expresses its profound appreciation for the excellent support given to all Institute activities by that company, and in particular, for the wise guidance and faithful service rendered by John G. Schoepf as Treasurer and a Governor and by Donald R. Holmes as Chairman of the Air Hygiene and Manufacturing Committee."

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b) President Bettes announced that since this was the annual meeting for 1957, the regular election of members to serve on the Board of Governors for the ensuing year would take place on this occasion. The following members were nominated to serve on this board and by unanimous vote their election was approved.

J. A. Bettes ..... Raybestos-Manhattan, Inc.
J. T. Griffis ..... Southern Asbestos Co.
A. J. Scanlan ..... American Asbestos Textile Corp.
R. S. Tallman ..... Tallman-McCluskey Fabrics Co.
E. H. Wells ..... Johns-Manville Corp.
D. W. Widmayer ..... Keasbey & Mattison Co.

Further, it was announced that the above Board of Governors in meeting had elected the following officers to serve the Institute during 1958.

President ..... J. A. Bettes
Vice President ..... J. T. Griffis
Treasurer ..... T. C. McCluskey
Secretary & Asst. Treas. ..... M. C. Shaw

c) Also, on the occasion of the annual meeting it is customary to appoint new committee chairmen to relieve those chairmen who have served two year terms. Accordingly, the following committee chairmanship appointments were made.

Technical Committee ..... Edw. Beale, Johns-Manville Corp.
Air Hygiene & Mfg. Committee ..... A. E. May, Keasbey & Mattison Co.
Sales Promotion Committee ..... J. A. Brown, Jr., Raybestos-Manhattan, Inc.
Fibre Committee ..... J. A. D. Marcotte, Asbestos Corp.

10. There being no further business to come before this session, the meeting was recessed for luncheon. Following the luncheon, each of the guest executives noted earlier in the attendance list was introduced and each responded with appropriate remarks and observations related to the Institute and the industry which it endeavors to serve.

11. Upon conclusion of luncheon and the attendant remarks, President Bettes declared the meeting adjourned.

Myril C. Shaw,
Secretary

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