Johns-Manville

Internal Correspondence

To: Asbestos Litigation Attorneys
Paralegals
Legal Assistants

Date: September 19, 1980

From: George F. Evans

Copies: Jack Moore

Subject: KEENE BUILDING PRODUCTS CORPORATION

I recently have had the occasion to assemble some materials pertaining to Keene Corporation which may be of interest to you. The source of this information is derived from interrogatories primarily arising out of California, but also there were several sets taken from other jurisdictions as well. These materials are available for inspection at my office. However, the following is a short summary which may be of interest to you.

Initially, it should be noted that Keene Corporation did not manufacture any asbestos-containing products. Its wholly-owned subsidiary, Keene Building Products Corporation, did manufacture and distribute seven basic thermal insulation products which are described below. By way of corporate history, it should be noted that the predecessor to Keens Building Products Corporation was Baldwin-Ehret-Hill, Inc. Baldwin-Ehret-Hill was the product of a merger between Baldwin-Hill and The Ehret Magnesia Manufacturing Co. in 1959. In 1970, Keene Building Products Corporation became the successor to Baldwin-Ehret-Hill. In 1963, Baldwin-Ehret-Hill purchased the inventory of Keasby and Mattison. Apparently before February, 1964, Mundet Cork was sold to Crown Cork and Seal and shortly thereafter Baldwin-Ehret-Hill purchased the Mundet Cork machinery and their contracting operation from Crown Cork and Seal. Baldwin-Ehret-Hill claims they did not make any products with Mundet Cork's name on them. Apparently the Ehret Magnesia Manufacturing Co. maintained a contract unit at Philadelphia, Pennsylvania, in the mid 1930's. In 1964, Baldwin-Ehret-Hill purchased a network of 12 contract units from the Mundet Cork Company. Keene Building Products Corporation maintained a contract unit at San Francisco from approximately 1964 through 1970. A contract unit was also in Los Angeles for at least a portion of this time period.

Keene or its predecessors manufactured seven basic products which are summarized as follows:

1. THERMALITE PIPE AND BLOCK COVERING AND CEMENT
Thermalite was manufactured in Valley Forge, PA,

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from approximately 1900 through 1963 by Baldwin-Ehret-Hill and its predecessor, the Ehret Magnesia Manufacturing Company. It was also known as 85% Magnesia Pipe Covering. It was a molded insulation capable of handling temperatures up to 600°. It was composed primarily of magnesium carbonate which was taken from a quarry at the manufacturing site at Valley Forge. Approximately 10 to 15 percent of the product contained amosite asbestos.

2. NUMBER ONE PLUS CEMENT

This cement was manufactured by the Baldwin-Hill Company and its successors in Trenton, NJ, from 1938 until 1971. It was a mixture of spun mineral wool, bentonite clay binders and chrysotile asbestos. The product contained about 7 1/2% asbestos. It could withstand temperatures up to 1200°. Asbestos was removed from this product on February 15, 1971.

3. MONO-BLOCK

Mono-Block was also manufactured by Baldwin-Hill and its successors in Kalamazoo, MI, between 1940 and 1968. It is believed to have contained approximately 2 to 5 percent chrysotile asbestos which was removed from the product in 1968. It was used in the insulation of steam boilers, ovens, kilns, furnaces and the like. It could withstand temperatures up to 1800°. Even today Mono-Block continues to be produced although it does not contain asbestos.

4. THERMASIL PIPE AND BLOCK COVERING

Thermasil was manufactured by Ehret Magnesia Manufacturing Co. and its successors in Valley Forge from 1956 through 1972. By 1963 it had replaced the Thermalite product noted above. Thermasil contained approximately 11 percent amosite asbestos until 1969 at which time the amount was reduced to 8.6 percent until 1970 when the amount was further reduced to 2 percent. In November, 1972, all remaining amounts of asbestos fiber were removed and it was produced without any asbestos until 1976. The product was capable of withstanding temperatures up to 1200°.

5. SUPER POWERHOUSE CEMENT

This product was manufactured by Baldwin-Ehret-Hill and its successors in Trenton, NJ, between 1960 and 1971. Its predecessor was a cement known as Power-

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house Cement which was produced in the early 1940's. Around 1960 another formulation was developed and the product was renamed Super Powerhouse and contained 5 percent chrysotile asbestos. It should be noted that the product was manufactured according to government specifications for use on military projects. The product was sold in powdered form in 50-pound bags. Asbestos was removed from the product on February 15, 1971.

6. PYROSPRAY TYPES I, T AND S

Beginning in 1963, Baldwin-Ehret-Hill, Inc. and its successors produced three types of Pyrospray in Trenton, NJ. Type I was a dry powder misture containing 32 percent amosite asbestos. It was applied pneumatically with water added at the end of the spray nozzle. It was applied to steel and concrete decks to improve its fire rating as well as its thermal and accoustical characteristics. Type T was a combination of dry powdered mineral granules and 15 percent amosite asbestos similarly applied. Typically, Type T was applied to interior walls and ceilings in order to enhance sound absorbtion. Type S was a similar mixture containing 22 percent amosite asbestos and it was generally applied over Type I as a finishing coat to improve accoustical properties. Asbestos was removed from all types of Pyrospray in 1971.

7. MONO-SPRAY

Mono-Spray was manufactured by Baldwin-Ehret-Hill and its successors in Trenton, NJ between 1963 and 1970. It contained approximately 13 percent chrysotile asbestos. Like Pyrospray, it was pneumatically applied, and it would form a thermally insulated coating used for heat dissipation on all kinds of metal surfaced tanks, vessels, ducts and the like as well as on masonry and concrete building surfaces.

The products manufactured between 1959 and 1970 carried a logo with the letters B.E.H. Products manufactured by Keene Building Products from 1970 through 1972 bore logo stating Keene in an oval field. Prior to 1959, the cements and monoblock had a logo that simply stated BH. Thermalite and thermasil had a logo stating the word Ehret. Keene takes the position that due to the location of its manufacturing plants, that its products were sold primarily in the Eastern United States. The company admits that it had a list of distributors and companies for the years 1940 to 1970, but to the best of my knowledge, they

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have not yet been produced. Apparently these records are available, however, in New York City. The same is true as respects its sales to the United States Government. Keene did enter into a licensing agreement with Grunzweig and Hartmann sometime in the late 1950's which was effective until 1970. This agreement concerned the product known as Mono-Block. Keene believes the product was marketed abroad. Apparently the Thermasil and Thermalite lines were manufactured pursuant to licensing agreements with Pabco. It should be noted that from 1969 through 1976 Keene Building Products Corporation was on the government qualified products list known as MIL-1-2819 and MIL-1-2781. Apparently between 1955 and 1966 Keene was also on the qualified products list specifications known as MIL-C-19565 (concerning thermal insulation pipe covering and coating compounds), MIL-A-18065 (concerning adhesives) and MIL-A-3316 (concerning adhesives, fire-resistant thermal insulation).

The source of Keene's raw asbestos fiber was from Canadian Johns-Manville Asbestos Limited, North American Asbestos Corporation and the General Services Administration of the United States. There are some documents which tend to indicate purchases in 1964 and 1965 of asbestos from the National Gypsum Company. Certain asbestos products were purchased from Phillip Carey in 1960 and 1961, and asbestos millboard was purchased from Nicolet in 1960. There is a possibility that in 1960 Johns-Manville sold some asbestos cement to Baldwin-Ehret-Hill in Ehret paper bags.

Warning labels were first placed on Keene Products in 1969. However, there seems to be some inconsistency in an answer recently found in interrogatories directed to Keene wherein they state that cautionary warnings appeared on asbestos containing cement manufactured by its predecessor company prior to 1967.

Keene has taken a rather ostrich-like attitude towards its awareness of the asbestos health hazard. They claim that no other manufacturer has supplied them with the results of any research, tests or medical studies concerning the state of the medical knowledge of asbestos related disease. Keene claims that they have no knowledge as to whether their predecessors or anyone on their behalf ever conducted or sponsored or contributed to any studies to determine if the inhalation of asbestos fibers was harmful. As might be expected, Keene did not employ any person whose job title was medical officer. Also, it never employed a medical librarian, and they do not believe that the company ever received copies of the Asbestos Worker Magazine. It wasn't until 1970 that Mr. Michael Wilson (Vice President of Sales for Baldwin-Ehret-Hill) started collecting medical articles pertaining to the effects of asbestos upon human health. This file is presently kept at Keene's headquarters in New York City. In keeping with

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this attitude, Keene claims that they were not aware of any government agency warning them as to the possibel health hazards associated with asbestos. They claim it wasn't until the OSHA studies published in the 1970's that Keene acquired any information from the government as to the asbestos hazard. Keene claims that it was not until 1969 that they actually acquired any knowledge as to the hazard at which time they commenced to label their products and develop asbestos-free products. Keene claims that it has no inductrial hygienists, subscribed to no asbestos trade journals, and had no departments devoted to research. Keene further claims that it never received any reports from any workers' Compensation carrier pertaining to the asbestos hazards.

Keene is not a member of the Asbestos Textile Institute or the Industrial Hygiene Foundation. It appears it may have been a member of NIMA. In 1967, Baldwin-Ehret-Hill participated with NIMA in the publication of a document entitled "Recommended Health and Safety Practices For Handling Thermal Insulation Products Containing Asbestos."

Of particular interest is the statement by Keene Building Products Corporation that it was first advised of threshold-limit values in 1969. Keene has no awareness as to any dust count surveys taken prior to 1960 to test dust levels. Keene claims that it was not aware of Dressen's 1938 article establishing a threshold limit value for airborne asbestos fibers. Keene has stated that it was the publication of Dr. Selikoff's work in 1965 that was the first notice to them and the industry that insulation installers were potentially at risk. Interestingly enough, Keene and Baldwin-Ehret-Hill regularly held safety meetings and advised their employees at their manufacturing plants of the need to follow proper safety procedures. Respirators were made available to them. While in earlier answere to interrogatories Keene stated they did not participate in any asbestos health studies, it appears that they may have been involved in one conducted by William Bradley on behalf of the Sprague Mineral Fibers Manufacturers Association entitled "Environmental Health Investigation" published in 1967. Keene had its advertising handled by the firm of D'Arcy, McManus and Masus, 437 Madison Avenue, New York City. Ads were also placed in the Asbestos Magazine and Sweets Catalog.

The above information was gathered from the following sources:

1. Interrogatory answers in case of Lawrence Kane vs. Johns-Manville Corporation (Los Angeles County Superior Court) filed April, 1980.

2. Interrogatory answers in case of Bailey vs. Johns-Manville Corporation filed April, 1977.

3. Interrogatory answers in case of Glover vs. Johns-Manville Corporation dated December 22, 1978.

4. Supplemental answers in case of Glover vs. Johns-Manville Corporation dated December 22, 1978.

5. Interrogatory answers in Beauregard vs. Johns-Manville Corporation filed in August, 1979.

6. Interrogatory answers in Kane vs. Johns-Manville Corporation filed in 1979.

7. Deposition of Donald H. Herner who was secretary for Keene Corporation between 1973 and 1977. Date of deposition uncertain.

The information contained in the above documents is inconsistentent in some respects, although an attempt has been made to harmonize it.

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NAME: S1243-103

KEENE CORPORATION

PRINCIPLE PLACE OF BUSINESS:

New York, New York

CORPORATE HISTORY:

Former subsidiary - Keene Building Products Corporation.

Predeccessor Corporation - Baldwin - Ehret-Hill, Inc. Keene purchased inventory of Keasby-Mattison in 1963; inventory was subsequently sold.

PRODUCTS:

Keene did not manufacture asbestos products; however, its predecessor and or subsidiary manufactured the following products:

1. 85% Magnesia (Also known as Thermalite) produced in Valley Forge, Pennsylvania, as early as early 1900's. Contained 10% Amosite. Was discontinued in 1963, replaced by Calcium Silicate.

2. Thermasil (Calcium Silicate) produced in Valley Forge since 1956. Contained 11% amosite from 1956 to 1969; 6-8% amosite from 1968 to 1970, and 2% amosite from 1970 to November, 1972.

3. Monoblock (Mineral wool insulation) produced in Trenton, New Jersey, and subsequently in Kalamazoo, Michigan. Contained 3% chrysotile until 1968, at which time asbestos was eliminated.

4. Number One Insulation Cement (Later call Number One Plus Cement) produced in Trenton, New Jersey, since 1938. Contained 7.42% chrysotile until February, 1971 at which time it was eliminated.

5. Monospray, produced in Trenton, New Jersey from 1963 to 1968. Contained 13% chrysotile.

6. Super Powerhouse Cement (military formulation only) produced in Trenton, New Jersey in the 1960's. Contained 5% chrysotile until 1970, at which time the asbestos was eliminated.

7. Pyrospray Types I, T and S produced in Trenton, New Jersey from 1963 to 1971. (used for fire retardant and sound control). Type I contained 32% chrysotile, Type T contained 24% chrysotile, and Type S contained 15% chrysotile.

MINED OR MILLED:

No

LOCATION OF MANUFACTURING PLANTS:

Trenton, New Jersey; Valley Forge, Pennsylvania.

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SOURCE OF RAW MATERIALS:

Johns-Manville, 1966 to 1970; GAF, others.

FIRST KNOWLEDGE OF HAZARDS:

Upon service of summons and complaint in this litigation.

FIRST LABELING:

1969

SALES:

Denies sales to the U.S. Government, including Long Beach Naval Shipyard. Did not have any distributors between 1940 and 1970. Did not have contract units in California. Does not have any sales records. Some indication of sales to Philip Carey in 1961.

MEMBER OF ATI:

No

WORKERS COMPENSATION CLAIMS:

None

QPL:

Block and Pipecovering from 1969 to 1976. Thermasil on QPL as early as August 11, 1961 (Baldwin-Ehret-Hill product).

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