Agenda Item 4.4

WANG TO: C. C. NEELY - Location 511

From: S. S. Murphree - Loc. 515

Secretary - Anita Thaxton - 721-4802

Purchase of Asbestos - Substitute Material

The Chemicals and Plastics Division agreements for gasket and packing materials are due for renegotiation in second quarter 1987. The procurement plan and request for quotes have been issued. Bids are now being received and new agreements are expected by June 1, 1987.

The traditional method of predicting quantities, material types, and dollars for price agreements is past history and anticipated future activity. Our past history of gasket and packing usage shows a heavy dependance on asbestos at very low prices. We are already seeing a changeover to the Grafoil and teflon based material. The new agreements will be based on anticipated increased usage of these materials and dramatic decreases in asbestos use. Our expenditures will increase due to higher priced asbestos replacements, higher priced asbestos, and increased activity of a wide variety of materials.

Many of our traditional gasket and packing manufacturers are no longer in the asbestos business (Johns-Manville, John Crane, Allpax, etc.). The manufacturers who currently handle asbestos do not have assurance from their liability carriers that coverage will continue beyond the next twelve months. Parker Seals has announced July, 1987 as their cutoff date for asbestos manufacture. We have no certainty that asbestos will be available thru January, 1989. From the purchasing viewpoint new standards for gasket and packing should be expedited to the nearest feasible deadline.

After new gasket and packing standards are determined a tremendous effort will be required in the plant storerooms, purchasing groups, and maintenance departments. The effort will be three-fold:

1. Alternates to stocked and purchased material will be determined for each application.

2. New descriptions and usages will be determined and changes made. Major C & P locations have 2000 to 3000 separate line items. A plan for changeover from old to new material will be required.

3. Training and communications will be needed for every end user.

It is estimated that the effort for maintenance and materials management will require four to six months of work at each location.

Sherry S. Murphree 3/30/87

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PLAINTIFF'S EXHIBIT
UC-2428

Union Carbide trial exhibit UC-2428: S. S. Murphree to C. C. Neely on Purchase of Asbestos – Substitute Material for… Published by AsbestosClaims.Law
ACL Doc 17407 · Page 1 of 1 asbestosclaims.law/library/17407/1