ST. LOUIS POST-DISPATCH

www.STLtoday.com WEDNESDAY, FEBRUARY 9, 2005 50¢

WR Grace's asbestos coverup goes far beyond Libby, Montana, say health experts

By Andrew Schneider
Of the Post-Dispatch

The federal indictment announced Monday against W.R. Grace & Co. should be used as a blueprint for criminal investigations in at least 40 other states — including Missouri — where Grace operated, public health and worker safety leaders said.

Grace and seven of its current and former officials were accused of knowing that the asbestos-contaminated vermiculite being mined in Libby, Mont., was endangering workers and residents.

"Grace should be held accountable for not warning its workers and those living near their plants across the country of the risk to their health from Libby's ore," said Dr. Richard Lemen, former director of the National Institute of Occupational Safety and Health and an assistant U.S. surgeon general.

"Any U.S. attorney or state attorney general from any state where Grace processed that material should look hard at the Justice Department indictment and see if it also applies to people in their jurisdictions who have been harmed by Grace's actions," Lemon said. He now teaches in the Department of Environmental and Occupational Health at Emory University in Atlanta and at the University of Cincinnati School of Medicine.

In a statement posted on its Web site, Grace denied any criminal wrongdoing.

"Though court rules prohibit us from commenting on the merits of the government's charges, we look forward to setting the record straight in a court of law," the statement said.

Officials are trying to determine what health hazards may have existed at more than 200 U.S. plants that used the Libby ore.

The indictment was a "good first step," said Susan O'Brien, associate director of the New York Committee on Occupational Safety and Health, whose membership includes union workers from New York and New Jersey where Grace operated 21 plants.

"Grace wasn't protecting workers in the processing plants or people who lived near the plants any more than it protected the workers and residents of Libby," she said. "Federal and state prosecutors all over the country ought to study the Grace indictment. I think that it's very likely that a similar 'knowing endangerment' case could be made almost anywhere that Grace vermiculite was processed."

Grace invoices and shipping papers gathered by the Environmental Protection Agency show that billions of pounds of the contaminated vermiculite from Libby was shipped to more than 750 locations in North America and dozens more overseas over 30 years. Letters to and from Grace headquarters and its far-flung vermiculite processing plants also showed that the corporation knew the risk to workers and neighbors at the expansion plants and worked to conceal the hazard.

The 49-page indictment made repeated reference to Grace concealing the dangers to those working at and living near its expansion plants. Grace wasn't alone when it came to hiding the dangers. The EPA knew how lethal the ore from Libby was. In a 1980 study, it used the Grace expansion plant at Manchester and Sulphur avenues in St. Louis as a model to determine how serious the cancer risks were. That plant processed more than 200 million pounds of Libby ore into insulation and fireproofing. The report concluded that people living within six-tenths of a mile of the plant were being exposed to dangerous levels of asbestos 24 hours a day, seven days a week, and EPA told no one.

What Grace did, according to the indictment, was to lie about the danger. Its internal documents showed that environmental and health officers from Wisconsin, New York, Arkansas and several other states were assured that no dangerous levels of asbestos were being released. The same batch of documents showed that Grace knew there were problems.

Health detectives from the federal Agency for Toxic Substances and Disease Registry have completed evaluations at 11 of the 28 Grace plants that processed the largest amounts of contaminated ore. The conclusions were almost identical for sites in Denver, Honolulu, Minneapolis, Brutus, N.Y.; Beltsville, Md.; West Chicago, Ill.; Minot, N.D.; Omaha, Neb.; Dearborn, Mich.; Spokane, Wash., and Santa Ana, Calif.

Government health assessors reported that former workers at the plants, members of their families and those living nearby had "most likely" been exposed to dangerous levels of asbestos and should be examined by a physician specializing in lung diseases.

Evaluations of former Grace plants in St. Louis, Tampa, Trenton, Marysville, Ohio; Newark, Calif., and Wilder, Ky., are expected to be made public in the next 30 days, an agency spokesman said.

Similar findings are expected at those sites.

Danger to millions

Millions of homeowners also may be at risk from Grace's legacy at Libby. As the Post-Dispatch reported in 2002 and 2003, various government investigators have warned that Zonolite attic and wall insulation made by Grace from the contaminated vermiculite from Libby is believed to be in 15 million to 35 million homes and businesses in the United States.

The indictments refer to a April 10, 2002, letter from Grace to then-EPA Administrator ChristieWhitman insisting that there was no need to order a public health emergency and warn homeowners because there was no significant asbestos in the insulation "and no risk," even though repeated tests done by Grace's scientists showed just the opposite. In May 2003, at the prodding of Congress and the media, the EPA launched what its spokesmen called a "full court press" to inform consumers, homeowners and contractors of the dangers of Zonolite. The agency promised to saturate the media and to distribute literature warning of the cancer-causing hazard "in all major hardware and home improvement chains."

The "media outreach" EPA promised never happened. Five months ago, the Post-Dispatch called Lowes, Home Depot and Ace Hardware stores in 12 states to see how the warning distribution was going. No one in the 38 stores contacted had ever heard of the program. Corporate offices of the three chains said they had never agreed to participate with the EPA in the project. A spot check of stores made last month showed still no sign of the warning material.

When contacted, the EPA at first said it couldn't be true that the companies had not agreed to participate and said the pubic warnings had been "widely disseminated." A week later, the agency said the warning only appears on "a large number of Web sites."

The Canadian government did little more even though hundreds of thousands of homes, businesses and government buildings used the Libby Zonolite insulation.

Health Canada, Environment Canada and the nation's worker safety agencies changed their approach and began warning the public after reporters from Canadian Broadcasting in April confirmed that five people from one family had contracted mesothelioma, an almost always fatal, fast-killing cancer attributed to asbestos exposure. The only exposure the five had to asbestos was to Zonolite produced by Grace from Libby vermiculite and used as insulation in government-built housing in Manitoba, health investigators said.

In October, a class-action suit was filed against Grace Canada and three of its subsidiaries by lawyers representing the family and others who may have been exposed.

Similar class-action suits against Grace by people in the United States have been blocked for more than two years by the bankruptcy court where Grace went to avoid asbestos suits.

Shares of W.R. Grace and Co. sank more than 8 percent Tuesday in the wake of the federal indictments, the Associated Press reported. Grace shares fell 95 cents, or 8.3 percent, to close at $10.50 in Tuesday trading on the New York Stock Exchange. Its shares had traded as high as $15.49 in November.

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Date 2-17-05
Sen. No.
SJ-25