

**Office Memo**

To Howard Dolce

**SNE Corporation**

A Sentry Enterprise

From Pete Nygaard  
Subject Koppers Meeting - August 17, 1984  
Date August 21, 1984  
Copies to D. Kleman

**CONFIDENTIAL**

"The EPA has determined that pentachlorophenol can produce defects in the offspring of laboratory animals. Exposure to pentachlorophenol during pregnancy should be avoided!"

The above statement has been made and it is very likely it could end up on the labeling of pentachlorophenol. This one statement makes me believe that SNE has to use an alternative for this product.

Pentachlorophenol does contain HxCDD which is a dioxin. It is not as harmful as the dioxins found in Times Beach, Missouri or Agent Orange, but the one word, carcinogen, makes this a very important issue. Especially considering the ground water problems that Wausau is presently experiencing. Pentachlorophenol is a carcinogen! There is also a risk of teratogenicity, fetotoxicity, and oncogenicity because of the contaminants HxCDD and HCB.

Koppers has filed for review on some of the regulations, so some of the following dates may be pushed back. However, they didn't feel there would be any significant changes. As of 2/1/85, the new labels are to be in effect and the material should be sold only to licensed applicators. At the present time, we do not have a license. If we are to continue to use penta, we should have someone become an applicator. Who should that be?

The manufacturers of penta are supposed to have an emissions rate of 15PPM as of 2/1/85. Many manufacturers presently do not meet this restriction. Within 18 months the emissions level is to be reduced to 1PPM. Many people feel this is possible, but not in the above time frame, and at considerable cost. Dow Chemical made a penta product in the early 1970's at this emission rate. The cost was approximately 20% higher. They could not sell the product and closed the process down.

By 2/1/85, applicators should wear protective clothing that is impervious to the material. This would require gloves, boots, aprons, and goggles, as a minimum, in the dip tank. Koppers did recommend that the people feeding the paint lines should wear gloves. We should buy two complete suits and respirators for the maintenance department. These would be required anytime anyone worked in the tanks.

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**DEPOSITION  
EXHIBIT**

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If we were to decide to stay with penta, even after all of these liabilities are considered, we could continue our systems as is. The rules regarding sealing of the product do not apply to millwork people nor does the requirement of consumer information. But, we should remember that the price of this preservative will increase dramatically during the next one to two years.

Because of the inplant liability and all of the bad press penta has received in the last two months, I feel we have to move away from this product as soon as possible.

At the present time, there seems to be two alternative materials that are available to millwork manufacturers. They are a water base poly phase product and Bis (tri-n-butylein) oxide better known as TBTO.

We are presently using the water base product in California. This was brought on by state regulations. We are doing some water base work in Wausau. It is being done on "C" wood casement for ABC and on some frame parts where we have had a reaction between vinyl and penta. The water base product will meet NWMA standards only with a three minute immersion. This makes it totally impracticable for application on the line. We have been doing some work on the line with the product, but we are not achieving the swell reduction standard set by the NWMA. If we were to use the product on our entire product line, I feel we could have long term problems on the clad product lines with the cladding popping off. Because of this problem, I would not recommend water base preservatives be used on our new line.

TBTO has mineral spirits as a carrier just as penta. Because of this, just 15 seconds of contact is required to meet NWMA standards. It would not require any change in either of our application methods. We would just flush the tanks and then add the TBTO. It does have three main advantages over penta. They are:

1. Lower mammalian toxicity
2. Less skin irritation
3. Better paintability

The paintability of TBTO is very comparable to the water base product. It does not have a fetotoxicity problem and it is not a carcinogen. Because of these two facts, the EPA has not changed the regulations applying to it at the present time. They have requested information from manufacturers, but any further regulation will be in the future.

TBTO is not the ultimate preservative. It does have two major drawbacks as I see them. They are:

1. Cost
2. Degradation under UV light

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Koppers TBTO product costs approximately 30% more than Penta. This would be approximately \$60,000 per year in added preservative cost. The other problem is more significant, in my opinion. The preservative will degrade under sunlight if it is not painted. This would directly affect two of our products; the universal unit and the traditional door. Kopper is checking on the exposure time before degradation occurs. They did feel that it would be several months. Once we have more definite information, we could add a declaration to the label stating that the product should be painted within that time frame. Milt is checking to see if our paint, at its present coverage, will provide the necessary UV protection. There is another drawback in that this material does react with vinyl in much the same way as penta. Because of this, I feel the reaction is probably with the mineral spirits and not the penta or TBTO.

If these two concerns have acceptable answers, it would be my proposal to finish testing TBTO and if the tests are successful, we should change to the product as soon as practicable. I realize the cost of the material is more, but I feel the implant liability we presently have outweighs that cost. It also has two other possible benefits. They are, improved paintability and a possible marketing aide.

Penta has received a great deal of unfavorable press lately. It could be just a matter of time before our customers become aware of some of the sensational headlines and start asking questions. This move could alleviate their concerns.

All of this has brought on two more related concerns for me. They are the disposition of the dipping system in Stevens Point and the condition of Wausau's storage tanks.

Are there any plans to do any treating in Point? If there are not, I would propose draining the inside and outside tanks. I am going to have samples from each tank sent to Koppers for testing. If the material is still good, we could bring the material to Wausau and use it here. If we do drain the system, we should remove the underground storage tank. This would eliminate any long term liability.

Studies have found that over 40% of the underground storage tanks that are older than five years leak. Two of the tanks in Wausau are over thirty years old. The third tank is ten to fifteen years old.

The state of Wisconsin is becoming very concerned about these long term liabilities and has started doing some checking. With our proximity to the Wisconsin River and with the dioxin levels that have been found downstream, it is possible we could be checked. We have filled out questionnaires about our penta storage and usage, so the DNR is aware of our systems. Should we take the risk of doing nothing until we are checked, or should we try to take control of the situation by performing testing?

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There is only one good way of checking for ground contamination and that is by the drilling of test wells. One other possible method would be to try and check the tanks themselves. In either case, SNE would be exposing itself to potentially serious problems.

If there is a leak, the cleanup costs could be extremely high. Our preservative systems would practically be shut down if all of the tanks were leaking.

What is our philosophy on this issue?

I will follow up with Koppers on their TBTO product. I am also checking on any possible paint protection problems. With the information I have seen to date, TBTO is the way to go at the present time. It may only be a short term solution, but it is a solution to the present regulation changes and human concerns.

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