

RULS - AD - 1971 - 50

11/18/1971

• TRANSCRIPT OF DEPOSITION OF ARTHUR SMITH

Pgs - 29

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: SOMERSET COUNTY
DOCKET NO. L-36896-70 W. P.

1
2
3 THE ALLAN DEANE CORPORATION, :
4 a Delaware corporation
5 qualified to do business in
6 the State of New Jersey, :

7 Plaintiff, :

8 vs. :

DEPOSITION UPON
ORAL EXAMINATION
OF
ARTHUR C. SMITH.

9 THE TOWNSHIP OF BEDMINSTER, :
10 a municipal corporation of
11 the State of New Jersey and :
12 the TOWNSHIP OF BEDMINSTER
13 PLANNING BOARD, :

14 Defendants. :

15 TRANSCRIPT of the deposition of ARTHUR C. SMITH,
16 called for Oral Examination in the above-entitled matter,
17 said deposition being taken pursuant to Superior Court Rules
18 of Civil Practice by and before JOHN DI ORIO, a Notary
19 Public and Certified Shorthand Reporter of the State of New
20 Jersey, at the office of McCarter & English, Esqs., 550
21 Broad Street, Newark, New Jersey, on Thursday, November 18th,
22 1971, commencing at 10:00 A.M.

23 A p p e a r a n c e s :

24 WILLIAM W. LANIGAN, ESQ.,
25 Attorney for the Plaintiff.

McCARTER & ENGLISH, ESQS.,
BY: NICHOLAS CONOVER ENGLISH, ESQ.,
Attorneys for the Defendants.

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I N D E X O F W I T N E S S E S

WITNESS

DIRECT

Arthur C. Smith
MR. ENGLISH

2

EXHIBIT

DESCRIPTION

PAGE

D-1

Letter of May 24th, 1971, from William W. Lanigan to the Township of Bedminster Planning Board

11

D-2

Copy of letter dated August 23rd, 1971 from William W. Lanigan to the Mayor and Township Committee and the Chairman and Members of the Planning Board of Bedminster

23

1 A R T H U R C . S M I T H , having been first duly
2 sworn according to law by the Officer, testified
3 as follows:

4
5 DIRECT EXAMINATION BY MR. ENGLISH:

6 Q Where do you live, Mr. Smith?

7 A 1201 William Street, Denver, Colorado.

8 Q Are you connected in some way with the
9 plaintiff in this action, The Allan Deane Corporation?

10 A I am the president of the corporation.

11 Q Do you have any position with the Johns-
12 Manville Corporation? A Yes, I am director of
13 Johns-Manville and a vice president of the Johns-Manville
14 Corporation.

15 Q And in just a general way, what is your
16 personal connection with the project of Allan Deane
17 Corporation to develop land in Bedminster and Bernards
18 Township? A I have charge of it.

19 Q Could you tell me please the names of the
20 other officers of The Allan Deane Corporation?

21 A Yes. Chester Sulewski is the vice president.
22 Herbert M. Ball is the secretary. Assistant secretary is
23 Parker. Earl Parker.

24 Basically, that's all.

25 Q Any treasurer? A Treasurer is

1 James Spangenberg.

2 Q Now, is each of the four gentlemen you just
3 mentioned also connected with the Johns-Manville Corporation?

4 A Yes.

5 Q Can you tell me please who are the members of
6 the board of directors of the Allan Deane Corporation?

7 A Yes. I am a member, John McKinney is a board
8 member. R. T. Jones is a board member. Sulewski is a
9 board member. Is that five?

10 Q Four I have.

A Well, let me

11 take a look. H. M. Ball.

12 Q Are Messrs. McKinney and Jones connected with
13 Johns-Manville?

A Mr. McKinney is, Mr. Jones

14 is not.

15 Q What is Mr. Jones' occupation?

16 A Mr. Jones is a golf architect.

17 Q Is Allan Deane Corporation a wholly owned
18 subsidiary of Johns-Manville Corporation?

19 A Yes.

20 Q What were the purposes of Johns-Manville
21 in creating the Allan Deane Corporation?

22 A The purpose of the corporation was to own the
23 property, to develop it.

24 Q And are the proposed developments connected
25 with the other activities of Johns-Manville Corporation,

1 their manufacturing and selling activities?

2 A You mean does Johns-Manville have other developments?

3 Q Let me withdraw the question.

4 A Yes.

5 Q How would you describe the business
6 activities of Johns-Manville Corporation?

7 A Johns-Manville is a manufacturing distributing
8 Company that is in many businesses.

9 Q Now, is the use to which Allan Deane proposes
10 to devote its property directly related to some of the
11 other activities of Johns-Manville or by contrast, is it
12 simply a profit making venture? A It's an

13 investment for Johns-Manville.

14 Q And the purpose of the investment is to make
15 some money for Johns-Manville? A Certainly.

16 Q Now, why did the plaintiff buy land in Bed-
17 minster Township in 1969? A The Runne Mead

18 Corporation either owned a small portion or had options on
19 this land. It was offered to us and at a very advantageous
20 price and we bought it.

21 Q Who is the Runne Mead Corporation?

22 A I don't know much about the Runne Mead Corporation.
23 It was a corporation, I understand it is still in business
24 and that's it. I know very little about them.

25 Q Did the plaintiff take the initiative in

1 seeking to purchase land in Bedminster or did Runne Mead
2 take the initiative in offering the land to Allan Deane?

3 A Runne Meade offered the land to Allan Deane.

4 Q But at the time the offer was first made was
5 Allan Deane Corporation already organized and doing
6 business? A No, it was not. It was formed

7 for this purpose.

8 Q I suppose to be literal about it, Runne
9 Meade's additional offer was to Johns-Manville. I'm talking
10 about an informal offer. A Informally it was

11 made to Johns-Manville through me.

12 Q By the way, what are your particular duties
13 as a vice president of Johns-Manville?

14 A I am vice president in charge of environmental
15 control of our company, internall and externally. That's
16 my title.

17 Q Now, I understand that Allan Deane actually
18 acquired title to this land in Bedminster Township in

19 1969? A Yes, I believe that's right.

20 Q And Allan Deane also owns land in Bernards
21 Township? A Yes.

22 Q And its land in Bernards Township adjoins
23 its land in Bedminster or in a sense is part of the same

24 tract? A Right, yes.

25 Q Approximately when did Allan Deane buy the

1 land in Bernards Township? A Approximately
2 the same time.

3 Q Now, at the time the plaintiff bought its
4 land did it know that the lands in Bedminster which it was
5 buying were located in a five acre minimum lot zone?

6 A Yes.

7 Q And what was the zoning in Bernards Township
8 with respect to lands you bought there?

9 A Three acre.

10 Q What was the approximate price per acre that
11 you paid for the land in Bedminster? A
12 varied. I almost would have to get the records to tell you
13 for sure. Some of the properties were part in Bedminster
14 and part in Bernards, so it's almost impossible for me to
15 tell you this without checking the records.

16 Q Well, without distinguishing between Bernards
17 and Bedminster, can you give me a ballpark figure?

18 A Yes. \$3500 an acre, average.

19 Q That's the whole works? A Average.

20 Q Incidentally, if I occasionally use the word
21 you I am referring to the company, not you personally.

22 A Right. Yes, I understand.

23 Q In your proposals to develop the lands are
24 you considering the entire tract in both Bedminster and
25 Bernards Township as a single entity for development

1 purposes? A That's something that would have
2 to be answered by the planner who is doing all the technical
3 work. I think so, but I'm not positive. It could be
4 separated or it could be as a single entity. And I am not
5 competent to answer that question.

6 Q Now, who is your planner? A Name
7 is Catlin.

8 Q Is there any particular individual in the
9 Catlin organization that you have dealt with?

10 A Yes, Mr. Catlin himself.

11 Q And his name is Robert? A Robert
12 Catlin.

13 MR. LANIGAN: Robert Catlin
14 Associates, Denville, New Jersey.

15 Q Approximately when did the plaintiff retain
16 Catlin Associates? A I am guessing. About
17 April 1970.

18 Q And are you the individual who acted for the
19 plaintiff corporation in engaging the Catlin firm?

20 A Yes.

21 Q What instructions did you give to Catlin?

22 A We told Mr. Catlin to look at the master plan of
23 Bedminster Township, the one that was made in 1965 to plan
24 according to what we thought the master plan said.

25 Q Did you have some familiarity with the Bed-

1 minster master plan of 1965 at the time you talked to
2 **Carlin?** A Yes, sir, I had a copy of it.

3 Q Did the master plan of Bedminster Township
4 provide for an office and research zone on the property
5 which Allan Deane Company had bought? A No.
6 But the master plan said they needed research facilities
7 to help the economics of the township. It also mentioned
8 that since the advent of the new highway, 287 and 78, it
9 had created a buffer or a boundary so that it implied that
10 that was a separation between what they wanted and the
11 residential area. And, well, we just thought from
12 the master plan that this was what they were after
13 what they wanted.

14 Also, the property in Bedminster that we purchased
15 was almost surrounded by commercial and research facilities,
16 according to this master plan. It was sort of an island
17 inside of it.

18 Q Now, at the time you gave your instructions to
19 **Carlin** were you familiar with the zoning ordinance of
20 **Bedminster** Township? A Yes, sir.

21 Q And did that make any provision for research
22 or office zones in the land which the plaintiff acquired?

23 A No.

24 Q Did the zoning ordinance provide for the
25 research and office zone in the vicinity of your tract which

1 you say were referred to in the master plan?

2 A The reason I hesitate is because the zoning ordinance
3 has been changed a great many times and all I can tell you
4 is that at that time we believe that the zoning ordinance
5 did have research and commercial facilities very close to
6 our property or almost adjacent to it.

7 Q Did you give any thought to developing the
8 whole area in Bedminster Township that your company acquired
9 in five acre lots? A We left that to our

10 planner.

11 Q Did you tell the planner specifically to
12 include research and office buildings in a portion of your
13 tract line in Bedminster Township? A No.

14 Q As of the spring of 1970 or whenever you
15 gave your instructions to Mr. Catlin, was there a master
16 plan in Bernards Township? A There must have
17 been. There usually is.

18 MR. LANIGAN: If you know?

19 A Yes.

20 MR. LANIGAN: If you don't know, you
21 don't know.

22 A I don't know whether there was or not.

23 Q Well, do I infer that your degree of
24 familiarity with the Bernards master plan, if any, was not
25 as great as the Bedminster master plan? A That's

correct.

2 Q Was there a zoning ordinance in Bernards
3 Township at this time? A Yes.

4 Q And I think you told us that that provided
5 for three acre minimum lots in the area you bought?

6 A Yes.

7 Q Do you know or do you recall whether the
8 Bernards Township zoning ordinance made any provision for
9 research and office zones? A No, it did not,
10 not as far as I know.

11 Q Do I understand you correctly, Mr. Smith,
12 that in your instructions to Mr. Catlin you did not
13 specifically mention whether or not to include office and
14 research facilities in the proposed development of the
15 Allan Deane property? A That's correct. We
16 left the planning to him. We are not land planning
17 experts, he is.

18 Q Now, is it Allan Deane's desire of constructing
19 a research and office facility on its property in Bedminster?

20 A Are we?

21 Q Yes. A Yes.

22 Q And how big a facility do you have in mind?

23 A Now you are getting in areas where I'd almost have
24 to look at a plan to tell you. Because in dealing with the
25 planner he had a number of plans. So I would have--I

1 probably would not be giving you an accurate figure if I
2 told you the exact square footage or some such plan as that.

3 Q Do you have the plan here?

4 A No, I do not.

5 MR. ENGLISH: May I mark as Exhibit
6 D-1 for identification a photocopy of a letter
7 from William W. Lanigan to the Township of
8 Bedminster Planning Board, dated May 24th,
9 1971.

10 (Letter of May 24th, 1971 from William
11 W. Lanigan to the Township of Bedminster
12 Planning Board is received and marked Exhibit
13 D-1 for identification.)

14 Q Mr. Smith, I show you an exhibit which is
15 marked D-1 for identification which I think Mr. Lanigan
16 would agree is a photocopy of the letter he wrote to the
17 Township of Bedminster Planning Board under date of May 24th,
18 1971, and ask you if you are familiar with that letter?

19 A Yes, I am.

20 Q Have you seen the letter before it was deliver-
21 ed by Mr. Lanigan to the planning board? A Yes.

22 Q And does the letter D-1 for identification
23 correctly express the position of the Allan Deane Corporation
24 as of May 24th, 1971? A Yes.

25 Q By reference to the letter D-1 for identifi-

1 cation, can you tell us something about the size of the
2 proposed office and research facility?

3 A Well, this says seven and a half percent of 92 acres.
4 That's about 240,000 square feet.

5 Q Is it the plaintiff's proposal that this
6 facility would be used by someone other than the Johns-
7 Manville Corporation? A Yes.

8 Q Have you had any idea about how many people
9 would be employed in a research and office facility of
10 the kind you are proposing? A I can tell you
11 approximately. In a normal building like that, 60 percent
12 of it is useable space. And if you had 15--

13 MR. LANIGAN: Off the record.

14 (Discussion off the record.)

15 Q Well, I take it, Mr. Smith, that you are
16 really not familiar with the answer to the question I put
17 to you? A No, we have left this, the technical
18 aspect of this we left in the hands of the ^{planner} plaintiff.

19 Q Could you tell me who would have knowledge of
20 the size of the building and the number of people who pre-
21 sumably would be employed therein? A Catlin
22 has the entire study.

23 Q Nobody else in the Allan Deane Corporation
24 would be apt to know? A No.

25 Q Has the planner given any thought to where

1 the personnel who would work in this office and research
2 facility might live? A Yes.

3 Q Where? A In surrounding areas,
4 even in Bedminster.

5 Q How would the workers commute to the office
6 and research facility? A Usually by car,
7 that's the only transportation in that area.

8 Q There is no public transportation in Bedmin-
9 ster, is there? A No.

10 Q Have you had any traffic surveys made in
11 connection with your plans to develop your land in Bedmin-
12 ster and Bernards Township? A Yes, we did.
13 Catlin handled that.

14 Q Catlan had that made for you?

15 A He had it made for us. It was handled through him.

16 Q I think I saw reference in the papers some-
17 where that Gorman Associates have made these?

18 A That's the one, right.

19 Q Do you have a copy of that here?

20 A No, I do not.

21 Q Would Mr. Catlin have that?

22 A Yes.

23 Q Are you familiar with the intersection of
24 Interstate Route 78 and Interstate Highway 287 in Bedmin-
25 ster Township? A Where the two highways cross?

1 Q Right. A Yes.

2 Q We can agree, can we not, Mr. Smith, that
3 there is no way to get from either 287 or 78 onto the
4 ground and on to local streets right at the intersection?

5 A That's correct, right at where they cross.

6 Q Right? A Yes.

7 Q And the only connection between Interstate 287
8 and the other streets in Bedminster Township is at a jug-
9 handle on where 287 crosses Route 202, 206 north of
10 Pluckerman Village? A Right.

11 Q And is it not true that there is no way to
12 get from Interstate 78 onto local streets in Bedminster
13 Township except at the western edge of Bedminster?

14 A 78--

15 Q That's the east-west highway?

16 A Yes. You can get off 78. Let me ask you this.
17 You mean at the western end of the township?

18 Q Yes. A You can get off at 78.

19 Q At the western end of the township, right?

20 A You can get off there at other places, too.

21 Q But other than an interchange between local
22 streets and Route Interstate 78 and the western edge of
23 Bedminster Township, there is no interchange between Route
24 78 and local streets in any other part of Bedminster
25 Township? A You can go south from 78 to 287

1 and get off.

2 Q Yes. But where you get off 287 is outside of
3 Bedminster Township, is it not? A Yes, but
4 it is available to the streets of Bedminster.

5 Q How far south on 287 do you have to go from
6 78 before you can get off? A It's about three
7 minutes in a car.

8 Q It's about three miles then, isn't it?
9 A Approximately.

10 Q Directing your attention again, Mr. Smith,
11 to page 7 of Exhibit D-1 for identification.

12 A Yes.

13 Q Do I fairly construe that letter as indicating
14 that the office and research facility with the portion of
15 the land directly related to it would approximate 92 acres?

16 A That's what the letter says, yes.

17 Q And do you know how much of that 92 acres
18 would be a parking lot? A No, sir, I do not.
19 That would be a question the planner would have to answer.

20 Q May I direct your attention to page 8 of the
21 letter which is D-1 for identification.

22 A Yes.

23 Q There is a reference on that page to a pro-
24 posed meeting center consisting of 120 transient units?

25 A Yes, sir.

1 Q Can you tell me a little more fully what
2 all that is about? A I think that there is

3 a need for a transient unit in this area.

4 Q Is this essentially a hotel or a motel?

5 A It would be probably a meeting room, places where
6 people can gather.

7 Q Do you recall any reference to such a facility
8 in the Bedminster zoning ordinance? A I think

9 there was a reference to one but I am not positive of that.
10 And one of the zoning ordinances.

11 Q By one of the zoning ordinances you mean
12 what? A It seems to me that I have read a

13 reference some place to a motel or a transient place some
14 place in that area.

15 Q But, for example, you don't recall whether
16 it was Bedminster or Bernards Township?

17 A No, it was Bedminster, I think.

18 Q It was Bedminster? A Yes.

19 Q Was there anything in the Bedminster master
20 plan about a motel or a hotel or meeting center?

21 A No.

22 Q Whose idea was it to construct a meeting
23 center with transient units on your property?

24 A Oh, I suppose it was mine. The planner agreed that
25 it was a good thing to do. Those of us who have worked in

1 that area think there is a great need for something of
2 that kind.

3 Q Can you define a little more specifically the
4 need? A Yes. It's difficult for companies

5 and research people to have meetings because it is difficult
6 for them to find a place to stay and to meet.

7 Q What companies are you referring to
8 specifically? A Companies who are down there.

9 There are several of them. Johnson & Johnson, they have
10 indicated in the past they have difficulties finding
11 places to meet and to have people stay.

12 Q Johnson & Johnson is not in Bedminster
13 Township, is it? A I understand that.

14 Q About how far away from your proposed facility
15 is the Johnson & Johnson plant? A Five miles,
16 I would guess.

17 Q How would you describe the general area within
18 which the industries are located who would in your judgment
19 feel the need for a meeting center in this locality?

20 A Well, Johns-Manville would be one, Johnson & Johnson,
21 American Radiator.

22 Q Where is the American Radiator plant located
23 that you speak of? A American Standard.

24 They are just off of 287.

25 Q In what municipality or near what town?

1 A They are near Bound Brook.

2 Q Why in your judgment should this meeting
3 center be located near Pluckerman as opposed to being located
4 closer to the plants you have referred to, such as along
5 Route 22 or in Bridgewater Township? A Well,

6 at the intersection of two major highways is a good place
7 to have a meeting center.

8 Q Would it be your purpose to operate this
9 facility as a regular hotel to the extent that it is not
10 required for business meetings or other large gatherings?

11 A Economically it would be necessary to do that.

12 Q And that is your plan? A Yes.

13 Q Directing your attention further to page
14 8 of Exhibit D-1 for identification. I understand your
15 company is proposing to build 52 single family residential
16 dwellings? A Yes, sir.

17 Q And what would be the average lot size for
18 each of those proposed houses? A Well, I am
19 not so sure I can tell you exactly without having the plan.
20 I think that that is something the planner would have to
21 answer.

22 Q Well, the letter says that 64 acres would be
23 used to provide for these 52 single family residential
24 dwellings? A Right.

25 Q So the average lot size would be something

1 less than an acre and a half. Is that correct?

2 A Yes, mathematically that's correct.

3 Q Do you regard single family dwellings on lot
4 size of less than one acre and a half to be in compliance
5 with the zoning ordinance which calls for a five acre
6 minimum lot size? A A part of the property

7 in Bedminster is one acre zoning.

8 Q Well, the one acre zoning is right near
9 Pluckerman Village, is it not? A Right.

10 Q And isn't that where you are proposing to
11 put the research center and the transient facility?

12 A Yes, the other is five acres.

13 Q So that these 52 single family houses would
14 go in the part that is presently zoned for five acres?

15 A Yes.

16 Q Do you regard your proposal as complying
17 with the zoning ordinance? A No.

18 Q Did not the master plan of Bedminster also
19 call for a five acre minimum lot sizes in the spot where
20 you are proposing to put these 52 single family dwellings?

21 A Yes.

22 Q So your proposal does not comply with the
23 master plan either, does it? A No.

24 Q What sort of a sales price do you contemplate
25 for these 52 single family houses? A Well,

1 the letter says they would average around \$90,000 apiece.

2 Q What level income group in society do you
3 contemplate would purchase these houses? A An
4 old rule used to be you can afford a house that was three
5 times your income, two times your income, maybe four times
6 your income, based on what happens. Now, today apparently they
7 are willing to have more debt than they formerly did. So
8 it could be \$25,000 or more. Or if people had more money
9 they wouldn't need as much income.

10 Q People had more money they wouldn't need as
11 much income? A If they had more background
12 income they wouldn't need as great an amount.

13 Q You mean capital? A Capital,
14 yes.

15 Q Well, are these 52 single family houses
16 specifically designed to make housing available to lower
17 income groups? A No.

18 Q Now, further directing your attention to
19 the letter D-1 for identification. A Yes.

20 Q Can you tell me about how many multi-family
21 dwellings you are proposing to build? A No,
22 sir, I can't, unless it states so in here. I think the
23 planner would have to give you that answer.

24 Q But I take it you are proposing to devote
25 33 acres in Bedminster to such a use? A Yes,

1 that's what the letter says.

2 Q And what would you regard the average sales
3 price of these dwellings? A The letter says
4 they would be \$35,000 at an average price.

5 Q Is it your company's thought that this housing
6 would be particularly available for lower income groups?

7 A Well, that depends on the definition of lower income.
8 Certainly with lower income could buy these houses at what
9 we would require to buy the single family dwellings.

10 Q Give me please a description of the sorts of
11 persons that you think would be interested in buying these
12 town houses? A Middle management people,
13 some professional people.

14 Q Have you finished your answer?

15 A Yes.

16 Q Well, would your company intend to sell these
17 town houses or rent them? A Sell them.

18 Q Is it your position that there are presently
19 middle management people who are employed in Bedminster
20 but who cannot find suitable housing in that municipality?

21 A Yes, sir.

22 Q Whom do these people work for?

23 A Some of them work for Johns-Manville.

24 Q Are they employed in Bedminster?

25 A No.

1 Q Well, my question was limited to persons
2 employed in Bedminster? A I don't know as I
3 know offhand anyone who is employed in Bedminster.

4 Q Well, is it fair to say that your purpose in
5 providing these town houses is to meet the needs of people
6 who are employed outside of Bedminster rather than just
7 those who may be employed within Bedminster?

8 A Yes.

9 Q Mr. Smith, have you ever heard of the Regional
10 Plan Association? A There is one in Newark.

11 Q Are you familiar with the one that has its
12 offices at least in New York City? A No. I
13 think the only one that I know is the one that meets in
14 Newark.

15 Q What can you tell me about that organization?

16 A Very little. I just know it exists.

17 Q Have you ever seen any of their reports or
18 recommendations? A A long time ago I saw some.

19 Q In giving your instructions to Mr. Catlin did
20 you tell him to conform to the recommendations of the
21 Regional Plan Association to which you have referred?

22 A No.

23 Q Have you ever heard of the Tri-state Trans-
24 portation Commission? A No.

25 Q Are you aware that Somerset County has a county

1 master plan? A Yes, I am.

2 Q Have you ever read the county master plan?

3 A No, sir.

4 Q Have you seen it? A Don't know
5 whether I have or not.

6 Q In any event, did the Allan Deane Corporation
7 consider the recommendations of the Somerset County master
8 plan in trying to develop its own plans for the use of its
9 property in Bedminster and Bernards Township?

10 A We left that to our planner.

11 Q Did you give him any specific instructions
12 to comply or to disregard the Somerset County master plan?

13 A No, no instructions.

14 Q No instructions respecting--

15 A Regarding the plan.

16 Q The master plan? A Yes.

17 MR. ENGLISH: Off the record.

18 (Discussion off the record.)

19 MR. ENGLISH: May I mark for identifi-
20 cation a photocopy of a letter dated August
21 23rd, 1971 from William W. Lanigan to the Mayor
22 and Township Committee and the Chairman and
23 Members of the Planning Board of Bedminster.

24 (Copy of letter dated August 23rd, 1971
25 from William W. Lanigan to the Mayor and Town-

1 ship Committee and the Chairman and Members
2 of the Planning Board of Bedminster is received
3 and marked Exhibit D-2 for identification.)

4 Q Mr. Smith, I show you a copy of a letter written
5 by Mr. Lanigan dated August 23rd, 1971 and ask you if you
6 are familiar with that letter? A I don't know
7 whether I am or not.

8 Q Do you recall having ever seen it before?

9 A I don't know.

10 Q Did you authorize Mr. Lanigan to write that
11 letter on behalf of Allan Deane Corporation?

12 A Yes, sir.

13 Q Do you associate yourself on behalf of the
14 company with that letter? A Yes. When I
15 say I don't know whether I had seen it, I've been in
16 Denver a great deal, I have been out of town. Mr. Lanigan
17 and I consult by telephone a great deal of the times. This
18 is why I want to be completely honest with you in this
19 situation.

20 Q Yes. Well, is it fair to say that the letter
21 of August 23rd which is D-2 for identification is an
22 authoritative statement of the position of Allan Deane
23 Corporation as of this date? A Yes, sir, it
24 is.

25 Q Have you, Mr. Smith, ever met with members of

1 the Bedminster Planning Board? A No.

2 Q Have you ever met with members of the Bedmin-
3 ster Township Committee? A No.

4 Q Can you tell me who the persons may be whom
5 Allan Deane Corporation has authorized to meet with those
6 two public bodies on its behalf? A Mr. Lanigan
7 and also Mr. Catlin, if necessary.

8 Q Would you characterize the reaction of the
9 Bedminster Township to your proposals as enthusiastic or
10 something else? A I think it was a surprise.

11 Q It was a surprise? A Yes.

12 Q Have you observed any affirmative enthusiasm
13 on the part of the municipal body for the proposal?

14 A I have no contact with them.

15 Q Do you have any reason to believe that
16 Bedminster Township welcomes the proposals of Allan Deane
17 Corporation? A All I can say is that I can't

18 say directly that I know what their reaction is because I
19 have no first-hand relationship with them.

20 Q Well, this letter of August 23rd, 1971, which
21 is D-2 for identification, suggests in the next to last
22 paragraph that the township does not seem to be reacting
23 favorably to your request? A That's correct.

24 Q Is it of any concern to your company that
25 Bedminster does not seem enthusiastic about your proposal?

1 A Concern in what way, Mr. English?

2 Q Well, does it make any difference to you
3 whether you are welcomed in the community or not?

4 A That question presumes that the board reflects the
5 feelings of the people in the community.

6 Q Well, assuming that it does, would that make
7 any difference to your company? A It does make
8 a difference to us, yes.

9 Q In what respect? A We like to
10 have people have a good opinion of Johns-Manville.

11 Q Is that your full answer? A Yes.

12 Q May I direct your attention to the May 24,
13 1971 letter, page 10? A Yes.

14 Q That is Exhibit D-1 for identification?

15 A All right.

16 Q I direct your attention to the next to last
17 paragraph and particularly the sentence which reads "To
18 reiterate what was said in one of those meetings, it would
19 not be the intention of the owner to simply go away if its
20 request is not approved despite the fact that this has
21 been the experience of the planning board with other owners
22 who have made similar proposals over the last several years."

23 What do you mean by the words "it will not be the
24 intention of the owner to simply go away if its request is
25 not approved?" A Well, it means that we would

1 continue to do what we were doing today.

2 Q Which is what? A Create the
3 litigation.

4 MR. ENGLISH: Off the record for a
5 minute.

6 (Discussion off the record.)

7 MR. ENGLISH: That's all for now.

8 MR. LANIGAN: I have no questions.

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1
2 THE ALLAN DEANE CORPORATION, :
3 a Delaware corporation quali- :
4 fied to do business in the :
5 State of New Jersey, :

6 Plaintiff, :

7 vs. :

CERTIFICATE

8 THE TOWNSHIP OF BEDMINSTER, a :
9 municipal corporation of the :
10 State of New Jersey and the :
11 TOWNSHIP OF BEDMINSTER PLANNING :
12 BOARD, :

13 Defendants. :

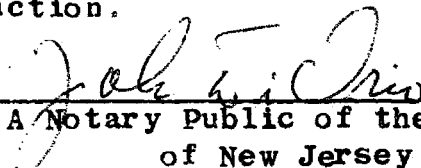
OF OFFICER

14 I, JOHN DI ORIO, a Notary Public and Certified
15 Shorthand Reporter of the State of New Jersey, do hereby
16 certify that prior to the examination ARTHUR C. SMITH, was
17 sworn by me to testify the truth, the whole truth and nothing
18 but the truth.

19 I DO FURTHER CERTIFY that the foregoing is a
20 true and correct transcript of the testimony as taken
21 stenographically by and before me at the time, place and on
22 the date hereinbefore set forth.

23 I DO FURTHER CERTIFY that I am neither a relative
24 nor employee nor attorney nor counsel of either of the
25 parties to this action, and that I am neither a relative
or employee of such attorney or counsel, and that I am not
financially interested in the action.

My Commission Expires
June 1972


A Notary Public of the State
of New Jersey