

FROM MY PERSPECTIVE—NEWSLETTER—JULY-2009

SUBJECT: Chinese Drywall

This is another product imported from China that is substandard and dangerous! Our London broker alerted us to this serious problem on April 23, 2009.

Many Contractors used Chinese drywall (manufactured between 2001 and 2008). In the past several months, it has been discovered that this product contains strontium sulfide which is causing metal objects, electrical wiring, and similar materials to corrode and fail.

The drywall also gives off an odor of rotten eggs. Some home owners are claiming health issues, including respiratory irritation, headaches, coughing, etc. Basically, the only fix is to remove all of the drywall and replace the corroded items, forcing the occupants to move out during remediation.

Multiple law firms have created websites and advertisements for class action suits concerning this topic. One law firm has already filed 15 different lawsuits for home owners in the USDC Eastern District of Louisiana. U.S. Senators Bill Nelson of Florida and Mary Landrieu of Louisiana have sponsored a bill (Drywall Safety Act of 2009) seeking to recall tainted drywall and enact a temporary ban on certain Chinese-manufactured drywall.

At present the defendant's names in the Louisiana cases include Knauf Gips KG, Knauf Plasterboard Tianjin Co., Taishun Gypsum Co., L&W Supply Corp., and **USG CORP.**

Following the hurricanes of the 2004 and 2005 seasons, drywall was in high demand. Given the amount of homes damaged by the four named hurricanes in Florida, and more recently Katrina, Rita, Gustav, and Ike, the number of homes with this drywall product could be significant. AND – We are in the 2009 hurricane season. BE CAREFUL.

(The opinions expressed in this Newsletter are my own. **When other sources are used – credit will be published.**)

Hilton Hilliard