

## Plant manager denies that JM Eagle compromised on pipe quality

### PLASTICS NEWS REPORT

Posted April 13, 2010

LOS ANGELES (April 13, 11:25 a.m. ET) — A dispute over pipe quality continues to unfold outside the courtroom, as JM Eagle announced April 13 that a key witness in a whistle-blower lawsuit denies saying the company took measures that intentionally compromised the quality of its pipe.

Brian Wang, a former long-time plant manager, said in a sworn statement that he never acknowledged that he conspired to sacrifice quality by using cheaper ingredients, speeding up production or failing to replace parts on extruders.

Wang worked for J-M Manufacturing — now JM Eagle — from 1984 to June 2006, including as a plant manager at three of the company's 23 plants.

According to Los Angeles-based JM Eagle, Wang was the highest-ranking company employee to have alleged improper behavior.

But Wang now says in a declaration — released April 13 — that he never acknowledged that J-M forced plant managers to speed up extruders, nor did the company use cheaper compound ingredients.

"This statement is false. I never acknowledged such a thing, nor did I ever give a statement saying such a thing. There was never any intent by me (or ever any instructions from management) to produce product which was poorly made or non-conforming," Wang said, according to a news release from JM Eagle.

"It has always been the goal of JM Eagle to find the most efficient and cost-effective ways to make pipe that conforms to industry standards," Wang said. "I was never instructed by Barry Lin [the company's production director] or Walter Wang [the CEO] to run an extruder at a speed which would knowingly create poor quality or non-conforming pipe."

The whistle-blower lawsuit was filed in U.S. District Court in Los Angeles in 2006, but the case has been playing out in the media in the past two months.

Washington law firm Phillips & Cohen LLP — which specializes in whistle-blower cases — started the ball rolling on Feb. 11 with a news release announcing the existence of the lawsuit. That announcement generated numerous news reports, including stories in *The New York Times* and *Los Angeles Times*.

JM Eagle fought back, holding a news conference on Feb. 18 to announce that none of the governmental bodies that joined the suit had complained about leaking pipe, while also alleging that John Hendrix, the whistle-blower who brought the suit, had offered a kickback deal to a pipe buyer.

JM Eagle on April 5 followed that with an announcement that the company was offering a 50-year warranty on its water and sewer pipe. The company said the warranty includes pipe that it made in the past, which previously had been covered by a standard one-year warranty.