



INTERNAL CORRESPONDENCE

CHEMICALS AND PLASTICS

270 PARK AVENUE, NEW YORK, NEW YORK 10017

To (Name) Mr. F. D. Dexter
Division Chemicals & Plastics
Location 270 Park Avenue
 29th Floor

Date September 18, 1968
Originating Dept. Pulp and Paper
Answering letter date

Copy to Mr. T. W. Carmody
Subject Effect of Asbestos Business Plan on Pulp and Paper

CONFIDENTIAL

Dear Mr. Dexter:

We discussed three asbestos cases alternative to the 1969 Preliminary Plan. Others may emerge from discussions with Mining & Metals Division -- and I presume you will be considering this in light of their land equity.

This is to give you a realistic feel for the financial effects the Pulp and Paper market area would realize in the event of abandonment of asbestos. Obviously, its effects on our ability to sell products to the industry other than asbestos will depend very much on how we handle the matter.

The P & P asbestos customer list for 1968 and 1969 is made up of more than 30 accounts (Table I). Of these, 13 are regular purchasers, the remainder buying in carload lots on an infrequent basis during various stages of mill testing.

Four accounts -- Simpson Lee, Riegel, Glatfelter, Hammermill -- are purchasers of small regular quantities of "T", likely can be eased out back to TiO₂ with some recrimination.

Nine accounts, designated as "hard core", have been on the books for some time. Their uses are characterized by one or more of the following:

- (1) Developed and selling proprietary paper products based on asbestos usage.
- (2) Installed particular handling equipment involving capital outlay.
- (3) Reversion to use of substitutes (for asbestos) represents sizable loss in savings.

As indicated, the "hard core" group comprises 4,670 tons of 1969 sale of HP out of the 5,100 ton total; and 600 tons of "T" out of the 1969 1,700 ton total of the Plan.