

The RUBEROID Co.

General Manufacturing Department
SOUTH BOUND BROOK, N. J. 08880

MAR 22 1966

For Attention Mr. F. K. Sweeney

Date March 24, 1966

Copy to Messrs. Neil - Dant - Hughes -
Sario - O'Brien

Reference

Subject ACTUAL COSTS - CALSILITE - FEBRUARY 1966

With reference to your letter of March 22 to Mr. Neil, we anticipate that our dollar earnings for the month of February will be higher than any previous month on record. We would even go further to predict that our dollar earnings for the first three months of this year will be higher than the entire year of 1965. In addition to this, our percentage of profit for the first three months should be three times greater than the yearly average for 1965.

Our profit picture for the balance of the year looks very promising. We anticipate monthly improvements in cost reductions. The items that are presently being worked on at Gloucester which will result in these additional cost savings are as follows:

1. Relocation of rented warehouse space from a second floor operation, where the cartons have to be handled on an individual basis, to a larger first floor palletized operation.
2. Reduced formula costs due to elimination of the use of Chrysotile fiber and a reduction in the percentage of Amosite.
3. Reduced rejects.
4. Anticipated reduction in the labor cost for applying canvas by spray application vs. paint brush application of adhesive.

All of these combined with the beneficial results which can be obtained from larger runs resulting from the increased warehouse facilities will result in greatly increased profits for the balance of this year.

We again want to point out that where Messrs. O'Brien and Henry are enthusiastic about the future sales potential for Calsilite, especially if we have an inhibited product, we will not be able to produce their requirements even on a continuous seven-day operation unless we have the extra equipment referred to in my letter to you dated January 6, 1966. This extra equipment is still one-year away.

H. R. KUEHLER

HRK:sp

MICH06075

PLAINTIFF'S
EXHIBIT
GF-893

MR. L. SAPLO, JR. - GLOUCESTER

December 20, 1966

Messrs. Kuhlken - Sweeney

ACTUAL COSTS - CALSILITE - OCTOBER 1966

I have the Calsilite costs for October and am somewhat disturbed by the warehouse and shipping expenses for the month.

All exceed standard and I was hoping that with the move to the new warehouse completed in September we would have seen a greater improvement in October. I hope this can be brought down when we get going again.

D. L. NEIL

DLN:AMP

MICH06077

November 21, 1966

Gloucester City, N.J.

Messrs. Kuhlken, Neil, Sarlo, Schwingen

NOV 22 1966 DLN

CALSILITE OPERATION WEEKLY REPORT-WEEK ENDING 11-13-66

<u>Manufacturing Dept.</u>	<u>Standard</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
1. Material Usage (Lbs.)	206839	204085	(2754)	(1.3)
2. Direct Labor Usage (Man Hrs.)	1137.5	1025	(112.5)	(9.9)
<u>Finishing Dept.</u>				
3. Direct Labor Usage (Man Hrs.)	1129.3	937.9	(191.4)	(16.9)
<u>Rejects</u>				
4. Pipe Covering (Lin Ft.)	34809	33477	1332	3.8
5. Block (Sq. Ft.)	28067	26397	1670	5.9

Comments

Test mix was run containing 60 extra lbs. dicalite and 40 extra lbs. lime.

D. Frost

DF/ivp

MICH06081