



## INTERNAL CORRESPONDENCE

## MINING AND METALS DIVISION

P. O. BOX K, KING CITY, CALIFORNIA 93930

To (Name) Dr. F. J. Shortsleeve  
 Company Mining & Metals  
 Location New York

Date February 27, 1970

Originating Dept.

Answering letter date

Copy to M. P. Ballmer  
 R. E. Byrne  
 H. Trautman  
 A. Maris  
 J. L. Myers

Subject Meeting with Degussa Jan. 29, 1970

The meeting took place Jan. 29, 1970 in Degussa's offices in Wolfgang, near Hanau. Those attending were:

Degussa - G. Frankenbusch, Marketing & Sales Manager, Pigments,  
 White & Black Fillers  
 Helmut Wich, Sales Manager, White Materials  
 Dr. Heinrich Wolf, Manager of Planning  
 Dr. Helmut Fratzscher, Research & Development  
 Dr. Bauer, Assistant to Dr. Fratzscher

Union Carbide - Heinz Trautman, CID, Geneva  
 André Maris, CID, Geneva  
 R. E. Byrne, Jr., M&M, Niagara Falls  
 J. A. Riddle, M&M, King City

Degussa reported on their market research. They sent out 458 samples and at the time the report was prepared, they had 163 replies, half of them favorable. Based on these results, they consider that A-14 and A-38 have worthwhile potential as thickening agents and forecast European sales of 200 tons in the next 12 months.

The ratio would be about six tons of A-28 to one ton of A-14. They are knowledgeable in this market, and do not consider that competition from Avibest, Sylodex, or Bentones would be a serious problem. One significant difference was that they got no favorable responses from polyester resin manufacturers, which is our major market in the U.S.

They have been quoting delivered prices of 8 to 8.5 DM/KG (\$0.99 to 1.055/LB) for A-28 and 4 to 4.5 DM/KG for A-14. FMC quotes Avibest C in Europe at 10 DM/KG. Degussa doesn't believe that A-28 can be marketed in worthwhile quantities at a significantly higher price, and since the present C.I.F. Antwerp price of \$0.72/LB net doesn't provide them enough margin to cover their costs of distribution, sales, and technical service, they requested a C.I.F. price of \$0.53 to \$0.54/LB. We agreed to \$0.54, subject to an

continued.

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PLAINTIFF'S EXHIBIT

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