Mr. Burns for your information
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USM

UNITED STATES MINERAL PRODUCTS COMPANY

SINCE 1875

General Office and Plant
STANHOPE, NEW JERSEY 07874

Tel. 347-1200 Area Code 201
Cable: CAFCOINSUL, New York

NOTICE

TO: USM SHAREHOLDERS

The following announcement was released to the press and to the financial community on Monday, March 4, 1968.....

Cedar Grove, New Jersey - March 4, 1968

Electronic Research Associates, Inc. and United States Mineral Products Company announced here today that the Directors of the two companies have agreed in principle to merge United States Mineral Products Company into Electronic Research Associates.

Electronic Research Associates designs, engineers and builds sophisticated electronic devices, including the new wafer type Poly-Planer loud speaker. United States Mineral Products Company of Stanhope, New Jersey is a 75 year old manufacturer of plastics and fiber materials as well as insulation, packaging and acoustical products.

Current sales of U. S. Mineral Products are at a 4.5 million dollar annual level and, on a combined basis, ERA's sales volume will be more than tripled. Also, the merger should produce a substantial increase in ERA's earnings.

Under the proposed merger, shareholders of U. S. Mineral Products, which has approximately 270,000 common shares outstanding, will receive one share of ERA common stock plus one-fourth of a share of a new ERA convertible preferred stock for each USM common share held. Each preferred share will be convertible into one share of ERA common stock and will be callable at $25.00 after five years.

The number of common shares to be issued including those shares reserved for full conversion, will have a combined total which is slightly less than the number of ERA shares presently outstanding. ERA currently has 342,406 shares outstanding.

Although the respective Board of the two companies have approved the principal merger terms, the final plan is subject to stockholder and board approval and a favorable ruling from the Internal Revenue Service.

In addition to its line of molded foam hospital supplies and industrial packaging materials, U. S. Mineral Products has recently introduced a line of foam items to replace wood in the packaging of perishable food products. The company has also developed a line of machine applied mineral fiber products for fireproofing, as well as thermal and acoustical materials for industrial applications. USM, one of the largest producers of these specialized products in the U. S., also makes specially processed mineral fiber for cryogenic insulation of liquified gas facilities.

Electronic Research Associates' shares are traded on the American Stock Exchange and U. S. Mineral Products is traded over the counter.

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