

MVd R + D 1991

J-M RESEARCH RECEIVED	AUG 7 1967	L. R. BLAIR	Refer to:				FILE
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Division Headquarters
August 3, 1967

R. E. Robinson - Zelienople Plant.

PLAINTIFF'S
EXHIBIT
K-1622

INSULATING FIREBRICK - SPECIAL SIZES -
SPPI PROCEDURE - MY LETTER JULY 20, 1967

This letter cancels my letter and drafted bulletin of July 20, 1967. The changes are based on the recommendations of several people involved and we hope improve and clarify several areas. We appreciate their help.

In an effort to increase business by offering the trade larger than conventional size IFB (or FIREBLOK), we believe it is necessary to revise our SPPI pricing procedure. Accordingly, six special sizes compatible with our production process have been selected for pricing to encourage FIREBLOK sales. We believe this will give us a competitive advantage, increase our market share and improve our profit picture. We may eventually add some or all of these special sizes to our published price schedule, after judging the trade and competitive response.

Effective at once, the following procedures should be used for pricing:

a. Selected special FIREBLOK sizes:

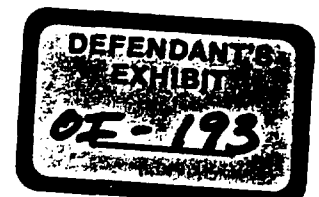
In type J-M 20, 23, 26, 28 and 3000 multiply the list price for the proper destination, and quantity bracket in the type of brick desired by the factor stated.

2 1/2" or 3" thick size	Factor		Extra charge for modification	
	"D" & "E"	"ALL OTHER"	Arch. Wedge. Key or Skew Cut	
			4 pcs. or more	Under 4 pcs.
*23 1 1/2" x 9"	9.0	11.5	\$25/M	\$35/M
13 1/2" x 9"	6.0	7.2	25	35
13 1/2" x 4 1/2"	3.0	3.9	25	35
11 1/2" x 9"	3.4	4.4	25	35
11 1/2" x 4 1/2"	1.7	2.2	20	30
9" x 7 1/2"	2.2	2.8	20	30

*24" for J-M 26, 28 and 3000

b. SPPI shapes

For any rectangular pieces over 9" x 6 3/4" x 2 1/2" or 3" and within our maximum limits, in types J-M 20, 23, 26, 28 and 3000 determine the brick equivalent of the rectangular size required for the SPPI shape. Carry to two decimal points. Multiply the B/E by the list price for the proper



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destination and quantity bracket in the particular type of brick. Multiply the product obtained by the factor below:

Factor	
"D" & "B"	"ALL OTHER"
1.75	2.25

Quantity bracket in all cases will be determined by the total B/E of the order (including special sizes and SPPI shapes) for shipment at one time to one destination. If TL or CL shipment or part of a combined TL or CL shipment, the "30,000 and over" brick price will be used.

All prices computed with either procedure (after adding applicable modification charges) will be rounded to three significant figures, i.e., \$.769 each or \$7.69 each or \$76.90 each piece.

Extra charges prescribed for the special sizes are related to the number of pieces of that particular size and not for the total of all pieces in the entire order.

No further "D" & "B" discounts are applicable.

J-M 1620 will not be offered in the special sizes or SPPI sizes. If the customer insists, they will be priced as J-M 20.

"D" & "B" price class includes distributors, furnace builders and other so called "B" original equipment accounts who may purchase these items. This is a change from current policy. Note also that 2 1/2" and 3" prices are the same, which puts a premium on 2 1/2" and will encourage 3". The quantity bracket range now applies to SPPI shapes and will make us competitive.

A Pricing Bulletin on modification is planned for issue effective November 1, 1967. Those concerned see the attached draft. The comments of those concerned is requested. Charges have increased in some cases, as we have discussed at various times and quantity brackets have been established.

By publishing this as a bulletin first, before adding to the price book, we hope to get the trade and competitive reaction so that adjustments can be made where necessary before the effective date. In the meantime, present modification charges should be used in processing SPPI's.

Thank you.

J. A. Campbell, Jr.

cc: M. W. Burleson - DEQ	L. D. Sorrentino - J-M International
R. A. Stapleton - DEQ	L. R. Blair - Research
T. H. Eaton - DEQ	H. E. Konrad - Research
E. C. Truax - DEQ	S. E. Wooley - Research
A. Pocius - DEQ	L. G. Rice - Zelienople
W. D. Gaches - DEQ	R. M. Garis - Zelienople
D. B. Wingerter - DEQ	R. A. Hubbs - Toronto DEQ
G. J. Young - DEQ	File