



Interoffice Communication

To BFG Files
From M. R. Sweet
Date June 4, 1984
Subject BFGOODRICH VCM EXCHANGE

RECEIVED

JUN 7 1984

NORMAN C. FROST

*File
BFG
VCM
Exchange*

I contacted Forrest Henson, Account Business Manager, VCM, EDC and Chlorine on June 4th to discuss the probability of success of BFG's offer to sell 0 - 60 MM lbs of VCM per month for the rest of 1984 to Conoco. I told Forrest the preliminary indications were more negative than positive, but that a final decision had not been made.

Forrest had another potential option for Conoco. He wanted to know if Conoco would exchange 40 - 50 MM lbs of VCM per month until the end of the year. BFGoodrich would ship VCM from their Calvert City, Kentucky and LaPorte, Texas plants to our plants in Aberdeen and [REDACTED] Conoco would ship VCM from the Lake Charles Plant to those destinations specified by BFGoodrich. He wanted a response by noon June 5.

On June 5 I called Forrest Henson and told him he would have to wait until Friday before we could attempt to accept or reject his exchange offer. During our conversation, Forrest said he was exploring a sales offer similar to the offer he made Conoco (0 - 60 MM lbs/month until the end of 1984) with another party. We agreed that the conversion fee of 4 cpp would definitely not be attractive on an economic basis. He indicated that this fee was negotiable.

Additionally, BFG would like to be relieved of their volume commitment for the rest of 1984 - they would relieve Conoco of their 3MM lb/mo. commitment to purchase VCM for the rest of the year.

The next action step will be to review the VCM offer on the sales of 0 - 60 lbs of VCM per month for the rest of 1984, whether Conoco would be interested in a 40 - 50 lb per month VCM exchange until the end of 1984, and volume relief for BFG on Friday with RJA and JGD (I discussed the sale and exchange options with Norm Frost).

Mike

M. R. Sweet

MRS/07/52

cc: R. J. Andersen
W. H. Chamberlain
R. D. Gamblin
H. R. Flammer
N. C. Frost

E. L. Kieschnick
J. J. Langford
B. E. A. Larsen
W. R. Parker
A. T. Trent