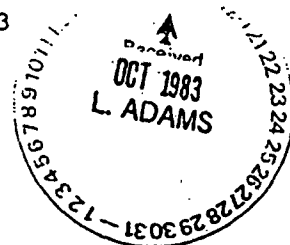


Abex

An IC Industries Company

Abex Corporation
Friction Products Division
1827 Powers Ferry Rd.
Building 20
Marietta, GA 30067
(404) 953-2045

DATE: October 11, 1983
SUBJECT: Staff Manager's Report - September, 1983
FROM: R. V. Bagley
TO: [REDACTED]



I. Financial

We had another good month with measuring forecast to actuals. We were 107% with a total of \$1,279 versus the forecast of \$1197. We exceeded the forecast in each area except in Disc, and we only missed that by \$3,000. We are still looking forward to a strong fourth quarter.

II. Marketing

A. Rebuilders

We have caused a great deal of conversation in the market with our new 435 strip material. Every account that has received this new stuff has been very, very pleased. We will still go after only large premium accounts in this area.

EPA - Chicago, Illinois - This large rebuilder has placed their second order with us on strip with some disc. We feel as though we can get a larger portion of this account's business just by shipping on time and with good order fill. We are experiencing some competitive moves with Thiokol coming in and offering a 10% discount on orders above their truck load deal.

Penn Bonding, Philadelphia, PA - We received another truck load order from this account. They also were very pleased with the appearance of the material and the ease with which it could be riveted onto the shoes. Due to the fact that we are now performing as we have promised we would, we received an addition to this account's order. They placed a 20,000 plus order on RBM's. The profit is good and the account is very pleased. We pray that we can keep this up, because, if we can, we will have a great spring and fall next year.

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A. Rebuilders (continued)

Cantex, New York - This account placed a 50,000 piece order with us last month, and they were so pleased with the shipment and material that they are working up another order.

B. N A P A

On Sunday, October 16, 1983, American Brakeblok will sponsor a dinner for Mr. Walter DeVoe who will be retiring in February of 1984. We will have Mr. Conway and Mr. Adams present with a "Thank You" for all the loyal years that we have done business. American Brakeblok will surely miss this man.

October 16 also signals the start of the 1983 NAPA Annual Meeting in which all the 1984 programs are presented to the General Managers and Sales Managers of all 72 Distribution Centers. There will be approximately 700 people on board to review the programs. As I had mentioned in my last staff report, American Brakeblok has been honored again this year with our four appearances on stage with our NAPA Brake program. We have been working with all the other manufacturers that supply product to NAPA and have put a total program together to present to them. This will be the most aggressive brake program in the industry and will feature our going right at the consumer to make his/her choice as to where to go to get a brake job done. One major feature we will be presenting is a 35% discount on all disc pads and brake shoes. This program will be run at different distribution centers around the country at various times in the spring.

Rayloc - They have been asking about non-asbestos product. We are going to get the information to them on the Ford Ranger material.

NAPA Divisional Vice Presidents - Each Divisional Vice President has been met with, and the total new 1984 program has been reviewed. The objective in these meetings was to get them to support these NAPA programs.

NAPA Letter - A letter was sent out to every NAPA General and Sales Manager telling them of the up-and-coming 1984 program.

C. National Account - MIDAS

On this date, October 10, 1983, we received our first purchase order from Midas. Mr. Adams, Sir, we are now doing business with Midas and ahead of our target date of January 1, 1984.....The purchase order number, for you people who care to check is #71884. Larry, I am sure you want to know what and how much, and, please, I don't think you should laugh too loudly at this. The order was for approximately \$2000 worth of import IM Disc pads. That's not bad but it seems that Midas could not locate these numbers from anyone else in the industry.....

We delivered our fourth proposal to Midas on Friday of last week. The reason there are so many is that they are demanding not to have to give up any part of the program that they now get from Raymark. We are slowly achieving this goal, but with some long hard negotiations.

We have gone to other manufacturers of brake product to get pricing. We were expecting all these prices to be confirmed by Friday last, but, due to some problems that they have experienced, it will be delayed until this Friday, the 15th.

Other things that we have been working on are as follows:

1. Matching all shoe and pad applications. Making sure all rivet applications and bonded applications meet with Midas' catalog.
2. Packaging Spec. - We are working with Midas to see if we can improve the looks of their brake boxing.
3. Request from Midas on Rebuild Master Cylinders has been completed with a one-way rebuild.
4. 1983 application for 1984 release.

III. Manufacturing

We are receiving many more requests for non-asbestos than ever before, and we need to be able to bring this out into the market as soon as possible.

L. L. Adams
Staff Manager's Report

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IV. Human Resources

Mr. Dirk Schreyger has now left us to return to Germany.

Ron Bagley
R. V. Bagley *R*

RVB:jc

cc: L. Boyd
R. Conners
J. Evers
A. Indelicato
A. Martin
B. Santilli