

MR. R. K. JOHNSON

Firestone
INTEROFFICE

— F RKJ. *Shell*

DATE June 7, 1978

TO MR. R. H. SCHAKE
AKRON

FROM T. C. WALKER
POTTSTOWN

REFERENCE

RHS:cs 5/22/78

SUBJECT SHELL - VCM

RECEIVED
JUN 7 1978
R. K. JOHNSON

The Plastics Company has reviewed in detail the Shell VCM contract proposal attached to your May 22 memo.

It is the collective opinion of the Plastics Company personnel that we should accept and sign the Shell proposed contract incorporating the amendments handwritten on pages 2, 4 and 11.

It is my opinion that the Plastics Company should have VCM contracts approximately 10% in excess of our true full capacity production capability.

This means that we should be contracted for approximately 425 million pounds of monomer.

Our current contracts total 383 million minimum and 395 million maximum.

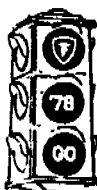
Our long-range plans should include phasing out Uniroyal unless they are in a position to give us an economic advantage.

In addition, we should increase our purchases of monomer from other than Dow to give us a better balance and buying position.

Accordingly, accepting the Shell contract serves the best long-range interests of the Plastics Company, and while I would like some additional modifications, such as price protection, I feel you have negotiated the best contract we will receive.

T. C. Walker
T. C. Walker

TCW:md



cc: Messrs. W. P. Bray, R. J. Klein, J. D. Clark
J. R. Hopper, R. K. Johnson

*Ideas that are RIGHT
turn on the GREEN LIGHT*