

Copy To: *G. M. Burns*

VICTOR MANUFACTURING & GASKET COMPANY
INTEROFFICE CORRESPONDENCE

To: Mr. B. Basile

Date: August 4, 1966

From: Lou Daknis

Department: Traffic

Customer:

Reference: Report on Smith & Kanzler visit

The general purpose of last weeks visit by Bob Kessler and myself was to familiarize ourselves with the various transportation problems being incurred by the Smith & Kanzler plant. Also to offer some aid and suggestions as to future action to resolve such problems without impairing Smith & Kanzlers' marketing ability due to increased costs resulting from certain transportation changes.

My initial impression of the overall transportation situation at Smith & Kanzler is that the present shipping procedures have developed because of severe competitive conditions, unusual delivery demands where a delay of several hours to construction sites is prohibited and the reluctance of many common carriers to handle insulation products because of the lower profitability of such movements.

While at Smith & Kanzler we talked to a number of truckmen, both personally and over the phone. We received quite an insight of localized problems inherent to the New York area. It was a liberal education. Trucking in the New York City area is based on deliveries between "zones" with many variances due to toll charges. "Pay-offs" to unloading crews is a common practice leading to inflated freight rates to cover such costs.

An immediate problem at Smith & Kanzler is the operational handling of their local delivery truck presently handling deliveries to plumbing supply houses, occasional pier deliveries for our International Division, pickups of raw materials, certain construction site deliveries of SprayCraft, etc. The present truck is an antiquated unit with no rear door or protective canvas, no identification and is utilized an average of four to six hours per day. Occasionally a truck with a hydraulic tailgate is leased on a daily basis from a local leasing company to transport SprayCraft application machinery to a job site. We understand that the charges for this rental unit amounted to approximately \$500 for the first six months of this year. However, a portion of this was recovered due to their not being charged for the truck that remained idle.

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