CC: A. L. Meyer - Ardm
G. E. Wilson - Ardmore
R. Smith - Ardmore (Legal) THIS COPY FOR
J. B. Moss - Grand Rapids

PLAINTIFF'S EXHIBIT

GP-1879

October 9, 1962

Mr. J. A. Marion
Gypsum Products Manager
Johns-Manville Sales Corporation
22 East 40th Street
New York 16, New York

Dear Joe:

As we have discussed, you are entirely within your rights to ask for a shipment out of Grand Rapids into Chicago, since you buy the material F.O.B. the Plant. John Moss, the Plant Manager, told me of the potential business in the Chicago market which was uncovered on his trip with you in that area.

It was thought best to point out to you certain problems which Bestwall has encountered in the past. Every market, you full well realize, develops an acceptance of a certain performance of Gypsum Wallboard and even though products from other sources meet all the standard specifications, the Trade has a resistance to the different materials. You realize the problems you had with Board out of Wilmington into the Long Island market due to different characteristics of the Board out of Wilmington as compared to the Board applicators had been using for many years. Bestwall has found this problem to a degree in the Chicago market in that Board out of Grand Rapids, meeting all the specifications necessary, still was not acceptable to the Trade in comparison with Board out of the Plants normally servicing this market. In this regard, Bestwall will be in no position to accept complaints for material shipped that meets all specifications, yet which the applicator says is not acceptable, unless it can be proven the material is defective.

In the matter of service, while the freight rates indicate a shorter route from Grand Rapids than from Fort Dodge to many of the Chicago accounts, you realize that much of the time in transit is taken up with switching out of the Plant and then switching in the Chicago switching area. Very generally, Fort Dodge gives about equal service insofar as time in route is concerned, and in some instances, can beat the time in transit out of Grand Rapids.

Finally, bear in mind that the Chicago market is not a truck market and that truck shipments have been permitted only due to the strike on the Northwestern and that these shipments were permitted only to accounts normally served by the Northwestern. The stipulation also was coupled with the provision that the truck shipment would be made

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to these accounts, if the equipment was available at the Shipping Plant and based on the shipping problems with trucks out of that Plant in the ordinary course of business.

It would be very fine if Johns-Manville could develop additional business out of the Grand Rapids Plant. The plant personnel will continue to give you every bit of co-operation possible.

Very truly yours,

BESTWALL CERTAIN-TEED SALES CORPORATION

C. R. Abbey
Administrative Assistant (to)
Director of Merchandising

CRAtrk

P.S.
It is suggested you confine your initial shipments out of Grand Rapids into Chicago to a limited number of accounts, to determine the acceptance and service problems under present conditions

NOTE TO JOHN MOSS: The above letter is written in light of some comments Mr. Russell made. Strictly speaking, under the terms of the contract, Bestwall cannot refuse to ship orders Johns-Manville places at a plant and since the material is sold F.O.B. the Plant, Bestwall cannot refuse to ship to the destination they give. However, it was felt that their attention should be called to the problem Bestwall has had in the past with the acceptance of Grand Rapids material as compared to East Chicago and Fort Dodge with a definite reference to the fact that complaints that are strictly policy will not be accepted by Bestwall. Be sure that if you receive any complaints on material shipped to Johns-Manville accounts in the Chicago area, that you insist on samples and determine carefully whether the material meets the specifications of the Manufacturer and of the ASTM and Federal requirements.