

INTERNATIONAL SMELTING AND REFINING COMPANY

East Chicago, Indiana



Pigment Division

September 28, 1944

Mr. R. E. Dwyer,
Executive Vice President,
Anaconda Copper Mining Company,
25 Broadway,
New York 4, N. Y.

Dear Mr. Dwyer:

This is a summary of the sales position of zinc oxide and white lead for the month of August, 1944.

Table No. 1 gives a comparison of zinc oxide sales for July and August of 1944 and the corresponding months of 1943.

TABLE NO. 1

	<u>1944</u>	<u>1943</u>
August	1,744,750 Lbs.	1,014,735 Lbs.
July	1,666,415 Lbs.	738,100 Lbs.

Sales during August maintained the same level at which they have been for the past several months. During August we sold 800,000 pounds to CWS.

Sales through August, 1944 amounted to 11,667,233 pounds. For the same period last year they amounted to 6,621,385 pounds. For September sales will be about the same as for August, of which 800,000 pounds will be for CWS.

There is only a 50-50 chance that we will get any tonnage from CWS during October. CWS has stock-piled so much zinc oxide that they have had to curtail purchases drastically. Since our price is considerably higher than that for most of the competitive zinc oxide, it was to be expected that we would be the first one to be dropped when the requirements of CWS were curtailed.

We are having a very difficult time holding down the sales of leaded zinc oxide, which is an unprofitable item because of the price we pay for Great Falls dross. Many paint manufacturers have had to reformulate because of the tight situation on lead-free zinc oxide, lithopone and titanium pigments. While this has helped the sale of dry white lead, it has also increased the demand for leaded zinc oxide.

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Table No. 2 gives a breakdown according to paint, rubber, and miscellaneous industries.

TABLE NO. 2

	<u>1944</u>		<u>AUGUST</u>	
	<u>Pounds</u>	<u>Value</u>	<u>Pounds</u>	<u>Value</u>
Paint	395,050	\$ 29,809.91	512,735	\$ 37,941.20
Rubber	284,950	27,486.63	176,150	17,144.00
Miscellaneous	264,750	25,437.45	325,850	37,911.62
CWS	800,000	78,250.00	-	-
	1,744,750	\$ 160,983.99	1,014,735	\$ 92,996.82

	<u>1944</u>		<u>JULY</u>	
	<u>Pounds</u>	<u>Value</u>	<u>Pounds</u>	<u>Value</u>
Paint	217,350	\$ 16,937.75	291,350	\$ 22,010.97
Rubber	401,250	38,485.88	211,000	20,318.75
Miscellaneous	247,815	24,584.95	235,750	21,296.51
CWS	800,000	77,500.00	-	-
	1,666,415	\$ 157,506.58	738,100	\$ 63,626.23

The August sales to the paint industry were up considerably over July because of the increased sales of leaded zinc oxide to the paint industry. On the other hand, there was some falling off in sales to the rubber trade for August.

Table No. 3 gives a breakdown of zinc oxide sales for August according to the three classifications.

TABLE NO. 3

U.S.P. Quality	460,350 Lbs.
Seal	31,100 Lbs.
Other Lead Free and Leaded	<u>1,253,300 Lbs.</u>
	1,744,750 Lbs.

Sales of U.S.P. quality zinc oxide were high because CWS took 300,000 pounds. They took 200,000 pounds in July and we have now shipped them all of the U.S.P. quality that was made for them several months ago. They will not purchase any more of this type of zinc oxide, since any future purchases will be for oxide made on the muffle furnaces from secondary metal.

Table No. 4 gives the average price per pound for the past three months.

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TABLE NO. 4

	<u>1944</u>		
	<u>August</u>	<u>July</u>	<u>June</u>
Average Sales Price - Per Pound	9.227¢	9.452¢	8.987¢

While the sale of 300,000 pounds of U.S.P. quality zinc oxide would have a tendency to raise our average price per pound, actually it was down slightly due to the fact that the sale of the lower priced leaded zinc oxides was up considerably in August.

Table No. 5 gives a comparison of white lead sales for July and August of 1944 and the corresponding months of 1943.

TABLE NO. 5

	<u>1944</u>	<u>1943</u>
August	1,236,363 Lbs.	1,014,232 Lbs.
July	1,303,060 Lbs.	993,040 Lbs.

Sales for August were about in line with July. They will be about the same for September. Through August of 1944 sales have amounted to 7,719,207 pounds. For the same period of 1943 they were 6,766,939 pounds.

There still is talk of reducing the linseed oil quota during the first quarter to 50%. The flaxseed crop is only about half what it was last year and there is practically none coming in from Argentina. On the other hand, shipments on Lend-Lease are maintaining their high level.

Table No. 6 gives the average price per pound for dry white lead for the past three months.

TABLE NO. 6

	<u>1944</u>		
	<u>August</u>	<u>July</u>	<u>June</u>
Average Sales Price - Per Pound	8.379¢	8.346¢	8.393¢

Except for the situation with CWS the over-all sales picture continues to look good. Any easing of restrictions on pigments by WPE would very likely increase the sale of zinc oxide and white lead providing the situation on linseed oil permits.

Very truly yours,



F.H. Hurless:ho

cc: Mr. Frederick Laist
Mr. G. E. Johnson

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