



E. I. DU PONT DE NEMOURS & COMPANY
INCORPORATED

WILMINGTON, DELAWARE 19898

CHEMICALS AND PIGMENTS DEPARTMENT

G. C. Tunis
L. D. Greenberg
J. E. Kramer
T. R. Wallingford
R. N. Selby
R. J. Blair (21) Buch
S. F. West (3)
J. M. Loether (3)
F. B. Bredimus (3)
P. A. Wriede (3)
E. W. Stewart (12)
D. J. Kratzer
M. P. O'Brien
R. S. Weis
C. W. Hoeftman
O. Gonzalez Gonzalez
H. L. Glotzer

June 4, 1981

PERSONAL & CONFIDENTIAL

C&P DEPARTMENT

DISTRICT MANAGERS

ASST. DISTRICT MANAGERS

COMMERCIAL ASSISTANTS

SALES REPRESENTATIVES (Direct to home addresses)

AREA MANAGERS, INTERNATIONAL SALES

CPC GREEN
PRODUCT LINE CONSOLIDATION

The copper phthalocyanine green market suffers from worldwide overcapacity. Our production process is not efficient, and we are not competitive in areas of process techniques or quality. We have, therefore, decided to consolidate our green line to concentrate on a few high volume products which account for 55% of our business.

Effective July 1, 1981, we will:

- 1) begin introducing two new products
 - o GT-860-D - a very yellow shade green priced at \$12.90/lb.
 - o GW-951-P - a high solids glycol dispersion of GT-751-D.
- 2) Continue to supply four codes, made to our specifications, at current list prices.
 - o GT-674-D - This product will be restandardized. Inventory representing current standard will be available until year end.

- o GT-805-D - meets current standard.
 - o GT-751-D - meets current standard except for plastics applications.
 - o GT-829-D - meets current standard for plastics applications. Effective 7/1/81, we will discontinue GT-751-D shipments to plastics customers and all such orders will be filled with GT-829-D in drums.
- 3) Begin phasing out ten low volume products. Normal demand inventories will be available until approximately year-end except for GT-793-D.

GP-501-D	GL-792-P
GT-710-D	GT-822-P
GL-754-D	GW-749-P
GL-761-D	GT-922-P
GT-793-D	GT-830-D

Coincidental with this product line consolidation, we will:

- o discontinue green synthesis at Newport
- o purchase, made to Du Pont specifications
 - GT-751-D, GT-674-D and GT-860-D from ICI (Imperial Chemical Industries) and
 - GT-829-D from Allegheny Chemical
- o blend at Newark ICI based materials for GT-805-D
- o continue to quality test all codes at Newark
- o continue to inventory at Edison and selected field warehouses.

Since GT-751-D, GT-674-D and GT-860-D will be made and packaged by ICI in Scotland, container labels will show "Made in Scotland" (see enclosed label). If customers ask or if you feel they need to know the source of our CPC green, you may give them the above information.

CPC Blue, unlike green, is an important product line and vital to our overall business. By discontinuing green synthesis, resources will be focused on CPC Blue to improve our processing capability. This is a positive move and will strengthen our position by focusing our R&D and Manufacturing resources in areas where we want to gain a larger worldwide position.

Key announcement dates are:

- o June 5 to 18 - Field notification of customers.
- o June 16 - District Manager, letter to customers mailed from Wilmington.
- o June 16 - Press release sent to major paint, ink, and plastics periodicals.

If you have any questions or special customer problems, please let us know promptly.


J. S. THACKRAH

JST:cab

Attachments

ATTACHMENTS

- o District Manager Letter to Customers
- o Product Data Sheets
- o Sales Aids
 - Lab Notes
 - Exhibits
- o New Label
- o Counteroffering Chart
- o Press Release
- o Questions and Answers

June 16, 1981

TO OUR CUSTOMERS:

Effective July 1, 1981, we will begin to introduce two new copper phthalocyanine (CPC) green products, continue to supply four products made to our specifications (GT-674-D, GT-751-D, GT-805-D and GT-829-D) and begin to discontinue ten low volume CPC green codes. This consolidation of our CPC green product line will allow for a required increase in copper phthalocyanine (CPC) blue capability.

Normal inventories of products being obsoleted will be available until about year-end. For your guidance, attached is a listing of the products being phased out and suggested Du Pont alternates.

We have taken this step so we can concentrate our efforts in support of our other organic and inorganic pigment areas and new organic products research and development.

We continue to value your business and remain committed to providing you with highest quality products and service in the future. Please contact your Du Pont representative for further assistance.

Sincerely,

District Manager

**SUGGESTED DU PONT ALTERNATES
FOR DISCONTINUED CPC GREEN PRODUCTS**

<u>Discontinued Product</u>	<u>Suggested Du Pont Alternate*</u>
GP-501-D	GT-674-D
GT-710-D	GT-674-D
GL-754-D	GT-751-D
GL-761-D	GT-751-D
GT-793-D	GT-674-D
GT-830-D	Blend of GT-860-D/GT-751-D
GW-749-P	Blend of GW-951-P/BW-431-P
GT-792-P	GT-751-D
GT-822-P	GT-751-D
GT-922-P	GT-751-D

*Depending on end use, reformulation may be necessary.



PTHALOCYANINE

GT-751-D GREEN-G

AVOID BREATHING DUST

BEFORE USING, READ PRODUCT DATA SHEET

25 kg (55.11 LB)

**E. I. DU PONT DE NEMOURS & CO. (INC.)
CHEMICALS AND PIGMENTS DEPARTMENT - WILMINGTON, DELAWARE**
PRINTED IN U.S.A. MADE IN SCOTLAND

CH-3215 5-81

COUNTEROFFERINGS FOR
DISCONTINUED CPC GREEN PRODUCTS

<u>Discontinued Product</u>	<u>Recommended Du Pont Alt.*</u>	<u>BASF</u>	<u>Harshaw</u>	<u>Hilton Davis</u>	<u>Sun</u>	<u>Harmon</u>
GP-501-D	GT-674-D	GT-4873				G-5025
GT-710-D	GT-674-D				264-8142	
GL-754-D	GT-751-D				264-7321	G-5095
GL-761-D	GT-751-D	GL-4876				
GT-793-D	GT-674-D		3820		264-7117	
GT-830-D	Blend of GT-860-D/GT-751-D	9140			264-8137	G-5400
GW-749-P	GT-674-D or Blend of GW-951-P and BW-431-P		W-6013	6-11-B-425		
GT-792-P	GT-751-D			6-68-C-401		
GT-822-P	GT-751-D			6-68-C-401	464-0026	
GT-922-P	GT-751-D	8720			464-1645	

*Depending on end use, reformulation may be necessary.



DU PONT TO CONSOLIDATE CPC GREEN PIGMENT LINE

Consolidation of Du Pont's line of copper phthalocyanine green pigments has been announced by the company's Chemicals and Pigments Department.

Effective July 1, Du Pont will introduce two new CPC green pigments and continue to supply four existing products. Ten high-cost, low-volume green pigments will be discontinued.

"In the future, our product line will consist of two new CPC greens and four existing greens made to Du Pont specifications. The ten we are dropping will be phased out through the end of 1981 to give our customers time to adopt new or restandardized products," said John Thackrah, marketing manager of the Colored Pigment Products Division.

"Consolidation will enable Du Pont to devote more of its attention to CPC blues, where we offer many unique pigments for the automotive, paint, plastics and ink markets. In addition, it will permit us to concentrate more of our resources in support of quinacridone, azo, inorganic pigments and new product development," Mr. Thackrah said.

For the automotive, plastics, ink and paint industries the new product line will consist of CPC greens designated GT-751-D; a restandardized GT-674-D; GT-805-P; and a new pigment, GT-860-D. CPC green GT-829-D is for the plastics industry only and another new pigment, GW-951-P, is for trade sales paint.

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Editorial Contact: James D. Barhydt
Telephone: (302) 774-4241

5/29/81

QUESTIONS AND ANSWERS

1) Q Is Du Pont going out of the CPC business?

A Definitely not - we will continue to manufacture CPC blue at Newport and Newark, GT-805-D at Newark and GW-951-P at Chambers Works, and resell other CPC greens made to our specifications.

2) Q Why are we discontinuing green synthesis in favor of selling ICI and Allegheny produced material?

A The worldwide green market suffers from substantial over-capacity. Through our resale agreements, we can supply customers with quality products and redirect resources in support of our other pigment colors and new product development.

3) Q What impact does the CPC green decision have on CPC blue?

A Very positive impact - it will allow us to concentrate our resources on improving our CPC blue position as well as strengthen quinacridone, "Watchung", "Dalamar", inorganics and new organic products' R&D.

4) Q Will we continue to offer CPC green for sale to export markets?

A Yes

5) Q How do we expect the products being manufactured to our specification to perform versus our own manufacture?

A With the exception of GT-674-D (see question 8) all products should perform as well or better.

6) Q Will the light fastness, chemical resistance, etc. be equal to our own manufactured products.

A Yes

7) Q What support can I expect from Technical Service concerning:

1) Alternates for discontinued grades.

2) Continuing and new grades.

A 1) Our best recommendation for Du Pont grades to use in trying to maintain established business are listed in "Counterofferings for Discontinued CPC Green Products". Competitive product grades are listed also. This list should be adequate to guide customers to acceptable alternates.

2) For continuing and new grades we do not expect major problems, based on prior testing.

Normal Technical Service assistance is available based on business potential.

For advice and assistance contact Chestnut Run:

Trade Sales Paint	-	Ted Kolski	999-4520
Industrial Paint	-	Walt Spencer	999-2184
Ink	-	Hank Bartolo	999-2673
Automotive Paint	-	George Patrick	999-2180
Plastics	-	Your district Technical Service contact.	

8) Q We plan to restandardize GT-674-D. When will this be done and how will the product differ?

A Restandardization will begin July 1 and GT-674-D will be in:

- Paint - comparable strength and rheology, but bluer and slightly harder to disperse.
- Plastics - close color match, slightly harder to disperse, and comparable heat stability.

9) Q Why won't GT-751-D be available for plastics customers?

A Tinctorially GT-829-D and GT-751-D are identical, but GT-829-D is much easier to disperse. We have been encouraging plastics customers to switch from GT-751-D and most can satisfactorily make this transition.

10) Q What plans do we have for supplying a replacement product for GW-749-P?

A We will not supply an identical product. Instead we will offer in third quarter, a new yellowish shade green (GW-951-P) which will well position us for both the Universal Colorant and in plant tinting requirements for the Trade Sales industry. GW-951-P is a high solid dispersion of GT-751-D.

11) Q How can customers match GW-749-P?

A With the introduction of GW-951-P, we will recommend a blend of GW-951-P with BW-431-P (about 96 parts GW-951-P to 4 parts BW-431-P).

12) Q What is the selling price of GW-951-P?

A After we produce at Chambers Works the 5M lb. standardization lot, a value-in-use price will be determined.

13) Q Why are we introducing the new product GT-860-D?

A GT-860-D is a yellow shade, intense green. It offers greater color space potential than GT-805-D. In fact, GT-860-D is slated to replace GT-805-D over the next 18 months. Customers who currently use GT-805-D and competitive yellow shade greens should begin immediately to evaluate GT-860-D.

14) Q What is our transitional inventory plan?

A Except for GT-793-D, we will supply until about year-end normal customer requirements. As we deplete inventories of products being discontinued, a controlled distribution program may be implemented.

15) Q Why was ICI selected?

A ICI has:

- largest worldwide CPC green capacity
- ability to make products to our specification

16) Q Why did we select Allegheny Chemical rather than ICI to make GT-829-D?

A ICI's current process will not produce the easy dispersing product required for the plastics market.

17) Q Do you expect to have supply problems?

A No, we have contractual agreements covering our requirements and will maintain inventory at Edison.

18) Q How will we package CPC green?

A Currently we are using:

- Toners - 25 lbs. (net) Kraft bags and 125-300 lbs. (net) fiber drums.
- Presscakes - 55 gallon steel drums.
- Dispersions - 50 lb. (net) plastic pails, and 30 gallon and 55 gallon steel drums.

Products manufactured to our specifications will be packaged as follows:

- GT-751-D, GT-674-D and GT-860-D -- a new 25 kg. (55.11 lbs. net) steel drum (14" diameter x 25" high).
- GT-805-D continue with current 150 lb. net fiber drum.
- GW-951-P - 50 lb. (net) plastic pails and 55 gallon (400 lbs. net) steel drums.
- GT-829-D - new 25 kg. (55 lbs. net) fiber drums will be used when current supply of 150 lb. net weight drums are exhausted.

19) Q Will our continuing CPC green products be available in 25 lb. Kraft bags?

A No. Neither of our suppliers has bag filling equipment. To accommodate both large and small volume users, we have adopted a mid size container -- 25 kg. (55 lbs.).

20) Q Why will CPC green containers use a label instead of just the stenciled product code we currently use?

A We are in the process of developing labels for all our drum containers. It is appropriate to adopt labels for green at this time.

21) Q GT-751-D, GT-674-D and GT-860-D will be made and packaged to our specification by ICI in Scotland. Why do we have to show on the container label "Made in Scotland" and where will it be located?

A It is a legal requirement for all goods in commerce to be identified with country of manufacture. It is being positioned below the corporate address on the label (see attached).

22) Q Will GT-805-D, GW-951-P and GT-829-D product labels state "Made in Scotland"?

A No - GT-805-D and GW-951-P are being finished by Du Pont. GT-829-D will be produced domestically.

23) Q Where will the resale CPC green products be warehoused?

A At Edison and any outlying warehouse where appropriate.

24) Q Will new PQ's be used for the products manufactured to our specifications?

A Yes, the new PQ's will be:

PQ 07 - 25 kg. (55 lbs.) steel drums for codes GT-751-D, GT-674-D, GT-860-D.

09 - 25 kg. (55 lbs.) fiber drum for GT-829-D and 150 lbs. fiber drum for GT-805-D.

55 - 50 lbs. - 6 gal. plastic pail for GW-951-P.

06 - 450 lbs. - 55 gal. steel drum for GW-951-P.

25) Q Will we supply CPC green presscakes?

A Not initially. We are reviewing other potential product forms to be made to our specifications. This activity will be concluded during second quarter 1982.

26) Q Are any ICI CPC green products currently being sold domestically?

A Yes, but to a limited extent.

27) Q Are existing RPA's still valid?

A Yes, as long as the competitive situation and transitional inventories exist.

28) Q What about new RPA's for our continuing product line?

A We will support RPA's for desirable business. All competitive pricing situations should be brought to our attention.

29) Q How will SCS's be handled?

A Contact the appropriate product manager for guidance.

30) Q Why are we issuing a formal press release?

A We believe it is The best way to communicate with The industry and our customers. Additionally, the likelihood of a standby press release being called upon is very high, but may only receive limited distribution and we want to be sure coverage is accurate and timely.

31) Q What is the release date of the press release and which periodicals may be involved?

A All major periodicals serving the paint, ink and plastic markets will receive the release schedule to be mailed on Tuesday, June 16.

32) Q When will Material Safety Data Shets be available?

A - July 1, for GT-751-D, GT-674-D, GT-860-D, GT-805-D and GT-829-D.

- August 1 for GW-951-P