

Sam Howard
John
Talc
BULLETIN TO ALL INDUSTRIAL BRANCH MANAGERS

June 29, 1967

FROM MAX MASON - KC

SUBJECT: TALC-UNITED SIERRA DIV., CYPRUS MINES CORP

We have entered into an agreement with United Sierra Division to again market their talc and diatomite products.

After approximately one year of selling Pfizer Talc products, we have decided that it would be to our best overall interest to again sell United Sierra products. Some branches have done a commendable job in retaining and building talc business this past year, while others have not been successful. We realize the difficulty involved in first converting customers and then re-converting them. However, considering this factor, we believe that the majority of the branches will profit greater from this new arrangement.

Attached is a copy of the agreement with United Sierra. Note that it becomes effective July 1. In addition to the states listed we will also sell in that portion of Illinois regularly covered by St. Louis and Davenport. We will sell United Sierra label products in LCL quantities, as well as split carloads providing the split is with a T-H warehouse. It is not intended that we sell full carloads of United Sierra label products to third parties.

Additionally the agreement provides for us to sell LCL lots under T-H label outside the territory specified and carload T-H label within the territory if mutually agreed upon. All such carload accounts should be referred to me for handling.

Note further that the agreement is for 5 years, cancellable on one years notice which will protect our selling efforts.

United Sierra has maintained warehouse stocks for LCL customers in St. Louis, Dallas, Houston, Oklahoma City and Kansas City. We have agreed to take over this stock by July 1, providing the stock is marketable in the area involved. United Sierra wants to close all warehouses by this time, so please cooperate to this end. If you cannot meet this commitment, please let me know. We will be invoiced for this stock delivered to our warehouses at the carload price, less 5%, plus the minimum rail freight. Issue your confirming purchase orders after inbounding this stock.

Attached is the current United Sierra price list. Our price sheets have been issued. As you establish your local LCL price schedules, please keep in mind that price is not a prime sales factor on talc to many of our customers. This has been amply demonstrated by our inability to convert readily from one product to another. Page 1---

A United Sierra representative will supply you with a list of their present LCL customers including the grades and quantities they are purchasing. They will also supply you current technical literature.

I have copies of the United Sierra LCL price schedule covering warehouse sales from Dallas, Houston, Kansas City and Oklahoma City. These are being sent separately to branches previously served by these warehouses.

Yours truly

MKM:zip