



INTERNAL CORRESPONDENCE

METALS DIVISION

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Location Box K
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Date January 16, 1981

Originating Dept. "Calidria" Asbestos

Answering letter date

PLAINTIFF'S
EXHIBIT
GF-1992p

Copy to L. J. Grogan
J. L. Myers
M. K. West
File

Subject GAF Corporation SG-103-9

On January 13 I discussed the present SG-103-9 situation with GAF's Vails Gate personnel (Howard Key - Purchasing Agent and Joe Kardel - Plant Technical Superintendent). They were made aware that we have only enough 90# clear plastic bags inventoried to supply them with about 150 tons of product. Therefore, unless we obtain additional 90# bags, it will be necessary to ship them 70# bags or 90# in the red and black C&P bags that we presently have on hand. It has been reported that we have about 18,000 of these on hand which would represent about 810 tons of finished product. Joe's initial reaction was that they would not be acceptable but that he would evaluate the one given to him. I do not hold out much hope that he will find it satisfactory as our bags are used in their manufacturing process. Although they have requested 90# bags in the past, Joe felt that 70# clear plastic bags would be acceptable if need be.

Their present intent, according to both Howard and Joe, is to purchase two carloads/month of SG-103. However, because of GAF's plans to sell their flooring group, they are operating on a three month purchasing basis and therefore cannot give any commitment beyond that time. Under these conditions we feel that probably we should plan to supply them with 70# bags in the future and let it go at that. However, it is our understanding that the plant per ton cost for SG-103-9 versus SG-103-7 is \$124.51 and \$130.65 respectively. As our future sales to GAF are uncertain at best, we feel that it is up to your judgment whether or not additional 90# bags should be purchased.

G. L. Dickson

GLD:da1

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