UC 145 2

Hold for trip to K-C on July 26

UNION CARBIDE

INTERNAL CORRESPONDENCE

MINING AND METALS DIVISION • P. O. BOX K, KING CITY, CALIFORNIA 93930

To (Name) Mr. O. J. Malacarne
Division Metals Division
Location Grand Junction, CO

Date July 5, 1979

Originating Dept.

Answering letter date

Subject

JUL 3

PLAINTIFF'S EXHIBIT

UC-3330

Copy to Messrs: R. J. Kronkhyte
R. O. Marsten
J. L. Myers
R. W. Rebholz
F. J. Shortsleeve
G. L. Vessels

Dear Rusty:

As you know, we have started double wrapping and palletizing all material going to warehouses and distributors. This is in order to meet the new DOT regulations effective August 20, 1979. We will need to do this to about 25% of our RG-244 production and the following production from the main circuit.

Product	% of Production	Tons Needed For 1979
RG-144	30	107
RG-110	10	25
RG-100	2	2
HPO	15	107
SG-210	20	68
Shurlift	All	369
Super Visb.	All	951

In order to fulfill these needs in a timely manner, we have hired an extra laborer, commencing after the vacation shutdown, who will work days as follows: Monday through Thursday, he will bring bags of good RG-244 back to the bagging room for a second wrap and then transport them to the main bagging room to be pallet wrapped. On Fridays, when the main bagging circuit is down, he can bring other material back into the main circuit for rewrapping and pallet wrapping. Also, in order to get an inventory of material ready, we plan to rewrap as much of the main circuit requirements as possible during the vacation shutdown.

As you can imagine, this is not going to be an inexpensive operation. In each case, the cost of bag wrapping and labor will double, and the cost of a pallet wrap will be added. Also, in the case of Super Visb. and Shurlift, the cost of a pallet will be added. The following table gives the increase for each product.

Product	Added Cost/Ton: Bag Wrap	Pallet Wrap	Pallet	Labor	Total Added Cost	Normal Cost	New Normal Cost
RG-244	22.02	8.45	----	119.67	150.14	910.16	1,060.30
RG-144	6.47	2.41	----	4.96	13.84	174.65	188.49
RG-110	6.87	2.41	----	6.79	16.07	155.28	171.35
RG-100	2.72	1.37	----	2.50	6.59	122.58	129.17
HPO	5.76	2.14	----	4.57	12.47	150.64	163.11
SG-210	6.77	2.41	----	6.78	18.37	152.49	170.86
Shurlift	4.90	1.00	6.06	2.53	14.49	103.54	118.06
Super Visb	4.90	1.00	6.06	2.92	14.88	105.32	120.20

Though we are doing this on a temporary basis now, double wrapping may be the least capital intensive solution in the long run. I spent some time in the RG bagging room last week trying different methods of double wrapping. I found that if a bag was wrapped sideways, followed by a second wrap end-to-end and then the two layers of wrap were shrunk together, the neatest, tightest package was produced. This could be done by purchasing a second wrap machine alone. The cost should be relatively small, and I think it would fit into both bagging rooms. I have Dick Marsten looking into this idea.

W. B. DeAtley

/ljg