PLAINTIFF'S EXHIBIT

BIR-209

3906A

MEMORANDUM

Mr. Hixon's Memo

In Reply to 9/16/74 Date 10/1/74 From D. R. Clay To J. A. Hixon

cc: J. Koval
C. Homan

Subject NORWOOD ROOFING PLANT - ASPHALT ROOFING COMPLAINTS

The above subject has been of great concern to me. Even before you wrote concerning the subject I recognized the problem that existed and was seriously considering possible actions that could be taken that would reverse the trend and reduce the loss in dollars and the frequency of complaints.

At this writing I must believe that our quality is in bad shape. I would like to believe that it has recently improved but it is too early to tell. The only fact to substantiate this hope is that the cost versus the gross sales percent is down 1% which I am glad to see. I am eager to see what this figure will be for the month of September.

Actually we settled 61 complaints in July and August and spent $14,958.00 and $14,074.00 respectively, and so it is apparent no reversible trend is in action in real evidence yet.

You mentioned our areas of greatest weakness; shedding, blistering, off-blend and shading. These problem areas will receive our immediate attention, through the following actions:

1. John Koval will take the necessary steps to immediately attach each of these problem areas by taking whatever steps are required to correct the conditions contributing to the frequency of these complaints. I have already discussed this matter with Mr. Koval and expect upon receipt of this memorandum he will further study the subject and take the additional necessary action required.

2. Sales-manufacturing meetings have been instituted. The first such meeting was held on September 26th with C. A. Homan in attendance. These meetings will be conducted weekly on Thursdays at 9:00 A.M. until further notice. John Koval, Roy Walton, Forrest Clark, the writer and involved foremen will be in attendance. Periodically Mr. Homan will attend and District Managers will also attend probably on a once a month basis. Discussion will concentrate on problems from the preceding week.

3. John Koval and Forrest Clark have both been told that more rigid inspection is required and the inspectors must be more demanding of better quality. Marginal material must be held.

4. Roy Walton is heading up training. Many of our complaints are a direct result of a man not doing his job properly or not knowing how to do it properly. It is Roy's responsibility to keep after all employees, particularly on #1 machine, to try as much as possible to have each man performing his job well. Better trained men produce better products.

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This is the program to begin with. Surely it would seem that discussing the problem and seeking the solutions, closer inspection and better equipped personnel will give us fewer problems. I sincerely hope so. At this time this is my approach.

I believe it will work - but to do so it needs the support of John Koval, Roy Walton, every foreman and each man at his job.

DC: en