Mr. R. Conners

Abex
Friction Products Division
Troy, Michigan

June 3, 1983

To:- Mr. L. L. Adams
Winchester

Subject: STAFF REPORT - AUTOMOTIVE AFTERMARKET - MAY

I. FINANCIAL

A. Total Automotive Aftermarket sales were $946,000 against a forecast of $850,000. The increases were in all three areas, Rolled, Disc and Other. Although the strip area is not split into two areas, Heavy Duty and Aftermarket, we are responsible for approximately 30% of these sales which also exceeded the forecast.

B. Import/Export - A new export order has been received for approximately $12,000 from Brebo of Australia. A total of six quotations have been made and forwarded to the New York Office.

We are advised that we should be receiving a $100,000 roll order for Egypt. The Iranian order for $1.9 million of blocks is still in question because of Abex-Pagid bid of February.

II. MARKETING

A. Lost Account - We have been notified by Hampden Automotive that they will be buying their requirements from another friction material manufacturer. The reason for them leaving us is poor service; they cannot live with 8 to 15 weeks delivery. We have no backup inventory for their needs and requirements.

B. Warning from NAPA, Rayloc and Genaut. Over the past few months, NAPA has asked us for some quotations for new part numbers that are needed in their line. Our prices have been too high and they have sourced those parts elsewhere, such as, from Certified. Beware: If we are losing applications for the new cars, it will only be a matter of a few years before we have the smaller portion of NAPA business, and another company will get the volume.

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