PLAINTIFF'S EXHIBIT
GP-876

GEORGIA-PACIFIC CORPORATION
BESTWALL GYPSUM DIVISION

TO: K. W. Brown, Plant Manager THIS COPY FOR
P. J. Kowal, Regional Sales Manager
J. L. Sherry, Plant Office Manager

May 24, 1966

FROM: R. Fredericks -- Paoli

SUBJECT: 1966 Operations

I am writing this memo to the individuals who share the responsibility for the total profitability of the Acme plant. Each of you make a major contribution to the achievement of our annual goals. As an operating management team, your individual efforts of selling, manufacturing and measurement of progress are reflected in the results of your operating area.

To assist you in your management efforts, each of you will receive all of the financial data and operating reports necessary to enable you to know the entire details of your operation. You are instructed to request and expect all information necessary for you to do the total job.

In conjunction with this operating philosophy, I have attached copies of the plant profit and loss statement and the sales region statement of sales and expenses for the month of April. In addition, copies of our operating analysis at April 30 are attached. These analysis indicate our estimated performance against annual standard through June 30, assuming achievement of May and June budgets.

Based upon your requests and need for data, additional reports will be provided with J/M statistics and results relating to your plant. It is my intention that each of you receive for your use all the knowledge, facts and reports that are available within the Division as well as additional reports you may require.

Finally, during the period from June 1 to August 15, the 1967 Planning must be completed. Each of you and particularly the Regional Sales Manager is expected to indicate your plans for next year. This planning should include the method, approach and timing for sales promotions, advertising, sales incentive programs, sales drives, etc., on a regional level to achieve greater market penetration in specific target areas.

In short, we are all charged and committed to the management of the Best Wall Gypsum Division of the Georgia-Pacific Corporation. Our best combined efforts will assure the attainment of our standards.

Continued success.

R. F.

RF/kmw
Attachments

CC: K. A. McCaskill -- Paoli
M. M. Powers "
H. P. Renshaw "
G. E. Wilson "

GEORGIA-PACIFIC CORPORATION

BESTWALL GYPSUM DIVISION
Paoli, Pennsylvania
April, 1966

ACME PLANT PROFIT & LOSS STATEMENT

		Month				Annual Standard Average/ Unit	Year-to-Date			
		Capacity	$ $	Units	Amount	Average Unit		$ $	Units	Amount	Average Unit
Rock Sales	Tons		.9	2,514	$ 8,508	$ 3.38	$ 3.47	1.5	10,428	$ 35,283	$ 3.38
Plaster Sales	Tons		1.9	673	18,205	27.05	24.06	3.8	3,280	88,261	26.91
Board, Lath & Tile Sales	SM		93.0	23,894	891,137	37.30	37.33	87.4	53,914	2,026,997	37.60
Joint System Sales	Tons		4.2	262	39,866	152.16	132.34	7.0	1,118	163,323	146.08
Densite Sales	Tons		-	-	-	-	-	-	-	-	-
Other Product Sales	-		-		779			.3		6,219	
Total Sales			100.0		$ 958,495			100.0		$ 2,320,083	
Total Trade Discounts			1.1		$ 10,809			1.8		$ 40,204	
Freight - Rock	Tons		21.2	2,514	1,804	.72	.73	11.5	10,428	4,046	.39
- Plaster	Tons		33.4	673	6,072	9.02	8.83	32.4	3,280	28,600	8.72
- Board, Lath & Tile	SM		23.4	23,894	208,513	8.73	7.45	23.0	3,914	465,538	8.64
- Joint System	Tons		13.4	262	5,361	20.46	26.77	13.1	1,118	21,449	19.19
- Densite	Tons		-	-	-	-	-	-	-	-	-
- Other Products	-		8.0		62			17.5		1,086	
Total Freight			23.1		$ 221,812			22.4		$ 520,719	
Total Defective Allowances			.1		$ 1,260			.1		$ 2,435	
Cash Discounts & Policy Allow.											
- Rock	Tons		2.4	2,514	203	.08	.07	1.7	10,428	598	.06
- Plaster	Tons		.9	673	172	.26	.39	1.1	3,280	961	.29
- Board, Lath & Tile	SM		2.2	23,894	19,864	.83	.62	2.1	53,914	41,572	.77
- Joint System	Tons		1.8	262	726	2.77	2.16	1.9	1,118	3,170	2.84
- Densite	Tons		-	-	-	-	-	-	-	-	-
- Other Products	-		-		-			.3		16	
Total Cash Discounts & Policy All.			2.2		$ 20,965			2.0		$ 46,317	
Net Sales - Rock	Tons		76.4	2,514	6,501	2.59	2.67	86.8	10,428	30,639	2.94
- Plaster	Tons		65.7	673	11,961	17.77	18.78	66.3	3,280	58,532	17.85
- Board, Lath & Tile	SM		73.2	23,894	651,572	27.27	28.92	73.2	53,914	1,484,162	27.53
- Joint System	Tons		82.6	262	32,898	125.56	102.98	80.9	1,118	131,958	118.02
- Densite	Tons		-	-	-	-	-	-	-	-	-
- Other Products	-		92.0		717			82.2		5,117	
Total Net Sales			73.4		$ 703,649			73.7		$ 1,710,408	
Rock Cost	Tons			-	-	-	-		-	-	-
Rock Processing Cost	Tons			21,725	12,114	.56	.53		67,060	38,735	.58
Crushed Rock Loading	Tons			2,514	309	.12	.10		10,428	1,125	.11
Rock Inventory Difference					(140)					(1,315)	
Cost of Rock Sold				2,514	$ 1,710	$ .68	$ .63		10,428	$ 7,186	$ .69
Cost of Rock Used	Tons			19,003	10,573	.56	.53		54,887	31,359	.57
Stucco Processing Cost	Tons			15,122	11,890	.79	1.03		43,809	40,542	.93
Plaster Raw Materials Cost	Tons			798	3,603	4.52	4.25		3,655	25,816	7.06
Plaster Processing Cost	Tons			798	2,129	2.67	2.86		3,655	10,899	2.98
Plaster Transfers	Tons			-	(698)	-	-		-	(6,456)	-
Stucco and Plaster Inventory Difference					2,593					(5,543)	
Cost of Plaster Sold	Tons			673	$ 8,415	$ 12.50	$ 8.69		3,280	$ 30,323	$ 9.24
Cost of Stucco in Board	SM			19,351	21,675	1.12	1.31		52,412	66,996	1.28
Paper Cost	SM			19,351	158,599	8.20	8.08		52,412	435,032	8.30
Other Raw Material Cost	SM			19,351	29,195	1.51	1.62		52,412	85,488	1.63
Board Processing Cost	SM			19,351	89,553	4.63	4.90		52,412	259,030	4.94
Tile Raw Material Cost	SM			-	-	-	-		-	-	-
Tile Processing Cost	SM			-	-	-	-		-	-	-
Board, Lath & Tile Transfers	SM			-	16,626	-	70.51		-	28,411	-
Board, Lath & Tile Inventory Difference					82,436					34,099	
Cost of Board, Lath & Tile Sold	SM			23,894	$ 398,084	$ 16.66	$ 16.51		53,914	$ 909,056	$ 16.86
Joint System Tapes	Tons			539	295	.55	7.50		2,295	7,694	3.35
Joint System Raw Material Cost	Tons			539	38,746	71.88	79.50		2,295	180,704	78.74
Joint System Processing Cost	Tons			539	4,665	8.65	8.86		2,295	18,464	8.05
Joint System Transfers	Tons			458	(44,504)	-	-		-	(161,099)	-
Joint System Inventory Difference					9,733					1,287	
Cost of Joint System Sold				262	$ 8,935	$ 80.53	$ -		1,118	$ 47,885	$ 77.00
Cost of Other Products Sold					$ 223					$ 4,620	
Gross Profit - Rock	Tons		56.3	2,514	4,791	1.91	2.03	66.5	10,428	23,453	2.25
- Plaster	Tons		19.5	673	3,546	5.27	10.11	32.0	3,280	28,209	8.60
- Board, Lath & Tile	SM		28.4	23,894	253,488	10.61	12.35	28.4	53,914	575,106	10.67
- Joint System	Tons		60.1	262	23,963	91.46	13.60	51.5	1,118	84,073	75.20
- Densite	Tons		-	-	-	-	-	-	-	-	-
- Other Products	-		63.4		494			8.0		497	
Total Gross Profit			29.9		$ 286,282			30.7		$ 711,338	
Administrative Expense			1.1		11,017			1.7		39,628	
General Plant Expense			3.2		30,800			4.9		112,621	
Fixed Costs			2.1		20,043			3.0		70,306	
Houston Warehouse Expense			.5		4,545			.8		18,086	
Operating Profit			23.0		$ 219,877		$ 1,839,000	20.3		$ 470,697	
Home Office Administrative			1.9		18,374			3.0		69,918	
Selling Expense			8.7		82,986			11.1		257,626	
Net Profit Before Taxes			12.4		$ 118,517		$ 843,000	6.2		$ 143,153	
Annual Std. - Mo. & YTD					$ 70,000					$ 280,000	

Statistics:

Number of Employees - Salaried	28	28	-
- Hourly	152	154	-
Johns-Manville Sales:			
Volume	2,937 M Sq. Ft.	10,000 M Sq. Ft.	5,744 M Sq. Ft.
%	6.9%	4.9%	5.7%
Industrial Sales %	1.5%	4.0%	2.0%
Board & Lath Plant:			
Days Operated	19.6	294	78.5
Average Daily Production	686 M Sq. Ft.	640 M Sq. Ft.	666 M Sq. Ft.
% of Capacity	99%	85%	69%
Production per Man Hours	998 Sq. Ft.	931 Sq. Ft.	925 Sq. Ft.
Man Hours per Machine Hours	16.7	15.9	17.2

SGP 0002901

GEORGIA-PACIFIC CORPORATION

BESTWALL GYPSUM DIVISION
Paoli, Pennsylvania
April, 1966

SOUTHWEST SALES REGION STATEMENT OF SALES AND EXPENSES

	Month		Annual Standard		Year-to-Date	
	Amount	%	Amount	%	Amount	%
Plaster	$ 8,315	.8	$ 392,000	4.4	$ 59,343	2.6
Joint System	18,619	1.8	284,000	3.2	93,033	4.0
Gypsum Board	989,376	96.7	8,014,000	91.0	2,123,669	91.9
Lath	1,392	.1	61,000	.7	7,929	.3
Tile	2,302	.2	60,000	.7	14,430	.6
Other	4,512	.4	-	-	14,769	.6
Total List Sales	$ 1,024,516	100.0	$ 8,811,000	100.0	$ 2,313,173	100.0
Trade Discounts	$ 7,658	.7	$ 28,000	.3	$ 29,010	1.3
Freight	213,374	20.9	1,762,000	20.0	454,787	19.7
Policy Allowances	1,727	.2	23,000	.3	4,285	.2
Anticipated Allowances	2,000	.2	-	-	4,000	.2
Cash Discounts	18,011	1.7	150,000	1.7	42,334	1.7
Sales Deductions	$ 242,770	23.7	$ 1,963,000	22.3	$ 534,416	23.1
Net Sales	$ 781,746	76.3	$ 6,848,000	77.7	$ 1,776,757	76.9
Selling Expenses						
Wages & Salaries	$ 13,569	1.3	$ 235,000	2.7	$ 7,738	3.2
Payroll Insurance	282	-	2,000	-	1,128	-
Stock Bonus	1,239	.1	24,000	.3	6,820	.3
Payroll Taxes	543	.1	9,000	.1	2,871	.1
Fixed Expenses	605	.1	7,000	.1	2,998	.1
Advertising	93	-	11,000	.1	1,234	.1
Contributions	-	-	-	-	-	-
Dues & Subscriptions	392	-	5,000	.1	562	-
Light, Heat & Power	-	-	-	-	-	-
Postage	7	-	2,000	-	235	-
Professional Services	-	-	-	-	-	-
Repairs	3	-	-	-	31	-
Samples	336	-	10,000	.1	1,552	.1
Temporary Help	-	-	-	-	-	-
Change Location & Moving Empl.	-	-	4,000	-	351	-
Unclassified (Inc. Empl. Exp.)	205	-	2,000	-	367	-
Trade Conventions	530	.1	3,000	-	530	-
Sales Meetings	304	-	5,000	.1	944	-
Sales School	-	-	-	-	27	-
Prizes & Awards	-	-	-	-	-	-
Services Purchased	11	-	-	-	11	-
Stationery & Office Supplies	314	-	2,000	-	1,050	-
Telephone, TWX, Telegraph	2,135	.2	18,000	.2	9,370	.4
Travel	4,252	.4	68,000	.8	20,222	.9
Dealer & Trade Factor Meetings	52	-	-	-	52	-
Agent's Commission	58,600	5.9	306,000	3.5	113,509	5.0
Home Office Charge	10,345	1.0	148,000	1.7	42,014	1.8
Total Selling Expenses	$ 93,817	9.2	$ 861,000	9.8	$ 277,616	12.0

Units		Month	Avg./Unit	Annual	Avg./Unit	Year-to-Date	Avg./Unit
Plaster	Tons	315.9	26.32	14,350	27.32	2,247.8	26.40
Joint System	Tons	135.2	140.52	2,086	136.15	695.3	133.80
Gypsum Board	MSF	26,954.5	36.71	222,192	36.07	57,776.9	36.76
Lath	MSF	44.0	31.64	1,808	33.79	295.1	26.87
Tile	MSF	20.8	110.14	550	110.00	129.5	111.43

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