

St. Louis - General Office

February 6, 1967

ICAR - ITALY

BAYER CLOPHEN A-30

Yours January 31

David Wood - BRUSSELS

G. R. Buchanan

H. C. Carder - HCARD

C. R. Coleman - RUADON

J. Cresco - JCRES

P. E. Heisler - KRUMERICH

R. G. Moody - ANNISTON

R. H. Munch - SECOND STREET

W. R. Richard - WRICH

Appreciate your digging deeper at ICAR (Italy) leading to confirming our disbelief that the power factor of Bayer's Clophen A-30 (Aroclor 1242) is better at elevated than lower temperatures. If we had to incorporate such a spurious electrical quality into our Aroclor 1242 to be competitive against Bayer, we would be well advised to demit.

We are not even geared to routine and dependable matching the understandable competitive electrical quality of Bayer's materials.

If we had to meet Bayer's quality for our domestic trade, we would not be able to fill our orders.

In attempt to be competitive in the international trade, Anniston makes a Herculean approach consuming time and costs utilizing refining and packaging facilities void of assurance and confidence enroute to our best effort.

Our international business has grown markedly, largely through taking business from Bayer and Prodelec. Under existing conditions, Anniston acknowledge that it is very difficult to meet our commitments. This is hazardous because international transactions are complex and it takes a long time to get the goods into the customers' hands. Tardiness or rejection easily means shutting down the customer and loss of his business. Provoked customers easily revert back to Bayer or Prodelec. By mentioning this, it is realized that I am not telling you something new. Likewise, the following is well known:

1. Our customers are able to upgrade the power factor and resistivity of our Aroclor material very well.
2. Likewise customers of Bayer and Prodelec upgrade their materials very well.
3. The information at hand indicates that both Bayer and Prodelec are able to upgrade their materials very well.

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4. The only place I hear about troubles with upgrading is at our factories, and this is certainly not new.

P. G. Benignus

/ecd