PLAINTIFF'S EXHIBIT

BOND-147

JKN

Julius Nemeth

Doug Wood

September 8, 1976

Dear Doug:

In a phone conversation with Myrle Self on Tuesday morning he indicated that they in fact were having very poor results in reformulating without asbestos primarily on Pre-Mixed Joint Cement, but also on some other texturing type items and that they were deluged with complaints when they tried to go out without asbestos.

He indicated to me that although Georgia Pacific, for example, was still running some non-asbestos Joint Cement ads that at least in the market place where they were competing both USG and Georgia Pacific were back to asbestos type products because the contractors were demanding it.

None the less, we are committed to go non-asbestos as quickly as we can even on Pre-Mix if we come up with any kind of a formula at all that seems reasonable particularly for the consumer trade. I can see Myrle clinging to asbestos Pre-Mix for the contractor just as long as he is able to do so.

Incidentally, he indicated to me that USG was using the smaller Joint Cement pail for both asbestos and non-asbestos products and that in fact they were also planning to go that route to help out the cost and to standardize on the type pail going out to the industry. What type of cost information were you able to obtain as to the savings if we too, go to the smaller pail?

Cordially yours,

. . . . Julius

JKN/tw

BON - 01103