St. Louis - General Office

February 19, 1969

CAPACITOR AROCLOR

~~H. A. Bergen - HBERG~~
J. G. Bryant
D. A. Olson - DOLSO
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N. T. Johnson

Writing to you is a most pleasant novelty for me, but as you are out of town and I will be away next week, the liberty of writing is being taken.

Before you left on your trip you asked me to shed at least some light on why our capacitor Aroclor sales are not as good as expected the first two months of this year as compared with last year.

It has come to our attention that some of our capacitor customers are short of aluminum foil. These people have been purchasing a good deal of foil from Europe and have now encountered the effects of the long dock strike. In any event, we are advised that shortage of aluminum foil is now, and will be expected to have some future effect on some of our capacitor customers--but not all. General Electric, for example, make their own foil, and I could mention some capacitor makers who have not been purchasing heavily from European sources of foil.

This morning Jim Kinney of General Electric, Rome, Georgia, phoned about other matters, but it gave me opportunity to ask him why Rome, so far this year, received only one tank car of Pyranol, whereas we would expect that they would have purchased perhaps three cars. This confused Kinney as much as it does us, because he assured me that from the standpoint of his activity with Pyranol, on which he is constantly engaged, he has been busier than ever checking the fluid through the manufacturing steps of the Pyranol transformers. He will check with his storage people to be sure that they are not running out again, as they have done sometimes in the past, only to send us request for urgent shipment of more material than is normally supplied. In any event, If there is anything unusual in the picture he will contact us.

I suggested that he should be sure that the General Electric marketing people read the Wall Street Journal article stating that load center dry type transformers are being increased five percent in price. This should help the business at General Electric, Rome, as they compete with the dry type units (which they do *not* make at Rome). On the other hand, Kinney referred me to an article in Electrical World, January 27, indicating that the transformer industry is in a price cutting war.

P. G. Benignus

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