

INTERNATIONAL SMELTING AND REFINING COMPANY
East Chicago, Indiana



Pigment Division

December 1, 1945

Mr. R. E. Dwyer,
Executive Vice President,
Anaconda Copper Mining Company,
25 Broadway,
New York 4, N. Y.

Dear Mr. Dwyer:

This is a summary of the sales position of zinc oxide and white lead for the month of October, 1945.

Table No. 1 gives a comparison of zinc oxide sales for September and October of 1945 and the corresponding months of 1944.

TABLE NO. 1

	<u>1945</u>	<u>1944</u>
October	814,850 Lbs.	1,127,350 Lbs.
September	728,200 Lbs.	1,721,900 Lbs.

Sales for October were up from the low point for a number of years which was reached in September. However, sales for October were less than the 1,000,000 pounds estimated in my last report.

The principal reason our sales have not been higher is because most of our customers in the rubber industry who purchase in carlots have not taken anything since August. We are somewhat puzzled by this but the reason given is that they had large stocks of zinc oxide on hand at the time their government contracts were terminated and they are struggling with the problem of reconversion. If a few of these customers would begin to purchase, a considerable improvement would be reflected in our sales position.

For November sales should be about 950,000 pounds. Total sales for 1945 through October were 13,622,800 pounds. For the same period of 1944 they were 14,516,483 pounds.

Table No. 2 gives a breakdown according to paint, rubber, and miscellaneous industries.

PNYC00001530

N10215

TABLE NO. 2

	<u>Pounds</u>	<u>OCTOBER</u>		<u>Pounds</u>	<u>Value</u>
		<u>1945</u>	<u>Value</u>	<u>1944</u>	<u>Value</u>
Paint	370,950	\$ 27,369.02		376,650	\$ 28,544.00
Rubber	265,000	19,300.00		550,650	52,703.38
Miscellaneous	178,900	14,044.39		200,050	20,162.88
CWS	-	-		-	-
	814,850	\$ 60,713.41		1,127,350	\$ 101,410.26

	<u>Pounds</u>	<u>SEPTEMBER</u>		<u>Pounds</u>	<u>Value</u>
		<u>1945</u>	<u>Value</u>	<u>1944</u>	<u>Value</u>
Paint	484,100	\$ 36,670.90		387,600	\$ 29,261.60
Rubber	78,100	7,639.75		355,000	33,815.00
Miscellaneous	166,250	16,697.53		179,300	18,129.62
CWS	250	23.75		800,000	76,000.00
	728,200	\$ 60,984.43		1,721,900	\$ 157,206.22

It will be noted that some improvement in sales to the rubber industry occurred during the month of October. While the sales to the paint industry show a decrease in October, the falling off is accounted for by a decrease in the sale of the Victory line of leaded zinc oxides since we are not in position to produce these because of the health hazard involved and the stocks we had at East Chicago and warehouses were being liquidated during October.

Table No. 3 gives a breakdown of zinc oxide sales for October according to the three classifications.

TABLE NO. 3

U.S.P. Quality	55,200
Seal	32,950
Other Lead Free and Leaded	726,700
	814,850

There was a falling off in the sale of U.S.P. zinc oxide in October. In November it will be up substantially. There is going to be an increased sale of the seal grades of zinc oxide because the manufacturers of enamels used on products such as refrigerators and washing machines are again in production.

Table No. 4 gives the average sales price per pound for the past three months.

PNYC00001531

December 1, 1945

TABLE NO. 4

	<u>October</u>	<u>September</u>	<u>August</u>
Average Sales Price - Per Pound	7.451¢	8.375¢	8.944¢

The average sales price per pound for October was in line with the estimate of 7.50¢ per pound made in my last report. The average price per pound should continue to fall within a range of 7.35 to 7.50¢ per pound.

Table No. 5 gives a comparison of white lead sales for September and October of 1945 and the corresponding months of 1944.

TABLE NO. 5

	<u>1945</u>	<u>1944</u>
October	878,833 Lbs.	1,288,144 Lbs.
September	1,033,121 Lbs.	1,504,151 Lbs.

Sales for October were under those for September and also under the estimate of 1,000,000 pounds that had been made. This is due more to timing than anything else inasmuch as we were completely out of five or six regular grades of dry white lead when WPB permitted a resumption of normal production on September 15th. As a consequence we did not always have the particular grade the customer wanted and orders that were placed with us for October shipment were held over into November. We had the same experience the latter part of November inasmuch as some orders placed with us for November shipment will not be made until December.

Sales for November will be approximately 1,000,000 pounds. Sales for 1945 through October were 6,732,475 pounds. For the same period of 1944 they were 10,511,502 pounds.

Table No. 6 gives the average sales price per pound for dry white lead for the past three months.

TABLE NO. 6

	<u>October</u>	<u>September</u>	<u>August</u>
Average Sales Price - Per Pound	8.353¢	8.376¢	8.389¢

To summarize, zinc oxide sales for October were up from the low for several years that was reached in September. The upturn will continue through the month of November. It is difficult to determine what the outlook is for December principally because of restrictions on buying due to taking inventory at the end of that month. Considering the length of time some of our carload buyers in the rubber industry have been out of the market we expect a substantial increase in those

PNYC00001532

Mr. R. E. Dwyer

-4-

December 1, 1945

grades sold to the rubber industry in January if it does not begin to materialize in December.

The outlook for the sale of dry white lead continues to look favorable. As was indicated in September, for the fourth quarter we expect to sell slightly under production. After the first of the year manufacturers will probably begin to make up spring stock for dealers insofar as present restrictions will permit. We could sell hundreds of tons of lead-in-oil if we could get the oil and containers, the principal check being containers since the concern from whom we purchase our containers has been on strike since September 15th. We believe that next week we will be in position to purchase a lighter gauge pail used for packaging grease that will enable us to grind 200 tons of lead-in-oil which will help somewhat.

Very truly yours,

F.H. Kurlless
Sales Manager

F.H.Kurlless:hc

cc: Mr. Frederick Laist
Mr. G. E. Johnson

PNYC00001533