cc: Messrs:
M. L. Powers - Ardmore
A. E. Meyer "
R. L. Smith "
C. E. Abbey

THIS COPY FOR

PLAINTIFF'S EXHIBIT

GP-566

March 3, 1964

Mr. P. E. Dutcher, Vice President
Johns-Manville Sales Corporation
22 East 40th Street
New York 16, New York

Dear Mr. Dutcher:

Under a letter agreement outside of the Sales Agreement between Bestwall and Johns-Manville, Bestwall is furnishing Acoustic and Ceiling Tiles out of the Bestwall Brunswick, Georgia Plant on the basis of a percent discount of the published prices of this material. This is further subject to a 2% cash discount for payment on the 10th proximo with the net on the 30th proximo.

Your people have indicated that it is unprofitable for J-M to continue to handle this material at these prices, and have asked that the matter be reviewed insofar as pricing is concerned. It has further been stated that unless some price changes favorable to J-M could be offered, it would be necessary for them to drop the promotion and sale of such material.

In reviewing the cost of these items out of the Brunswick Plant, and considering the sale of other gypsum products under the overall Sales Agreement, we feel a more favorable price may be offered.

Would you please have this reviewed by the proper people in your organization, and then give us your suggestions as to a net F.O.B. Brunswick price for these items. Please take into consideration under such an arrangement that all freight would be for J-M's account, and there would be no further discounts - the net charges to J-M being due on the 10th day after shipment. Packaging of the material would be included. J-M's only cost in this regard would be for the art work on any new containers or changes in these on the present containers with the stipulation that all printed containers on hand at the time of any change would have to be used up by J-M or disposed of at no cost to Bestwall.

If figures could be established that would enable Johns-Manville to promote and sell the products in a more forceful manner than has been done in the past, and still enable Bestwall to show a satisfactory margin on the items, we would not be opposed to changing the agreement.

Very truly yours,

K. A. McCaskill
Director of Marketing

cc: H. McDonald
J. A. Marian

SGP 0002328