

COVER SHEET FOR B-LEVEL DOCUMENTS
REMOVED IN PRIVILEGE REVIEW

ORIGINAL B-LEVEL BOX NO. _____

PRODUCTION BOX NO. DEN22

FILE NO. 8

FILE NAME Fibet Sales from GSA Notebook

Johns-Manville

Internal Correspondence

To: See Below

Date: February 11, 1974

From: K. J. Whalen

Copies: At End of Memo

Subject: GOVERNMENT SURPLUS BLUE ASBESTOS FIBRE

To: D. W. French - Denison
W. A. Ford - Long Beach
R. F. Henry - Manville
W. E. Volwiler - Stockton
C. B. Allen - Waukegan
G. E. DeLong - Green Cove Springs

The Pipe Division has purchased a quantity of "S" Blue fibre from U. S. stocks at Baton Rouge, Louisiana. The price of this fibre makes it very economical for you to use it at an accelerated rate -- and in place of some Jeffrey and Reeves.

Consequently, your fibre blends will be changed shortly to require a Blue usage of about 30% -- or 3 times the normal blends you have been using. It is our intent to use this GSA fibre as much as possible, and as fast as possible.

The pressure-packed African Blue you now have on hand, or might receive during 1974, should be stored for later use -- after the GSA fibre has been depleted. It will take from 6 to 8 months for you to deplete the GSA fibre.

Initially, the GSA fibre will be sent to Green Cove Springs, Denison and Waukegan. Manville will receive it only if the diversion of African boat shipments from these 3 plants to Manville is not sufficient for Manville's 1974 needs. We anticipate that Manville will have or get sufficient stocks of the pressure-packed African Blue for their needs well into the 3rd quarter of 1974.

The GSA fibre will not be shipped to Long Beach or Stockton. These plants will, instead, receive and use the diverted African fibre during 1974.

The GSA fibre will be taken into the plants at a rate of about 600 tons per month starting the end of this month. The projected rate of receipts and/or usage for each plant is as follows:

		Range of Usage			
Denison	-	200	to	250	(GSA)
Green Cove Springs	-	120	to	150	(GSA)
Waukegan	-	150	to	200	(GSA)
Manville	-	400	to	500	(Africa)
Long Beach	-	400	to	500	(Africa)
Stockton	-	375	to	450	(Africa)
		1,645		2,100	

All plants had previously received some stocks of the GSA fibre. It is packed in burlap bags, and not pressurized. However, this new lot which will be sent to you will have the burlap bag covered by another plastic bag. This should greatly reduce the possible dust problem. Both the burlap and the plastic bag covering can then be cut at the same time when dumping into the willow.

All rebagging will be done at Baton Rouge, prior to shipment to your plant.

Shipments to your location will be made by rail, closed vans, or flatbeds. J-M private carriage will also be used when feasible or practical. The use of J-M carriage will be coordinated by the plants themselves with T. J. Fusilier at Marrero. W. R. Johnson will write you more about this coordination and scheduling in a week or two.

All shipments should be coordinated thru W. R. Johnson at DHQ. He will advise you in a few days as to the schedule being set up for your plant -- and method of shipments. Green Cove Springs and Denison should, in the meantime, check to make sure they have sufficient pallets for the turn-around at Baton Rouge via truck.

Costs, Accounting and Billing

The costs of the GSA fibre to you will be as follows:

Base Price, f.o.b. Baton Rouge:	$230
Rebagging Charge:	12
Misc. charges (approx.)	1
	$243

("S" Blue Africa is $276 per ton f.o.b. South Africa.)
The freight charges, rail, truck, or J-M carriage, should be considerably less than the $60 - $80 per ton ocean and domestic freight you would be paying on the African Blue.

The individual pipe plants will be billed at the time each shipment is made to them:

1. GSA will bill the fibre at $230 per ton. Then GSA will forward billing to W. R. Johnson, DHQ for certification. DHQ will then forward the bill with warehouse receipts to the plant for payment directly to GSA.

2. Freight bills will be forwarded directly to the individual plants by the railroad or trucking company. The plants will pay bills directly to the carriers.

3. Additional charges incurred for the rebagging and handling of fibre at GSA, Baton Rouge, will be levied by the Denison plant by IOC on the receiving plant.

   a. Denison will handle all arrangements for the purchase of plastic bags, ties, etc. and the labor necessary in the rebagging operation.

   b. All costs and charges incurred by Denison for the operation should be accumulated in Account 31340 - Deferred Charges.

   c. As shipments are made to various plants, and bills received for such shipments, W. R. Johnson will notify L. I. Richards of the tons shipped. Denison will then IOC the receiving plant for the proper charges for rebagging and handling. (Charges should be stated on a per ton basis, if possible.)

   d. When Denison IOC the plants, Denison should then credit Account 31340. The receiving plants will absorb charges in Account 61103 - the account to which they charge fibre. Thus the packaging or rebagging costs will become part of their laid down cost.

   e. When all fibre has been shipped out of Baton Rouge, Denison will close out Account 31340.

      1. The receiving plants will be charged or credited on the remainder based on the overall tons shipped to each plant.

K. J. Whalen

cc: W. A. Sells
F. T. Petersen
E. J. Mitchell
D. Nowlin
G. P. Wilkins
D. W. French
W. Woodall
R. Gomez
L. I. Richards - Denison
M. Perdue - Denison
T. J. Fusilier - Marrero
W. R. Johnson

Denison Job Order 8718

:R-OFFICE CHARGE ☑
CREDIT ☐

To P35 Green Cove Springs Issued By P32 - Denison

EXPLANATION (see Systems 1531 for instructions)	AMOUNT
Rebagging charges on 1000 bags "S" Blue Fiber shipped ~~Date~~ From GSA Baton Rouge	($ 810 00)

RESP OR DIVISION	ACCOUNT NUMBER	PLT RESP CODE	PLT EXP CODE	ANALYSIS CODE	JOB ORDER NUMBER	QUANTITY OR FRT NUMBER	DEBIT	CREDIT
				DENISON				
	27026						1000 00	
	31340							1000 00
				RECEIVING PLANT				
	61103						1000 00	
	27----							1000 00

PLEASE FILL IN NO

MTC 005276

FORM 3-148

NO 02601 DATE 2-5-74

R-OFFICE CHARGE ☑
CREDIT ☐

Denison Job Order # 8718

To P35 Green Cove Issued By P32-Denison

EXPLANATION (see Systems 1531 for instructions)	AMOUNT
Ribbagging charges on 1000 bags 11S Fiber	
shipped from GSA Baton Rouge	1000 —

RESP OR DIVISION	ACCOUNT NUMBER	PLT RESP CODE	PLT EXP CODE	ANALYSIS CODE	JOB ORDER NUMBER	QUANTITY OR FRT NUMBER	DEBIT	CREDIT
	27026			Denison			1000 —	
	31340							1000 —
				Rec Plant				
	61103						1000 —	
	27---							1000 —

PLEASE FILL IN NO

MTC 005277

FORM 3-148

NO C2601 DATE 2-5-74

Johns-Manville

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M. Perdue - Denison
T. J. Fusilier - Marrero
W. R. Johnson

J-M

ORDER NO Z-27-585 T
MARK FOR DEPARTMENT

PURCHASE ORDER

PLEASE DELIVER THE FOLLOWING SUBJECT TO THE TERMS, INSTRUCTIONS AND CONDITIONS ON THE FACE AND REVERSE SIDE OF THIS ORDER.

PART SHIPMENTS NOT ALLOWED

REQUISITION DATE	DATE REQUIRED	REQUISITION NO	TERMS	F.O.B.
Feb. 8, 1974			N/30 Days VIA Your Services	☒ Dest. ☐ Ship Pt. ☐ As Below ☐ Prep'd & Allow. ☐ Prep'd & Chg. ☐ Collect

VENDOR

KANORADO CORP.
Merchants National Bank Bldg.
Suite 914 Eighth & Jackson
Topeka, Kansas 66612
Att: Mr. Dale Wilson, President

J-M locations to be scheduled under separate notice later.

MATERIAL AND PURCHASE SPECIFICATIONS	QUANTITY	UNIT	PRICE	PER
REBAGGING AND LOADING OF "S" BLUE ASBESTOS FIBRE				
- from GSA Depot, Baton Rouge, La. to cover an eventual 7,395 tons.				
This purchase order (P.O. Z-27-585-4) covers an initial 3,500 tons to be rebagged at a cost of $12.00 per ton rebagging charge. This labor charge will be the only charge by Kanorado provided Johns-Manville supplies all rebagging materials. It is understood that the first 1,000 tons to be rebagged by Kanorado will be subject to inspection and possible methodization by J-M to determine feasibility or possibility of renegotiating the price on the balance of the 2,500 tons, of this initial 3,500 tons.				
The price of rebagging the remaining 3,895 tons will be determined either at the completion of the first 1,000 tons or the completion of the first 3,500 tons.				
Kanorado's quotation of $12.00 per ton on the first 3,500 tons is based on J-M accepting delivery at a rate approximately 50% by rail and 50% by truck.				
☐ TAXABLE ____ % ☐ TAX EXEMPT				

"Johns-Manville Corporation and its subsidiaries comply with all provisions of Executive Order 11246 of September 24, 1965 and all rules, regulations and relevant orders of the Secretary of Labor."

"By acceptance of this order vendor hereby certifies that the prices shown on the invoice fully comply with the rules and regulations of the Federal Price Commission and that all requisite approvals have been obtained."

QUANTITY OR REQ. NO.	COST AMOUNT	CODES						APPROVED					
		LOC.	ACCOUNT	RESP	EXP	ANALYSIS	JOB NO.	FOREMAN	MAINT ENG	PLANT MGR		RESP. HEAD	BUYER
												RJW	

CONDITIONS. A Materials sold at the delivered prices or freight allowed must be shipped prepaid. No parcel post or insurance charges allowed except as provided above.
B. Mail INVOICE IN DUPLICATE and B/L on DATE OF SHIPMENT
Mark all packages, invoices, B/L s, packing lists and correspondence Order No., Requisition No., and Dept shown above

By D. Geleta Date 2/11/74

FORM 3 99 C (2) L

RETAIN IN PURCHASING

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MTC 005281