



MEMORANDUM

PLAINTIFF'S
EXHIBIT
BIR-56

Mr. Kinsey - B
Mr. Wood - B
Mr. Maloof - BBP
Mr. Suva - BR
Mr. Clark - BBQ
Mr. Zilfi - RGA
Mr. Kimball - BT
→ Mr. Roelofs - BBH

To Note Distribution
From Mr. Jackson, BBH
Date 1/10/83
Subject COST OF REPLACING ASBESTOS WITH HERCULES PULPEX

The attached memo shows that using Pulpex will increase our raw material costs by over \$200,000. This is substantially more than we had expected, most of it being due to the error made in the calculations but also as a result of adding Reflecto Coat in and adding two more months of 1982 actual figures in the calculations.

We will find out how accurate this estimate is by having Hercules do some formulation work for us in regards to replacing the asbestos with Pulpex. When we have the formulas we will then have Joe Zilfi make a new study on our cements and coatings to determine where we stand profitwise.

By carbon copy of this memo, I am asking Bill Kimball to locate suppliers for us for our cements and coatings in Shreveport, Charleston, and Norwood areas. As long as we do not have to produce the coatings, we have no objection to having asbestos in them, therefore the cost can be based on asbestosized coatings. However, I would be interested in whether or not these suppliers would be able to provide us with cements and coatings having a substitute for asbestos in them.

With this information on costs, we will be able to make a comparison between purchasing on the outside or producing at Shreveport. If Bill has any questions on the cements and coatings produced at Shreveport, he should contact Vern Roelofs.

JWJ/rp
Attach.

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