

ICATM

INDUSTRIAL CLEAN AIR

May 16, 1974

BIRD & SON
P. O. Box 72
Shreveport, Louisiana 71161

Attention: Mr. R. W. Hawkins
Plant Engineer

Reference: ICA Proposal R 311-16
BIRD & SON P.O. #13-3170
ICA Job No. N-5380

Dear Mr. Hawkins:

This letter confirms our entry of your order #13-3170 for a revised price of \$6,714.00. We thank you for this order and appreciate this opportunity to furnish you ICA dust control equipment.

As we discussed on the phone, there have been two price increases on ICA equipment since our original proposal, the second being effective on May 15th. The price for this equipment includes additions for the first increase but not the second as we have entered your verbal order on May 15th.

As you no doubt know, the past 6 months have been the worst American Industry has seen in terms of rising costs due to a very high rate of inflation. There is no visible stop to this inflation, but in retrospect, we have seen:

1. The price of steel move 100% in the last 14 months.
2. Costs for cotton and polyester skyrocket due to floods in the Southeast last summer and the Oil "crisis".
3. Instability in Chile, a major source of copper which goes into motors and electrical controls.
4. Increased freight costs, again due to the Oil "crisis".
5. And of course, higher labor costs so that everyone can attempt to cope with this inflation.

DEPOSITION
EXHIBIT

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May 16, 1974
Page - 2 -

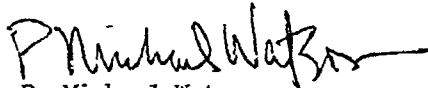
BIRD & SON
Mr. R. W. Hawkins

We regret that you were inadvertently misled by our representative concerning the increase over our proposal. Other than the approximately 8% increase on our standard catalog equipment, of which he had pricing, the price of the control cabinet which is a substantial part of this job has gone up significantly.

Again, we appreciate your order, and know that you will be pleased with ICA equipment.

Very truly yours,

INDUSTRIAL CLEAN AIR, INC.


P. Michael Watson

PMW:si

cc: Mr. Otis Luker
Environmental Controls
401 Mouton Street
New Orleans, Louisiana 70124

BIRD 016987