

Division Headquarters,
Toronto, March 31, 1969.

B.J. CHERNACK - NEW YORK

cc: R.L. Foote - Waukegan
J.G. Frost - Toronto
File

36

STYLE 60 SHEET FROM WAUKEGAN PLANT

As per my recent teletypes on warehouse order K21233, it was drawn to my attention that this order, placed on Waukegan plant by Toronto district, was sent on to Manville plant & that this is the second time this has happened. R.L. Foote has advised that this was done per your instructions.

I understand from cost information received by our Controller that the cost on compressed asbestos sheet is considerably lower at Waukegan plant than at Manville plant, & for this reason, I have issued instructions to our districts to order our sheet from Waukegan whenever possible. When you & I discussed the possibility of the discontinuance of manufacture of compressed asbestos sheet at Asbestos plant last year, it was understood by me, at least, that we could draw from Waukegan & in fact, you gave me to understand we had ample capacities there.

As all products made in U.S. plants are transferred to the Canadian division at cost, it is to our considerable advantage to get it at the lowest cost possible.

There are 2 other reasons why we prefer to draw from Waukegan plant. These are:

1. The other less popular styles such as 50, 70, 73, 76 & 36A are all made at Waukegan & not at Manville. We are therefore able to combine shipments of these less popular styles with orders for styles 60 & 61 to make up larger shipments, thereby getting lower freight rates.
2. Waukegan plant is much closer to the whole Western half of Canada where we do a considerable part of our sheet business & in addition, it is just as close to Toronto as is Manville plant. As our main stocking location is in Toronto, we would prefer to standardize on Waukegan plant.

We also understand that deliveries out of Waukegan plant are normally faster than out of Manville. There are more direct connections from Chicago to Toronto, both rail & motor truck, than out of Manville to any of our points.

We trust these are enough convincing reasons to allow us to draw from Waukegan.

A.J. Gunn

(over)

START, COPY

INITIALS

DATE

AS

8.1.95

BOX NO./FILE DRAWER NO.

SEGMENT NO.

191865 / gasket material

505-17-02-05

SIGNIFICANT

NOTES

SM (Harlock (Asbestos Sheet Gasket))