

JOHNS-MANVILLE CORPORATION

TWENTY-TWO EAST FORTIETH STREET

NEW YORK 16, N. Y.

PLAINTIFF'S EXHIBIT

GP-598

EXECUTIVE OFFICES

February 5, 1963

Mr. Malcolm Meyer
Executive Vice President
Bestwall Gypsum Company
120 East Lancaster Avenue
Ardmore, Pa.

Dear Malcolm:

You are correct that we are subject to some penalties for not having sold enough gypsum products at Acme, Akron, Blue Rapids, Grand Rapids and Brunswick. While I do not have a completely accurate report on this as yet, I am quite sure that the \$57,758 referred to in your letter is substantially correct.

By the same token, we have fallen somewhat short of the 18% margin we were promised at the time this contract was set up. Actually, our percentage for the first 11 months is only 16.4%. Our final figures for the year indicate that our sales were about \$6,400,000, so that on that basis we ran about \$102,400 short. It is therefore my belief that you owe us the difference between the two amounts, or \$44,642.

We are taking the following steps this year which we are sure will go a long way toward solving our problems at those points where we have been delinquent:

1. Sales out of the Akron, New York Plant will improve due to the addition of a Gypsum Specialist in the Cleveland market, effective December 1, 1962, plus the normal increase in business by the Cleveland and New York Districts.
2. We have also authorized an additional Gypsum Specialist for the Detroit, Michigan market and this, coupled with a normal increase in sales from Detroit, Indianapolis, Cincinnati and Chicago Districts, should pretty well take care of our commitments at Grand Rapids. Both Akron and Grand Rapids fell just short of the contract minimum in 1962, and if we maintain the same volume of sales during 1963 as we had in the last half of 1962 we will exceed the contract minimum at both plants.

The other three plants listed represent a more difficult challenge. In the Brunswick, Georgia area specialists have been added at Tampa and Jacksonville. A specialist will be added to the Atlanta, Georgia market just as soon as a man can be found. At the Acme, Texas area a specialist has been approved for

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Houston and a specialist in Dallas has just recently started to secure business.

At the Blue Rapids, Kansas Plant a specialist has been added to the Denver, Colorado market on January 15 and a man will be added to the Kansas City area some time in the second quarter of 1963. This should eliminate any contract deficits out of Blue Rapids.

We are quite confident that our business will continue to grow during the year 1963 and that it will add substantially to your sales and profits.

Yours very truly,


F. E. Ditcher
Vice President