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To: C. J. McDonald, A. E. Bagwell

From: P. J. Kober
Date: January 18, 1989

Interoffice Communication

Subject: **MEETING NOTES - VCM EFFICIENCY/VARIABILITY**

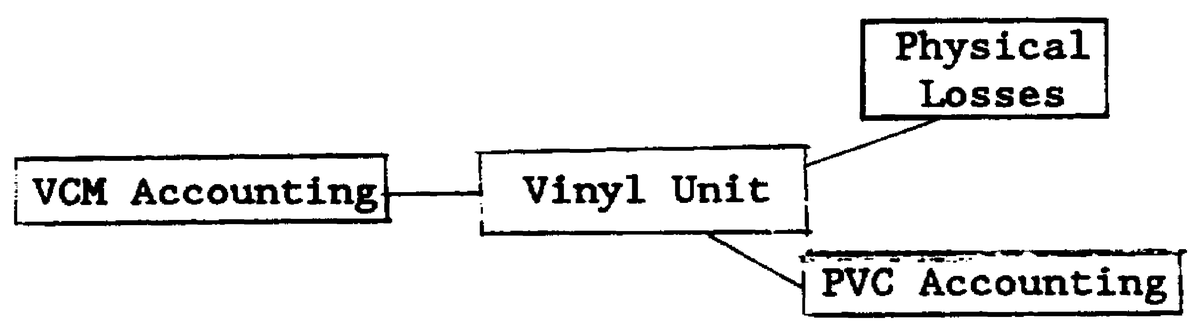
VISTA

1. Mission Statement

Analyze the process used to arrive at the VCM efficiency, determine the primary influences and make recommendations on how to improve the process such that the control limits on the consumption can be narrowed by 33%.

2. Overall Process Diagram

Efficiency



3. Causes Inherent to Each Part of the Process:

A. VCM Accounting

1. Railcar weights from LCVCM ⟶ billing weight ⟶ entered into system.

2. How does current billing method compare to an alternate method?

3. Step-by-step analysis of Aberdeen accounting of VCM .

   a. Railcars
   b. Sphere
   c. In-process inventory
   d. Month-end inventory procedures

B. Physical Losses

1. Conversion to new technology - did it affect efficiency?

2. Leaks; leak survey, etc.

3. RVCM content of finished product (slurry)

4. Loading losses

5. PVC Leaks:

   a. Baghouse
   b. Scrubber
   c. Dryers
   d. Spills
   e. Etc.

6. Other:

   a. Culls - increased production with new technology but they are not counted as production.

C. PVC Accounting

1. Plant and off-site storage:

   a. Silos
   b. Railcars
   c. Warehouse - bags, boxes
   d. Pond - seasonal production therefore it causes swings in control limits.
   e. Culls

2. Inter-plant Transfers:

   a. Compound
   b. Dry Blend

3. Transfer to outside customers

4. Step-by-step analysis of Aberdeen's methods.

4. Action Steps:

Note: It was decided to work on one section at a time. VCM ACCOUNTING

PJK: Analyze railcar building.

AEB: Alternate method - local weighing of cars once per week for next four weeks to determine if overbilling is still a major problem.

CJM: Step-by-step analysis of Aberdeen accounting system.

PJK: Investigate culls accounting.

CJM: Revise efficiency control chart when new technology conversion occurred.

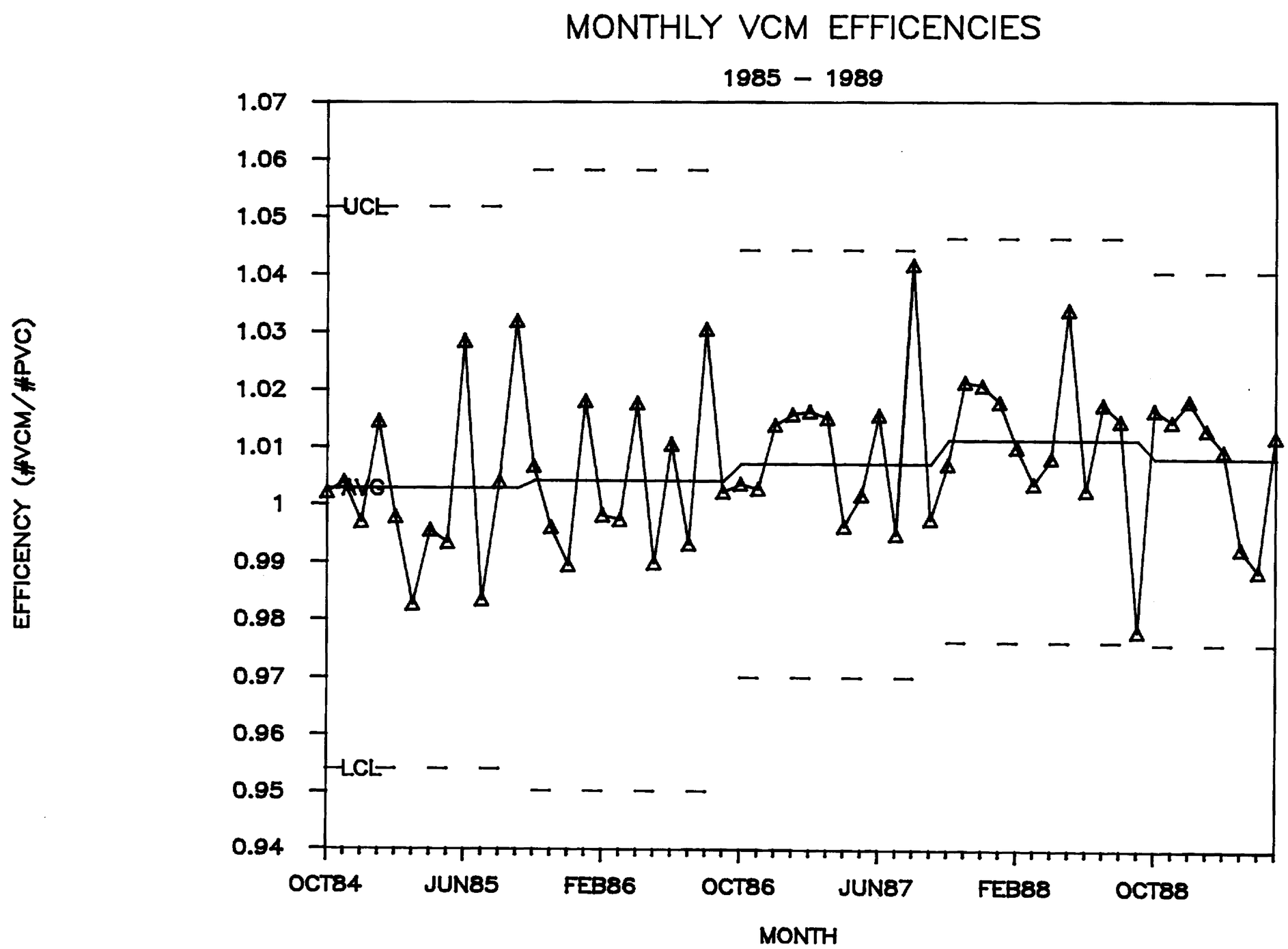
5. Next meeting: January 25, 1989
10:00 a.m.
PJK's office

P. J. Kober
Vinyl Operations Superintendent

rah

cc: RWS, DCS

PJK disc #1/rah



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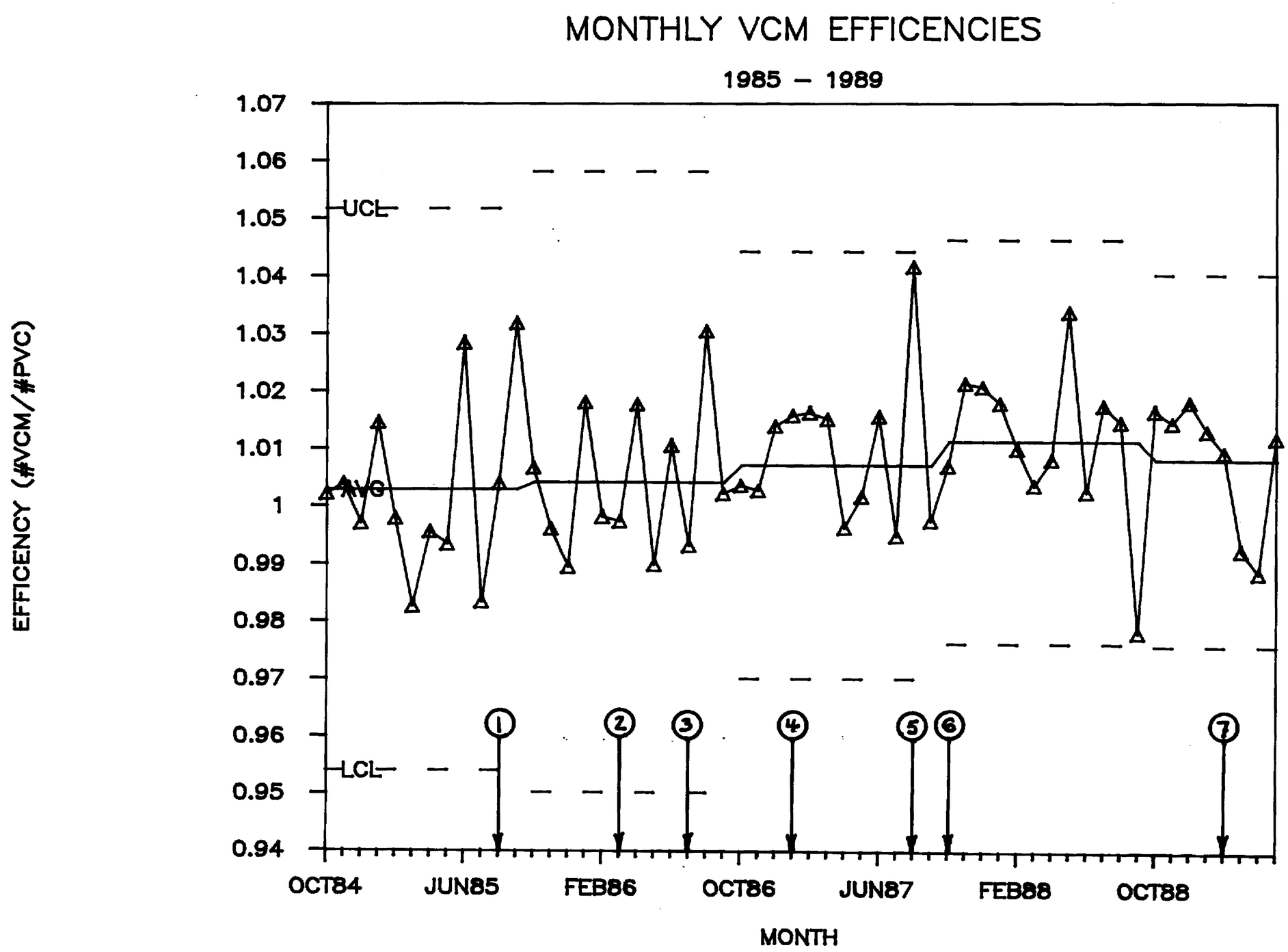

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VCM Eff.